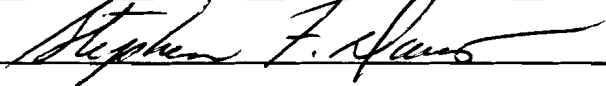


AN ABSTRACT OF THE THESIS OF

Karen M. Rodrigue for the Master of Science

in Psychology presented on April 9, 1999

Title: Tipping Tips: The Effects of Personalization on Restaurant Gratuity

Abstract approved: 

The present experiments sought to verify 2 techniques that restaurant servers can employ to increase their tip incomes: (a) the impact of addressing credit card customers by name (Experiment 1), and (b) the effect of presenting customers with candy along with their bill (Experiment 2). In Experiment 1, tipping percentages from 3176 lunch orders and 4611 dinner orders were subjected to a repeated-measures analysis of variance (i.e., ANOVA) utilizing sex of server, type of restaurant, comment to customer, and meal as factors. Analyses indicated that female servers received greater tips, higher tips were given at dinner, and credit card customers addressed by name left significantly greater tips than those not personally addressed. Experiment 2 employed an A-B-A-B design with tipping percentages from 3962 lunch orders and 5398 dinner orders in a repeated-measures ANOVA incorporating meal, sex of server, and candy condition (i.e., Candy vs No Candy) as factors. Female servers received higher tip amounts, greater tips were given at lunch, and significantly higher tips were given by customers presented with candy along with their bill.

**Tipping Tips: The Effects of Personalization  
on Restaurant Gratuity**

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**A Thesis  
Presented to  
the Division of Psychology and Special Education  
EMPORIA STATE UNIVERSITY**

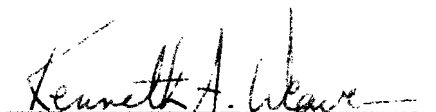
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**In Partial Fulfillment  
of the Requirements of the Degree  
Master of Science**

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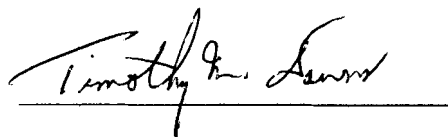
**by  
Karen M. Rodrigue  
May 1999**

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Approved for the Division of  
Psychology and Special Education



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Approved for the Graduate Council

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## CHAPTER 1

### INTRODUCTION

Restaurant tipping is a widespread form of social behavior that is largely unexplained. Tipping reportedly originated in 18th century English pubs where customers would attach money to notes for their waiters reading "to insure promptness," (Lynn & Latane, 1984). Currently, it is unclear how tipping has resulted in such a pervasive social phenomenon that is of continuing interest to many fields of study. The voluntary nature of the multibillion dollar enterprise of restaurant gratuity has warranted the interest of numerous researchers raising questions about why people leave tips (Lynn & McCall, 1998). Yet, practical reasons alone qualify tipping behavior as a worthy subject of psychological investigation.

Because such a large portion of a server's total income is dependent on tip money, as opposed to a fixed and guaranteed wage, information regarding possible methods to increase this supplemental, yet vital source of income, is of immense necessity. Furthermore, although it is common practice among most customers to tip, the amounts servers receive is variable, and thus, difficult to predict. Knowledge of the factors influencing tipping would allow over 1.3 million restaurant servers in the United States alone to benefit from the most efficient and effective strategies to increase their incomes (Lynn & Latane, 1984).

The literature on consumer tipping behavior is a relatively new area of investigation with the earliest empirical journal articles emerging in the 1970s. However, this topic has been of interest since 1916, evidenced by W. R. Scott's book, The Itching Palm: A Study of the Habit of Tipping in America. The majority of the scientific examinations of restaurant gratuity in particular have appeared within the late 1980s and 1990s. Therefore, research in the past decade has expanded and identified several factors affecting tipping behavior (Rind & Bordia, 1996).

Empirical research investigating restaurant tipping has examined several variables that can be grouped into four general types of factors: (a) characteristics of the dining party or customer, (b) characteristics of the server, (c) the interaction between the server and diners, and (d) environmental factors. Each of these factors will be discussed in the following sections.

### Dining Party/Customer Characteristics

Previous research investigated the effects of several customer-specific characteristics on the amount of gratuity restaurant patrons leave their servers. For example, factors such as customer's sex, dining party size, payment method, patronage frequency, alcohol consumption, and even customer's mood were examined in relation to tip amounts.

Among the various dining party characteristics as well as among all previously examined determinants of restaurant gratuity, bill amount is the single largest predictor of tip size, as indicated by a meta-analysis of 14 published and 11 unpublished studies conducted by Lynn and McCall (1998). Although bill size alone accounts for much of the variance in tipping (approximately 50%; Bodvarsson & Gibson, 1991; Lynn & McCall, 1998), several other factors impact the tip amounts servers receive and, thus, are worthy of investigation.

Several researchers have investigated the impact of customers' payment methods on tipping. Specifically, research indicates that customers who pay with credit cards consistently leave higher tips than those choosing other methods of payment (Feinberg, 1986; Garrity & Degelman, 1990; Lynn & Latane, 1984; Pearl 1985). Lynn, Zinkhan, and Harris (1993) proposed that this effect may be due to the postponement of cost via credit use and the facilitating effects of credit card stimuli on spending.

Another characteristic of the dining party is the customer's sex. Numerous studies (Crusco & Wetzel, 1984; Karen, 1962; Lynn & Latane, 1984; Pearl, 1985) found that men leave larger tips than do women. However, the effect of customer's sex is minimal,



and although explanations for this effect are unclear, researchers (Lynn et al., 1993) speculate that observed differences may be due to differing incomes of men and women and/or desire to impress the server.

Dining party size is another commonly examined customer characteristic, yet inconsistent predictor of restaurant gratuity. Several studies have found an inverse relation between dining party size and adjusted tip amounts (Lynn, 1992; May, 1978; Pearl & Vidman, 1988), whereas a number of other studies have failed to replicate this finding (Crusco & Wetzel, 1984; Lynn, 1988; Lynn & Mynier 1993). Researchers reporting an inverse relation attribute their findings to (a) a diffusion of responsibility of each party member to the server, (b) a decrease in per-person server effort when waiting on larger parties, and (c) a cost reducing response for a larger bill size.

Patronage frequency among customers also relates significantly to tip amounts. Research (Bodvarsson & Gibson, 1991; Lynn & Grassman, 1990) indicates that regular customers leave larger tip percentages than do either new or infrequent customers. This finding is maintained even when customers' ratings of food and service are controlled. Lynn and Grassman (1990) proposed the possibility that regular customers tip more because familiarity with the server(s) and expected future interactions increase the customer's valuing of the server's social approval.

Finally, a few less frequently examined miscellaneous customer variables are related to tip amounts. Lynn (1988) indicated that consumption of alcohol is positively related to an increase in tipping. Additionally, the number of courses ordered was linked to an increase in tipping (Lynn & Grassman, 1992). Even the socioeconomic status of the customer and the customer's mood are positively related to tip amounts (Cunningham, 1979). Although these customer variables impact tipping, the effects are minimal.

### Server Characteristics

In addition to customer characteristics, the effects of a variety of server characteristics on tipping behavior have been topics of previous investigations. Among

these server characteristics are server friendliness, sex, attractiveness and attire, as well as both service quality and quantity.

In a meta-analysis of 25 studies on restaurant gratuity, Lynn and McCall (1998) reported that the second largest determinants of tipping, following bill size as the largest determinant, were server friendliness and server attractiveness, respectively. Studies investigating server friendliness have found positive correlations of approximately .50 between bill-adjusted tip percentages and servers' verbal and nonverbal indicators of friendliness. Previous literature indicates that server friendliness was conceptualized and defined several ways. For example, server personalization (i.e., introduction of server to customers) was examined as a signal of friendliness. When servers introduced themselves by name upon their first encounter with customers, their customers left larger tip amounts (Garrity & Degelman, 1990). Additionally, friendliness was measured in terms of servers' smiling. For example, Tidd and Lockard (1978) demonstrated that servers who gave customers larger smiles received higher tips.

Not surprisingly, tipping, like many other forms of interpersonal behavior, appears to be affected by a server's physical appearance. Research indicates that when restaurant servers are more attractive, they are likely to receive larger tips (Hornick, 1992; Lynn 1992). Stillman and Hensley (1980) reported that female servers received higher tips when they wore flowers in their hair. Presumably, female servers who wear flowers are perceived as more attractive. Similarly, May (1978) found that servers who were perceived as more neatly and attractively appareled received greater tips.

In contrast to the clear relation of server friendliness and attractiveness to tipping behavior, the effects of the server's sex on tipping is unclear. In their 1984 study, Lynn and Latane failed to find any effect for sex of the server, whereas analyses conducted by Davis, Schrader, Richardson, Kring, and Kieffer (1998) indicated that higher tips were given to female servers. Therefore, the effect of the server's sex on tipping is

inconclusive. To determine the nature of any effect that may be present, additional data that account for the interaction of both server and customer sex are needed.

Contrary to the popular notion that tipping functions as a reward for good service, quality of service is a weak predictor of restaurant tip size. Researchers have reported consistent, but small correlations (e.g.,  $r = .15$ ) between tip percentages and restaurant patrons' service evaluations (Bodvarsson & Gibson, 1991; Crusco & Wetzel, 1984; Lynn 1988, 1992). Although consumers may intend to reward good service through tipping, this motivation appears to be a relatively weak determinant of tipping behavior.

Surprisingly, service quantity, not quality, is a better predictor of tip amounts. Bodvarsson and Gibson (1994) indicate that tipping is dependent on service quantity, reflecting the amount of the server's effort (i.e., number of trips to the customer's table) involved in waiting tables. The effect of service quantity on tipping seems to be significantly related to bill size. The researchers state that bill size and service quantity are positively correlated: the more food and beverage customers order, the greater the demand for table service, and consequently, the more money customers spend. Therefore, when deciding on tip amounts, customers account for the effort expended by the server which proportionately relates to bill size.

### Server-Customer Interactions

Many studies on tipping behavior focused on the effects of interactions between the server and diners. For instance researchers have examined variables such as touching customers during the dining experience, varying server posture when taking orders, personalization of the server, and writing thank you on the backs of customer checks. Several of these studies have provided additional knowledge on effective ways to increase customer tipping.

Knapp (1978) identified touch as a source of information feedback. General touch research has demonstrated positive effects from the innocuous touch of others (Florez & Goldman, 1982; Hubble, Noble, & Rota, 1981). Extending this line of investigation to

restaurant customers, Crusco and Wetzel (1984) examined the effects of two types of touch in a controlled but natural restaurant setting. Results indicated that customers give higher tips when their servers touched them on the hand or shoulder. In a subsequent study, Stephen and Zweigenhaft (1985) expanded the Crusco and Wetzel study and demonstrated that it was more beneficial for a female server to touch the female customer rather than the male customer when serving men and women dining parties.

Other research studying the effects of server-customer interactions has focused on the personalization of the dining experience. Garrity and Degelman (1990) systematically examined the effect of server introduction (name introduction vs no name introduction) on tipping behavior. Results indicated that introduction by name on initial contact with customers resulted in significantly higher tip percentages than when the server used no personal introduction. The strength of this effect is unclear because Garrity and Degelman used one female server with data from only 42 dining parties during a 2-day period. Unfortunately, subsequent studies have not examined this effect further.

Similar to the impact of initial contact with customers, the final interaction with customers also is important. Research has studied various forms of thanking the customer on tipping behavior. Rind and Bordia (1995) examined the effects of the of a server writing "thank you" on the back of customers' checks and reported that customers left higher tip percentages when "thank you" was written on the back of the check. However, this research used only one female server, and thus, was limited in generalizability. Subsequently, Rind and Bordia (1996) expanded their research by using both a male and female server. Building upon the Tidd and Lockard (1978) finding that smiling significantly impacted tipping, Rind and Bordia (1995) investigated the effects of drawing a happy, smiling face on the back of the customer's check. Tips increased for the female server, but not for the male server in the smiling face condition. The researchers proposed that drawing a smiling face did not increase tips for the male server because the customers perceived this behavior as a gender-inappropriate response.

Further probing of the impact of server-customer interactions is apparent in research studying the effect of the novel behavior of server squatting when waiting on tables. Lynn and Mynier (1993) measured the relation of tip amounts and server posture (standing vs squatting), and reported that squatting next to that table increased servers' tips from these tables. Additionally, Van Volkingburg (1998) indicated that servers who squat accounted for more add-on sales, such as appetizers, desserts, and drinks. However, Lynn and Mynier only measured tip amounts from one male and one female server, and Van Volkingburg examined only four servers. Consequently, Davis et al. (1998) employed an A-B-A-B (i.e., A-standing, B-squat, A-standing, B-squat) research design to measure tips from a total of 28 servers (15 women, 13 men) across a 4-week period. Analysis indicated that significantly higher tips were given when servers squatted, confirming previous results and improving the generalizability of the effect.

### Environmental Factors

In addition to studying server and customer characteristics and the interactions between these factors, research has investigated the impact on tipping of factors that are attributable to neither the customer nor the server. The environment or ambiance of a restaurant is one such factor. Although some examinations of environmental factors have yielded little to no effect on tipping behavior (Lynn & Latane, 1984), several studies (Davis et al., 1998; McCall & Belmont, 1996) produced significant results, and accordingly, contribute to our understanding of tipping behavior.

Among the environmental factors that do not appear to impact tip amounts, are the restaurant's atmosphere and restaurant's food. Lynn and Latane (1984) used a questionnaire approach to tipping. In addition to reporting bill size and tip, customers evaluated restaurant food and atmosphere. Results indicated that customers' appraisal of a restaurant's food and atmosphere failed to impact tip amounts.

However, several environmental factors do impact tipping decisions. For instance, both type of meal and geographic location of the restaurant significantly impact tipping

behavior. Davis et al. (1998) demonstrated that customers gave higher tip percentages in an urban area family-style restaurant compared to a family-style restaurant in a small town (i.e., less than 25,00). The researchers also found that servers received consistently greater tip percentages at dinner rather than lunch.

McCall and Belmont (1996) also suggest that individuals estimate higher product values in the presence of credit cues. In two experiments, the presence or absence of a credit cue was manipulated by presenting the customer's check on a tray that either contained a major credit card emblem or was blank. In Experiment 1, customers tipped an average of 4.29% more in the presence of credit cues. Experiment 2 replicated these findings in a different restaurant and with the use of different credit card insignia.

Finally, actual weather conditions and perceived weather conditions affect tipping behavior. Rind (1996) demonstrated that when the server reported actual weather conditions (e.g., sunny, partly sunny, cloudy, or rainy), tip percentages increased in a linear fashion from worst to best conditions. Furthermore, when the server falsified the reported weather conditions to customers who were shielded from outside viewing, belief in sunny conditions produced significantly greater tip percentages.

### Present Experiments

The present experiments extend research on the server-customer interaction and tipping behavior by utilizing variables not previously investigated. Although Garrity and Degelman (1990) previously determined the significant effects of servers introducing themselves by name to customers on tipping behavior, researchers failed to investigate the possible effects of calling the customers by name on tipping. Additionally, although servers often present customers with an inexpensive piece of candy when delivering the check, no research exists to substantiate the effect of this practice on tipping behavior.

Therefore, the present research sought to evaluate two primary factors: (a) the effects of addressing and thanking by name those customers who pay by credit card (Experiment 1), and (b) presenting the customer with a piece of candy when the bill is

presented (Experiment 2). Specifically, Hypothesis 1 predicted that credit card customers who are addressed by name will leave significantly larger tips than customers who are thanked but not addressed by name. Hypothesis 2 predicted that female servers would receive higher tip percentages than male servers. Hypothesis 3 predicted that tip percentages at dinner would be greater than those during lunch. Hypothesis 4 predicted that tip percentages would not differ between family style and ethnic restaurants. Finally, Hypothesis 5 predicted that customers who receive candy with their check would leave higher tip amounts than customers not presented with candy.

## CHAPTER 2

### EXPERIMENT 1 - METHOD AND RESULTS

The purpose of Experiment 1 was to study the effects on tipping behavior of calling credit card customers by name when the credit slip was presented for the customer's signature. Moreover, the effects of type of meal (lunch vs dinner), type of restaurant (family style vs ethnic), and sex of the server (women vs men) on tipping percentages were also examined. For all analyses, tipping percentages were calculated and utilized as measures, rather than raw tip amounts, to control for the impact of bill size on tip amounts.

As an extension of the Garrity and Degelman (1990) research that illustrated the positive impact of servers introducing themselves by name on tip amounts, Hypothesis 1 predicted that credit card customers called by name when servers presented them with the check would leave significantly higher tip percentages than customers not personally addressed by the servers. In correspondence with the Davis et al. (1998) research, Hypothesis 2 predicted that female servers would receive greater tips than male servers, and Hypothesis 3 predicted tip percentages during dinner would be higher than those at lunch. Finally, Hypothesis 4 predicted that tip percentages at family style vs ethnic restaurants would not vary.

#### Method

Participants. The participants consisted of 20 servers (10 women, 10 men) from a large, urban area employed in 6 restaurants. Ten servers (5 women, 5 men) worked at moderately priced, family style restaurants (e.g., Applebee's, Chili's, Italian Oven); the remaining 10 servers (5 women, 5 men) worked at moderately priced ethnic restaurants (independently operated restaurants; Greek, Chinese, Thai). The servers ranged in age from 21 to 38 years ( $M = 24.74$ ).

Procedure. For all customers paying by credit card, each server used a heads-tails procedure to determine whether the customer would be addressed by name when the



sales slip was returned for the customer's signature. The following comment was made to those customers being addressed by name: "Thank you Mr./Ms. X. I hope you enjoyed your meal." The same comment, without name, was made to all other credit card customers.

All data were recorded on a daily basis for service at both lunch and dinner for a 4-week period (i.e., 28 consecutive days). The servers recorded data from a total of 3176 lunch orders (1431 customers addressed by name, 1745 customers not addressed by name) and 4611 dinner orders (2489 customers addressed by name, 2122 customers not addressed by name). Upon completion of service at each meal paid for via credit card, each server recorded the total dollar amount for food and beverage items served and the total amount of tips received. Subsequently, these figures were converted to tip percentages for each server for each meal at the end of each shift. The lunch and dinner percentages for the name and no name conditions were independently averaged to yield four scores for each server: name lunch, no name lunch, name dinner, no name dinner.

### Results

The servers' average tipping percentages were subjected to a repeated-measures analysis of variance (ANOVA) incorporating sex of server (men vs women) and type of restaurant (family style vs ethnic) as between-subject factors. Comment to customer (name vs no-name) and meal (lunch vs dinner) served as within-subject factors. This analysis yielded significance for the sex of server,  $F(1, 36) = 8.28, p < .01$ , comment to customer,  $F(1, 109) = 7.72, p < .01$ , and type of meal,  $F(1, 109) = 7.44, p < .01$ , factors. Type of restaurant failed to significantly impact tip percentages, and no significant interactions among the factors were present.

Visual inspection of the significant main effects indicated that: (a) female servers received higher tips than male servers, (b) higher tips were given when credit card customers were called by name as opposed to using no name, and (c) higher tips were

given at dinner rather than at lunch. All means and standard deviations are displayed in Table 1.

Table 1

Tipping Percentages by Sex of Server, Personalization, and Type of Meal

Factor	<u>M</u>	<u>SD</u>	<u>F</u>
Sex of Server			8.28*
Female	15.88	1.23	
Male	14.07	1.06	
Personalization			7.72*
No name	13.96	1.17	
Name	15.42	1.06	
Type of Meal			7.44*
Lunch	13.21	1.29	
Dinner	16.26	1.48	

\*  $p < .01$

Analyses of Experiment 1 confirmed Hypotheses 1, 2, 3, and 4. As predicted, servers who used the customer's name when thanking and presenting them with the credit slip received higher tip percentages than servers who did not call the customers by name. As predicted, female servers received higher tip percentages than did male servers. Also, as predicted, customers left higher tip percentages during dinner shifts than at lunch shifts. In confirmation of Hypothesis 4, customers in family style restaurants and ethnic style restaurants did not differ in their tip percentages given to servers.

## CHAPTER 3

### EXPERIMENT 2 - METHOD AND RESULTS

Servers in many restaurants present an inexpensive piece of candy for each customer when presenting the bill. Research has not verified the positive impact of this practice on tipping. Thus, Experiment 2 was designed to remedy this situation by using candy vs no candy conditions to test Hypothesis 5. Based on previous research (Rind & Bordia, 1995, 1996; Tidd & Lockard, 1978) that illustrated the positive impact of servers displaying gratitude to customers on tipping behavior, Hypothesis 5 predicted that customers presented with candy with their bill would leave higher tip percentages than customers not receiving candy with their bill. Furthermore, Hypotheses 2 and 3 were again tested in Experiment 2.

#### Method

Participants. The participants consisted of 18 servers (9 men, 9 women) from a large urban area. All servers worked at a moderately priced, family-style restaurants that did not routinely give customers candy when the bill is presented. The servers ranged in age from 21 through 32 years ( $M = 25.52$ ).

Procedure. All servers gave no candy during the first and third weeks of the study, but they gave candy during the second and fourth weeks; thus an A-B-A-B (i.e., A-No Candy 1, B-Candy 1, A-No Candy 2, B-Candy2) research design was employed with the servers serving as their own controls. The candy condition involved the servers leaving two pieces of Andes mints for each customer at each of their tables when the bill was presented.

All data were recorded on a daily basis for service at both lunch and dinner. Data from a total of 3962 lunch orders (2028 candy; 1834 no candy) and 5398 dinner orders (2516 candy; 2882 no candy) were recorded. After service at each meal was completed, each server recorded the total dollar amount for food served and the total number of tips received. In turn, these figures were converted into tip percentages for each server and for

each meal. These lunch and dinner percentages were independently summed and converted to average tips for each server for each of the four weeks. To ensure that all servers remembered the correct condition (candy vs no candy) for each week, servers were given daily data sheets indicating whether they were to leave candy.

### Results

The average tipping percentages were subjected to a split-plot factorial analysis of variance incorporating sex of server (men vs women) as between subjects factors. Candy condition (No Candy 1, Candy 1, No Candy 2, Candy 2) and meal (lunch vs dinner) served as within-subject factors. The analysis yielded significance for the main effects of sex of server,  $F(1, 16) = 10.50$ ,  $p < .01$ , candy condition,  $F(3, 112) = 5.01$ ,  $p < .01$ , and meal,  $F(1, 112) = 7.21$ ,  $p < .01$ . None of the interactions were significant.

Visual inspection of the data indicated that (a) female servers received higher tips (percentage of meal check) than male servers. Newman-Keuls tests probed the significant candy condition effect and indicated that tips did not differ during the two Candy 1 and Candy 2 conditions. Both candy conditions were significantly ( $p < .01$ ) higher than the tips left during the No Candy 1 and No Candy 2 periods. Means and standard deviations are shown in Table 2.

Table 2

Tipping Percentages by Sex of Server, Candy Condition, and Type of Meal

Factor	<u>M</u>	<u>SD</u>	<u>F</u>
Sex of Server			10.50*
Female	16.02	1.18	
Male	13.44	.68	
Candy Condition			5.01*
No Candy 1	14.17	1.01	
Candy 1	16.22	1.01	
No Candy 2	14.09	1.03	
Candy 2	15.98	.99	
Type of Meal			7.21*
Lunch	13.96	1.09	
Dinner	16.09	1.37	

\* $p < .01$

Results of Experiment 2 confirmed all initial hypotheses. As predicted, customers presented with candy along with their bills left significantly higher tip percentages than customers who did not receive candy with their bills. Perhaps customers who are presented with candy form a more positive evaluation of their server and/or of the dining experience, thus resulting in an increase in tip percentages. Additionally, it is possible that servers who give their customers candy are perceived by their customers as friendlier, and consequently, these servers receive greater tip percentages. Also supporting the initial predictions, female received higher tip percentages than male servers. In addition, greater tip percentages were given during dinner shifts than during lunch shifts.



## CHAPTER 4

### DISCUSSION

Results of Experiment 1 supported the hypotheses that (a) female servers would receive greater tips than male servers, (b) tip percentages would be higher at dinner than at lunch, (c) patrons of family-style and ethnic restaurants would not differ in their tip percentages, and (d) personalization (i.e., calling credit card customers by name when presenting the bill) would increase tip percentages. These results are consistent with previous literature illustrating that servers can act in specific ways to increase their incomes (Davis et al., 1998; Van Volkingburg, 1998).

The present finding that calling credit card customers by name increases tip amounts is in accord with Garrity and Degelman's (1990) research demonstrating that when servers introduce themselves by name to customers, tip amounts increase. Apparently, personalization in either form during the dining experience can positively impact tipping behavior.

Assuming that the presentation of the customer's check is the last interaction between the server and customer, perhaps calling the customer by name at this point in the customer-server interaction increases the personalization of the dining experience. As a result, customers who are called by name may form a more positive appraisal of the server than customers who are not personally addressed, thereby increasing tip amounts. Moreover, it is also possible that calling the customer by name increases the perceived friendliness of the server in the customer's eye, resulting in greater tips. Past studies have indicated that servers who are perceived as friendly by their customers earn significantly higher tip incomes (Garrity & Degelman, 1990; Harris, 1995; Tidd & Lockhart, 1978). Consequently, calling the customer by name may indirectly increase tipping by enhancing the perception of the server's "friendliness" by the customer.

It is noteworthy that calling the customer by name increased tip amounts (percentage of meal) for both the male and female servers, during lunch and dinner shifts,

and in both types of restaurants (i.e., family style vs ethnic). Therefore, the generalizability of this effect appears salient across situations, settings, and sex of the server.

An additional finding of Experiment 1, that female servers received higher tip percentages than male servers, supports the most recent findings in terms of sex differences (Davis et al., 1998) in servers' tip incomes and contradicts previous research reporting no sex differences in servers' tip amounts (Lynn & Latane, 1984). Perhaps customers in the present sample responded differently to the servers' expressions of friendliness via personalization (i.e., calling the customer by name) with customers responding more positively to personalization from the female servers than from the male servers.

Customers in Experiment 1 left significantly greater tip percentages at dinner than at lunch even when the impact of bill size was controlled through the use of tipping percentages. These results are consistent with the Davis et al. (1998) report. The more relaxed and informal atmosphere of lunch at the restaurants may have resulted in decreased tip percentages compared with dinner customers dining in a relatively more formal atmosphere.

Finally, customers dining in an ethnic-style restaurant did not leave greater tips than customers dining in a family-style restaurant. Apparently, the type of restaurant in which a customer dined lacked a direct bearing on tipping behavior in Experiment 1.

Results of Experiment 2 indicated that (a) customers who were presented with a piece of candy with their bill left significantly higher tips than those customers not given candy, (b) female servers received higher tip percentages than male servers, and (c) customers left higher tip percentages at dinner than at lunch. Thus, the positive effects of being a female server and of working during the dinner shifts illustrated in Experiment 1 were strengthened by similar results in Experiment 2. Moreover, the present results indicate again that servers can engage in behaviors to increase their tip incomes.

Consistent with Experiment 1, female servers received greater tip percentages than male servers and higher tip percentages were given during the dinner shifts as compared to tip percentages received by servers during the lunch shifts. The findings of Experiment 1 and 2 provided increased support for the Davis et al. (1998) results showing that female servers earned higher tip percentages than male servers. However, these results must be interpreted cautiously. None of the previous studies can account for the possible effect of an interaction between the sex of the customer with the sex of the server.

Experiment 2 also substantiated the hypothesis that customers who are presented with a piece of candy along with their bill leave significantly higher tip amounts than customers who are not given candy. The effect of presenting candy to restaurant customers has not been previously investigated empirically, hence several possible explanations for this effect exist.

Servers who leave candy for their customers may be perceived as friendlier than servers who do not leave candy, thereby increasing tip amounts. This explanation is in accordance with previous literature illustrating the positive effects of the customer's perception of the server's friendliness on tipping behavior (Garrity & Degelman, 1990; Hornik, 1992; Tidd & Lockhart, 1978). Likewise, it is possible that the gesture of presenting customers with candy along with the bill functions as a mood enhancer. As demonstrated by previous research (Cunningham, 1979; Rind & Bordia, 1996), customers possessing a pleasant disposition or temperament leave servers greater tip amounts and report more positive assessments of their dining experiences than customers in unpleasant moods. Additionally, presenting customers with candy may impact the customer's perception of the quantity of service provided (i.e., amount of effort expended by the server during the dining experience). For instance, the Lynn & McCall (1998) meta-analysis illustrated the significant impact of service quantity on restaurant tipping behavior. Therefore, presenting customers with candy may increase customers'

perceptions of service quantity, consequently resulting in an increase in tipping behavior. Two pieces of Andes mints were presented to each customer in Experiment 2. Therefore, presenting customers with other types of candy (e.g., peppermints) may not have the same effect because the value of the candy may differ.

The results of Experiments 1 and 2 provide substantial support for the effects of server friendliness and customer mood on tipping behavior, lending support to the findings of Lynn, Zinkhan, and Harris (1993) and Lynn and McCall (1998). Beyond the single largest predictor of restaurant tipping behavior, bill size, Lynn and McCall identified the next largest determinants of tipping behavior as server friendliness and customer mood, respectively. Therefore, the results of the present study and future investigations related to customer's mood and perceptions of server friendliness on tipping behavior can be used to inform servers of various methods to increase tip incomes.

Interpreted together, the results of Experiments 1 and 2 provide support for the contention that restaurant servers can actively engage in behaviors that impact their customers' tipping behavior. The positive impact of both calling credit-card customers by name and of presenting customers with candy along with their bills were demonstrated. Experiments 1 and 2 also illustrate the impact of type of meal on tipping amounts; servers working during dinner shifts receive higher tip percentages than servers who work lunch shifts. Practical implications of these findings include scheduling servers to work similar numbers of lunch and dinner shifts to ensure equal earning potential across all employees, and increasing servers' knowledge of ways to maximize tip income.

Both Experiments 1 and 2 provided support for the Davis et al. (1998) finding that female servers earn higher tips than male servers. Although sufficient evidence exists to verify this result, previous studies have not accounted for the potential interaction effect of customer's sex with the server's sex. It is possible that the present and previous findings regarding the impact of the server's sex is influenced by the sex of the paying

customer and/or dining party. Future research should record both the customer's and server's sex, as well as considering the impact of dining party members' sex on the tipping behavior of customers.

Subsequent investigations on factors impacting restaurant customer's tipping behavior should continue to examine the methods servers can employ to increase their tip incomes. Knowledge of strategies to increase customers' moods and customers' perceptions of servers' friendliness will significantly increase servers' incomes. Enhancing server performance will not only financially benefit the servers, but will also benefit the restaurant establishment and its customers. Discovering the techniques and behaviors that result in customer satisfaction will provide a pleasant dining experience for customers and increase the likelihood of continuing patronage.

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Tipping Tips: The Effects of  
Personalization on Restaurant Gratuity

Title of Thesis

Lois Cooper

Signature of Graduate Office Staff

May 7, 1999

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