We analyze data from an auto repair chain on over one million repairs for the period 1998 to 2017. The data contain detailed information on cars; customers; line-item repair recommendation and whether they were accepted or declined; prices including discounts; mechanics; and counter salespeople interacting with customers.

We find that women pay approximately four percent less for auto repairs conditional on other customer characteristics, repair type, part, car characteristics, mechanic, and salesperson. This price gap is explained in part by women being more selective in consenting to repairs, such that women decline more repairs in the right tail of the price distribution compared to men. This pattern is reversed for black customers, who pay approximately three percent more and is explained in part by a higher propensity to consent to repairs conditional on repair recommendation. Nevertheless, significant discrimination originates from the mechanic and salesperson, arising primarily from discretionary areas such as the labor time applied for a repair and the average discount amount from baseline price applied to a repair.

Examining recommended repair amount unconditional on repair type, we find female customers are recommended fewer repairs while black customers are recommended more repairs. Therefore, mechanics recommend both a lower quantity and a lower price conditional on quantity to female customers, while doing the opposite for black customers. These differences remain after controlling for detailed car characteristics and the propensity of female and black customers to care for their cars (a proxy for unobserved car quality), as measured by customer propensity for maintenance such as oil change frequency.

When customer income, education, and English-language ability are included in the analysis, the race and gender gaps do not change much, implying that statistical associations with race and gender are not the primary cause of this discrimination.

Finally, examining trends over the twenty-year period of our data, we find that the gender and race differences have shrunk on most dimensions.