

Good literature review about determining the societal norm of tipping

[Business](#), [Customers](#)



Abstract

Tipping is a common activity between a service provider and the customer. It is very customary in the food services industry, and there is equal evidence of its practice in a number of other sectors. Determining how and why tipping takes place has been a research agenda for some time. This paper discusses the major views on this subject and demonstrates their contribution to the general debate on tipping. The works evaluated in this paper are those found to be central to the debate, specifically due to their nature of applicability, validity and comprehensive handling of the concept validity. The paper will discuss the shades of societal norm of tipping.

The practice of tipping is an activity common in almost any service sector. Scholars insist that it is a widely institutionalized practice where the customer deliberately takes center stage with a duty to reward and motivate those that serve them.

Star emphasizes that the most commonly tipped persons are those in the service sector where they directly take part in assisting or providing service. This group includes bartenders, dancers, barbers, musicians, standup comedians and security staff.

Scholars have identified the following norms to be central to the practice of tipping: the use of the customer's name, race, nature of the server, form of reward and perception among others. This paper contains each norm and the means by which a respective scholar investigated and adopted it as a factor that determines tipping. In evaluating those specific research models, the gaps and areas ignored by various scholars in they're attempt to elucidate the concept of tipping shall be identified.

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According to Seiter and Veger Jr, the first norm of tipping involves the use of address and customers age by the server, their research question involved the investigation of whether customer tipping norms were influenced by the names they were call while being served.

Two restaurants in Omaha State, in the United States of America, were used as a sample for the research. 142 diners were subjects of the research procedure that included the use of random greetings to the diners determined by the flipping of a coin. All the diners picked or chosen had to have spent more than 10\$ at the restaurant. Three people undertook the collection of data, two men and one female, who determined the age of all diners through estimation.

The research concluded that the use of personal name titles and address results in positive and higher tips. The findings were in line with the Direct Model of Immediacy, the theoretical premise Seiter and Veger Jr used during their research. One significant addition to the research was the discovery that older customer appreciates both immediacy and formality when being served.

The researchers in this case faced three major problems. First, the age of all participants was estimated, the geographical scope was limited to two restaurants in Omaha and thirdly, some title might elicit a negative response, for example, ma'am might be perceived as a connotation to age. This research is relevant to food servers and ought to be incorporated into the training of staff.

The second norm that tipping is based upon shall be referred to in this paper as the Azarian reasons as elaborated in his paper. They include the following:

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guilt, embarrassment, social norm, gratitude, waiters' income and the risk of being yelled at by the server. The study seeks to investigate the motivation and behaviors that influence tipping specifically in the United States and Israel.

The researcher applied surveys in two universities, using English and Jewish as the languages of the survey questions. The North Eastern University in the United States and Ben Gurion University in Israel contributed 118 and 179 student participants respectively. Another 62 students were permitted to take part as off campus students in Israel. All the students were randomly selected by the researcher. Questionnaires filled by the students pointed to three major reasons for tipping: supplement workers' incomes, gratitude and social norm.

The results concluded that most customers tipped for positive reasons as gratitude and supplementing worker's income, as opposed to tipping for negative reasons which include the threat of being yelled at, guilt and fear of social embarrassment.

A third determinant of tipping that has been identified through research is the effect of comments, the sex of server and the size of the party that is dining. A study by Seiter and Weger Jr investigated the effect of the three elements on tips that are given to servers.

The researchers made use of practical evaluation of whether servers that give compliments receive better tips, or whether the size of the dining party affects tipping behavior, or whether the sex of the server affects the tip they receive.

The study involved, 360 diners, observed by 4 servers in 4 restaurants, in

Utah. The servers were selected randomly by flipping a penny. The observers consisted of 2 females and 2 males. The study discovered that compliments were an instigator for good tips. There is, however need for extensive research to investigate the generalizability of these findings, particularly because the geographical scope of the study was limited, and the servers were all young persons.

The fourth area that research has investigated as a determinant of tipping is the factor of race. In the following works, Lynn , Lynn, Pugh and Williams race has been identified as a key variable in the manner in which tipping takes place. According to the National Phone Survey, four general patterns of tipping were identified: stiff, percentage tipping, tip type and dollar tip. In addition, it was discovered that blacks are poor tippers. Notably though, there is a need for validity particularly on this one point to ensure that such sentiments are not coming from racists which would adulterate the results of the study.

The researcher made use of a phone survey methodology, where numbers were randomly dialed and the first adult available, regardless of sex was interviewed. 811 whites and 83 blacks responded. Lynn, Pugh and Williams have emphasized that their research replicates and adds onto a similar study by Thomas-Harysbert. The scholar states that the findings of his research are not adequate to explain the phenomenon of blacks tipping less than whites, indicating the need for further research.

A notable issue within this particular determinant of tipping is the racial issue; the line between objective statement of the problem and racism has been blurred by a tendency of perceiving all statements that explain racial

problems like racism itself. This partly deals with the concept of perception that also determines tipping.

Scholars of hospitality management have discovered that the perception presents in two ways; servers' perception of customers intention to tip and the customer perception of server's intention to discriminate. Breruster is an example of a scholar who has investigated perception. Work on this variable, is difficult to carry out due to the wide range of perspectives and the fact that they are subjective. For instance, a server might easily judge a customer as able to tip well or in large amounts based on their appearance, race, and choice of meal. The server in this case makes use of personal, opinionated criteria to adjudicate a good tipper. A bias can easily develop from based on such handling of customers.

Customers who fail to win the favor of the server by finding themselves on the negative side of perception will not enjoy the service delivery because they are judged as unable to tip well and therefore, no extra effort of courtesy should be directed towards them.

In the same light, the customer may perceive a server negatively due to race, age, uniform worn or accent. In this case as well the server will not receive a tip reflective of their service due to the bias held by the customer. Scholarly work agrees that there is a need to direct further research so as to understand the manner in which perception affects the tipping in the food services industry.

There is a wide body of literature explaining the norms of tipping. They include the following: Rodrigue on the social norm of tipping, Breruster on the perceptions of both those tipping and those receiving the tips, and

voluntarily giving of tips.

The various scholars above produced works that bear certain shortfalls specifically in their research formulations. For instance, none of the scholars considers the following factors as probably affecting their research and hence distorting validity, the quality of food being served and the extent to which the customers are pleased with its level of preparation.

The surrounding environment and other persons within the dining area, the weather, social problems at home as unemployment and knowledge of one another. This has been referred to by some scholars as patronage.

The factors mentioned above all determine the psychological mood of the customer who then interprets all events within that perspective. In the case of servers, their actions, words, reaction and expressions might as well be determined by their psychological state at the time and bear no reflection whatsoever on the nature of the customer.

The procedure of collecting data also affects the outcome of a research project. Consider, for example the works by Lynn, Pugh and Williams involving the use of a national telephone survey to determine which tipped more, blacks or white? The mere fact that more whites than black responded might bias the study. It is also a reflection of the fact that telephone ownership sways nationally to the white population.

Scholars in the area of tipping, concur to a large degree that it is time that this research moved away from the food services industry and evaluated tipping norms in other areas and industries. Probable areas of analysis include hotels, clubs, valet parking, security at parking lots, barbers, and cab services.

Notably as well, most of the scholars concentrated their research investigations in Europe and North America with the exception of Israel. It is important to inquire the means by which corruption and tipping would be separated for study in a continent like Africa, Asia or South America. The distinction in this case would be difficult if not impossible to develop. In essence, the concept of tipping would be directly understood as bribery particularly in an environment that is riddled with the same.

Research on tipping has been important to the food service industry because it contributes significantly to the manner in which employers operate in the industry. It has been found that, in spite of the fact that tipping affects the management and monitoring of the incentive system within the work place, it is on overall a motivator for the servers who perceive the tip as a cue to perform better. The customer has taken center stage in the food services sector as an ad hoc appraiser, usurping some of the duties of the employer, further advising that employers ought to adopt this as a business stratagem. Azar has asserted that tipping is a lucrative source of income totaling about \$ 40 billion dollars in the US economy. In real terms tipping bears both advantages and disadvantages. Research in this area seems to be seriously ignored by the United States Internal Revenue Service. Studies have indicated that income from tipping is the most undeclared and most secretive, yet it raises almost 40% of a server income. There is need, therefore for this area to be further evaluated for review in terms of revenue collection.

Positively, tipping leads to hard work to win higher tips, healthy competition since it is a performance contingent reward system. The disadvantages on

the other hand includes collusion between servers and customers to tip for extra over what is purchased, noncompliance with tax regulations, and special treatment of certain customers.

Conclusion

In conclusion, tipping as a phenomenon keeps baffling both economists and psychologists due to its strange norm conformity with a range of traditional theoretical orthodoxies. Tipping defies the grounded idea that once pay has been made for a commodity one seeks to enjoy their marginal utility to the epitome while ensuring the least cost.

The phenomenon of tipping is a common practice that has been judged scientifically, by scholars to be backed and supported by reasons such as guilt, social norm, avoiding embarrassment, salutation by the server, their sex and demeanor. Logically this single finding is applicable in a range of other dimensions and industries.

In addition, the research in tipping has been able to identify gaps especially in management and the training of servers/staff by human resources personnel. These gaps include but are not limited to the absence of training directives in training manuals guiding in the use of tipping. More research is required particularly in an attempt to ascertain the validity of works already accomplished and detail the evolution of tipping.

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