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# Sweetening the Till: The Use of Candy to Increase Restaurant **Tipping**

David B. Strohmetz Monmouth University

**Bruce Rind** Temple University

Reed Fisher Johnson State College

Michael Lynn Cornell University, wml3@cornell.edu

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# Sweetening the Till: The Use of Candy to Increase Restaurant Tipping

#### Abstract

A common practice among servers in restaurants is to give their dining parties an unexpected gift in the form of candy when delivering the check. Two studies were conducted to evaluate the impact of this gesture on the tip percentages received by servers. Study 1 found that customers who received a small piece of chocolate along with the check tipped more than did customers who received no candy. Study 2 found that tips varied with the amount of the candy given to the customers as well as with the manner in which it was offered. It is argued that reciprocity is a stronger explanation for these findings than either impression management or the good mood effect.

#### **Keywords**

tipping, candy, restaurant, reciprocity

## **Disciplines**

Food and Beverage Management

#### Comments

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# Running head: USING CANDY TO INCREASE TIPS

Sweetening the Till: The Use of Candy to Increase Restaurant Tipping

David B. Strohmetz Bruce Rind

Temple University Monmouth University

Reed Fisher Michael Lynn

Johnson State College Cornell University

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# Abstract

A common practice among servers in restaurants is to give their dining parties an unexpected gift in the form of candy when delivering the check. Two studies were conducted to evaluate the impact of this gesture on the tip percentages received by servers. Study 1 found that customers who received a small piece of chocolate along with the check tipped more than did customers who received no candy. Study 2 found that tips varied with the amount of the candy given to the customers as well as with the manner in which it was offered. It is argued that reciprocity is a stronger explanation for these findings than either impression management or the good mood effect.

Sweetening the Till: The Use of Candy to Increase Restaurant Tipping

The practice of providing a gratuity (or "tip") for services rendered represents an interesting phenomenon involving almost everyone in the United States. A national telephone survey found that nearly 94% of the 1000 adults surveyed always or usually tip the waiter or waitress when they dine at a sit-down restaurant (Speer, 1997). This practice has important economic implications for the approximately 2 million individuals who are employed as waiters or waitresses in the United States, because a major portion of their income is derived from these tips (U.S. Department of Labor, 1998). Given the financial ramifications for servers, there has been increasing interest in identifying the psychological factors that may influence the tipping behaviors of restaurant patrons (see Lynn, 1996, and Lynn, Zinkhan, & Harris, 1993, for reviews).

Much of the research on tipping has focused on how the interactions between the server and the dining party that are unrelated to the functional service being provided affect the size of the tip left for the server. For example, briefly touching one's customers, squatting during the initial contact, making additional nontask visits, and displaying a maximal smile when introducing oneself to one's customers have all been associated with increases in tip amounts (Crusco & Wetzel, 1984; Hornik, 1992; Lynn, Le, & Sherwyn, 1999; Lynn & Mynier, 1993; May, 1978; Stephen & Zweigenhaft, 1986; Tidd & Lockard, 1978). Even implicit social interactions between the server and his or her customers can have a positive impact on tipping behaviors. For example, Rind and Bordia (1995; 1996) found that personalizing the check, by writing "Thank you" or drawing a happy, smiling face on the back, increased the tips servers received. They explained these effects in terms of the impressions servers make by personalizing the check. Servers convey an impression of liking or friendliness to their customers by including either a "thank you" or a smiling face on the back of the check and this impression may explain why such behaviors increase tips.

Another practice employed by servers that may be perceived as an act of friendliness is the providing of candy with the final check. It is not uncommon for servers to give small pieces of candy to each member of the dining party when delivering the final check. The question is, do these small gifts also increase the tips servers receive?

Certainly, Rind and Bordia's (1995; 1996) reasoning suggests that providing customers with small "gifts" in the form of the candy at the end of their dining experience will increase the perceived friendliness of the server and, as a result, the size of tips the server receives. In addition, there are at least two other reasons for expecting gifts of candy to affect tips. First, unexpected food treats have a positive impact on a people's moods and subsequent likelihood of helping others (Isen & Levin, 1972). Isen (1987) has suggested that experiences of positive affect may increase the helpfulness of individuals because, in part, happy individuals identify more with others. In addition, Forgas (1992) has suggested that positive affect may influence people's judgments. For example, diners in a positive mood may be more lenient in their evaluation of the services rendered when determining the appropriate amount to leave as a gratuity for the server. By providing candy to customers, servers may enhance the mood and, therefore, tips of those customers.

Another reason for believing that gifts of candy will increase tips can be found in the norm of reciprocity (Cialdini, 1993). People often feel obligated to reciprocate acts of generosity even if those acts were not requested or anticipated. For example, Regan (1971) found that research participants who unexpectedly received a bottle of Coca-Cola from a fellow research participant were more likely to reciprocate this "favor" by buying raffle tickets from the fellow

participant. Rind and Strohmetz (1999) used the reciprocity norm to explain why adding a helpful message on the back of the diners' check increased tips. They argued that customers were repaying the server for her extra effort on the dining party's behalf. Following this reasoning, it is possible that receiving unexpected gifts of candy may make the dining party feel obligated to reciprocate the server's apparent generosity with larger tips.

Two studies were conducted to investigate the impact that unexpected gifts of candy may have on gratuity levels. The first study examined whether or not the act of providing dining parties with small pieces of candy can have a positive impact on the tips one received. The second study attempted to replicate this effect at a different locale as well as explore possible ways of augmenting and explaining this effect.

## Experiment 1

#### Method

Participants. Ninety-two dining parties at a restaurant in downtown Ithica, NY served as participants in this study. The restaurant seats approximately 66 people and provided a full dinner menu including alcohol in a casual dinner atmosphere.

Procedure. The experiment was conducted over two weekday and two weekend dinner shifts during the fall of 1992. Two seasoned waiters served as experimental accomplices. Just prior to delivering the check to a table, these waiters selected a playing card from a shuffled deck of cards. If the card was red, they gave each person in the dining party a fancy, foil wrapped piece of chocolate when they delivered the check. This fancy piece of chocolate was used to differentiate this token gift from the inexpensive wrapped mints that are often provided by restaurants. When the card was black, the servers delivered the check without giving the guests pieces of chocolate. Upon delivery of the check, the server thanked the customers and recorded

the total guest check, the amount of the gratuity, the experimental condition, the method of payment (cash vs. credit), and the sex of the bill payer. At the end of the study, two or three dining parties were assigned to one condition in order to achieve equal sample sizes for the experimental and control conditions.

## Results and Discussion

Tip percentage was determined by dividing the amount of the tip by the size of the bill before taxes and multiplied by 100. It was hypothesized that the servers would receive larger tip percents when they gave each member of the dining party a piece of chocolate along with the final check. This hypothesis was supported, t(90) = 5.25, p < .0001, effect size r = .48. The mean tip percent for the candy condition was 17.8% (SD = 3.06) while the mean tip percent for the no candy condition was 15.1% (SD = 1.89).

The data were also analyzed in a hierarchical multiple regression of percent tip on the candy manipulation, the customer's sex, a manipulation x sex term, the payment method, and a manipulation x payment term. This analysis produced significant effects for the candy manipulation (F(1, 86) = 31.40, p < .0001) and the payment method (F(1, 86) = 13.41, p < .0004). The restaurant's patrons left not only larger percentage tips when they received candy but also when they paid with credit (17.1% vs. 15.3%) which is consistent with previous research (e.g., Garrity & Degelmann, 1990). There was no main effect of customer sex (F(1, 86) = .11, p)< .75) and the effect of the candy manipulation was not significantly moderated by either customer sex (F(1, 86) = 2.18, p < .15) or payment method (F(1, 86) = .90, p < .35).

In this study, two servers increased the tips they received by providing their customers with small gifts of wrapped chocolates. While this demonstrates that small and unexpected acts of generosity may have a positive effect on tips, it does not allow us to examine ways of

augmenting this candy effect as well as evaluate possible explanations for it. A second study

effect at a different restaurant and with a server of a different sex.

#### Experiment 2

was conducted to address these issues. The second study also permitted us to replicate the candy

While Study 1 demonstrated that providing dining parties with an unexpected treat in the form of small pieces of candy can have a positive effect on subsequent tips received, it was not able to explore possible explanations for this candy effect. One explanation is that by providing one's customers with candy, a server is making a favorable impression on one's customers by appearing particularly friendly or generous (e.g., Lynn & Mynier, 1993; Rind & Bordia, 1995, 1996). However, it might not be the impression one is making on the dining party but rather the gift itself that is enhance the mood of the dining party, which in turn has a positive impact on gratuity levels (e.g., Isen & Levine, 1972). A third possible explanation for this candy effect is that customers feel obligated to reciprocate the server's generosity by being generous with respect to their tip.

The current study attempted to evaluate the plausibility of these three explanations by systematically varying not only the amount of the candy that was provided to each member of the dining party but also the apparent generosity of the server. The server offered each customer the opportunity to select either one or two pieces of chocolate from a basket of assorted chocolates. If the gift of candy increased tips simply based on the perceived friendliness of the server, then gratuity should not necessarily be related to the absolute amount of the candy received. In other words, there should not be an appreciable difference in tip percentage based on how much candy each member of the dining party received. However, the good mood and

reciprocity explanations would suggest that dining parties who received two pieces of candy each from the server would tip more than those who received only piece of candy would.

The question then becomes whether customers tip more because their mood has been enhanced by the second piece of candy or because they feel even more obligated to reciprocate the generosity on the part of the server. A third candy condition was added to look at this issue. In some cases, after the server offered each customer the opportunity to select one piece of candy and as she began to leave the table, she stopped to allow each customer to select an additional piece of candy. This latter condition was intended to manipulate the apparent generosity of the server herself to evaluate whether this extra, seemingly spontaneous "gesture" on the part of the server might be reciprocated with larger tips.

## Method

Participants. Eighty dining parties eating dinner at restaurant located in central New Jersey served as participants. The restaurant was considered to be upscale, specializing in Italian-American cuisine. The dining parties consisted of a total of 293 customers, with a mean of 3.67 customers per dining party (SD = 1.97). The range of the customers in the 80 dining parties was from 2 to 12.

Procedure. The experiment was conducted over several weeks during the spring of 1998. A female server with approximately 5 years of experience waiting tables served as the experimental accomplice. The server was provided with a small wicker basket with handle, which was filled with Hersey Assorted Miniature Chocolates. These candies consisted of four different types of chocolate candy: dark chocolate bars; milk chocolate bars; rice and chocolate bars; and peanut and chocolate bars. The server was also provided with a stack of 3 x 5 index cards. Each of these cards instructed the server to do one of four things when she delivered the

guest check to the dining party. In one condition (the "control" condition), the server was instructed to deliver the final dining check as usual without any offer of candy. For the three other conditions, the server was instructed to bring the basket of candy so that she may offer each member of the dining party candy when she delivered the check. For the some of the dining parties, the server offered each customer the opportunity to select one piece of candy of his or her choice from the basket (the "1 piece" condition). For a second group, the server offered each customer the opportunity to choose two pieces of candy from the basket (the "2 piece" condition). For the last group in the "candy conditions," the server initially offered each customer one piece of candy of his or her choice. After the customers made their selections and as the server was leaving the table, the server stopped and offered her customers the choice of an additional piece of candy (the 1+1 condition). So, while the absolute amount of candy remained the same in the last two conditions, the apparent generosity of the server did not. For the last group, the server appeared to be making an extra, personal gesture by offering each customer the opportunity to select another a piece of candy from the basket.

The 3 x 5 instruction cards were thoroughly shuffled such that the order of the four types instruction cards was random. When it was time for her to deliver the check, the server reached into her apron pocket and selected the top card from this shuffled stack. This card instructed her as to whether she should take the candy basket with her when delivering the check, and if so, how many pieces of candy she should offer each customer (1 or 2) and in what manner (1 or 2 opportunities to select candy from the basket). Regardless of the condition, the server was instructed to thank the dining party and leave the table immediately after delivering the check to avoid further contact with the dining party. After the dining party left, the server recorded (on the same 3 x 5 used to determine the dining party's condition) the amount of tip left by the party, the amount of the bill before taxes, and the party size. Due to an oversight, neither sex of bill payer nor method of payment was recorded.

## Results and Discussion

The means and standard deviations for the percent tip for each of the conditions are listed in Table 1. As is Experiment 1, tip percentage was determined by dividing the amount of the tip by the size of the bill before taxes and multiplied by 100. Planned orthogonal contrasts were used to systematically test the theoretical predictions for the four conditions (Rosenthal, Rosnow, & Rubin, 2000). The first contrast tested the hypothesis that the simply the act of providing candy would increase the server's percent tip. This prediction was supported. Dining parties tipped a larger percentage when the server offered them candy than when she did not, (with contrast weights of -3, +1

The second planned contrast tested the prediction that providing an additional piece of candy would augment this candy effect. Dining parties who received their choice of two pieces of candy per person tipped a higher percentage than dining parties who received their choice of only one piece (with contrast weights of 0, -2, +1, +1,  $\underline{t}(76) = 4.70$ ,  $\underline{p} < .0001$  (1-tailed), effect size  $\underline{r} = .46$ ). This suggests that while candy itself may augment percent tips, increasing the size of the absolute size gift for the dining party (i.e., 2 pieces of candy rather than one piece) will have a positive effect on percent tips.

Finally, a third planned contrast tested the prediction that enhancing the apparent generosity of the server by first providing each diner one piece of candy and then offering them the opportunity to choose another piece of candy (the 1 + 1 condition) rather than just offering

each person two pieces of candy at the outset (the 2 piece condition) will increase the size of the percent tip even more. In other words, these two conditions differed only in the manner in which the two pieces of candy were offered to the dining party. This prediction was supported. Percent tips were significantly higher in the 1+1 condition as compared to the 2 piece condition (with contrast weights of 0, 0, -1, +1, t(76) = 2.06, p = .02 (1-tailed), effect size r = .22). Overall, while the server was given a larger percent tip when she offered her dining customers two pieces of candy as opposed to one, this tip percent was even greater when she made the seemingly spontaneous gesture of providing each customer an additional opportunity to select a piece of candy from the basket.

It is reasonable to argue that if reciprocity was the stronger explanation for his candy effect, then the more effort made by the server on the dining party's behalf, the more the dining party would feel obligated to reciprocate. Therefore, expressions of generosity by the server should have stronger effects on percent tips for larger groups. This prediction was tested using a simultaneous multiple regression with terms representing the 1 piece condition, the 2 piece condition, the 1+1 condition, party size, a 1 piece x party size term, a 2 piece x party size term, and a 1+1 condition x party size term. In support of the reciprocity explanation, two significant interaction terms resulted from this model. The 2 piece x party size interaction term was significant,  $\beta = .47$ ,  $\underline{t}$  (72) = 1.77,  $\underline{p}$  = .04 (1-tailed). This indicates that the contrast between the no candy condition and the 2 piece candy condition varied as a function of group size. The 2 piece condition had more of an impact on percent tips for larger groups.

The 1+1 condition x party size interaction term was also significant,  $\beta = .64$ , t (72) = 2.02, p = .024 (1-tailed). This even more strongly suggests that it is reciprocity that underlies this candy effect. The increased apparent generosity of the server in the 1+1 condition had an

even stronger effect on percent tip as compared to the no candy condition. Taken together, these two significant interactions suggest that the more generous the server appeared to be towards the dining party, the more likely she was reciprocated with a greater tip percent.

#### General Discussion

Collectively, the results of these two studies suggest that the simple act of providing a customer with candy can have a positive impact on the tips a server might receive. This candy effect was replicated in two different restaurants and by both a male and female servers. The question then is what are psychological mechanisms underlying this effect.

Experiment 2 tried to systematically evaluate three possible explanations to provide some light on which explanation appears to be the most plausible. One explanation for the candy effect is that the server has made a more positive impression on the dining party through her generosity of giving her customers pieces of candy. While certainly this is a possible explanation, it does not appear to adequately account for the differences that accompanied the systematic variations in the absolute amount of candy that was provided to the dining party. A second possible explanation is that the unexpected treat of the candy itself enhanced the dining party's mood which, in turn, led to larger tips. However, this explanation would not fully account for why dining parties tipped more in the 1+1 condition than in the 2 pieces of candy condition. The explanation that appears to be the most plausible in explaining the candy effect is the norm of reciprocity. As Cialdini (1993) argued, the sense of obligation that accompanies being the recipient of any act of generosity, expected or unexpected (e.g., Regan, 1971) can have a powerful influence on one's motivation to reciprocate this act. In the current study, being the recipient of an unexpected treat of candy from the server may have created a sense of obligation

in the dining party to reciprocate the server's friendly gesture with a friendly gesture of their own through their tip. This would help to explain why the tip percentage was the greatest in the 1 + 1condition where the server appeared to make the "additional" gesture of allowing the dining party to choose a second piece of candy. It would also help to account for the finding that the impact of the candy on percent tips was moderated by party size.

The practical value of the results from these two studies is that servers may be able to increase their tips by giving their customers small, inexpensive gifts at the end of the meal. In the first experiment, the two male servers' customers spent a total of \$2,813.51. If they had not provided customers with the small pieces of chocolate, the total tips received would have been \$424.84. Providing all of the customers with the small pieces of chocolate, their tip total would have been \$500.80, an increase of \$75.96 (i.e., a 18% increase). Similarly, in Experiment 2, the female server's customers spent a total of \$5,810.15. If she had not offered any candy to her customers when delivering the check, the total tips received would have been \$1,101.02. However, if she had employed the 1+1 condition to everyone, the total tips received would have been \$1,235.75, an increase of \$234.73 (i.e., a 21% increase). Inexpensive and personalized gestures of gratitude such as giving one's customers candy at the end of a meal could mean millions of dollars of extra income annually for the nearly two million servers in the U.S.

The present two studies add to the increasing body of research that demonstrates that the practice of tipping is as much of a psychological phenomenon as it is an economic one. By making personalized gestures such as providing small pieces of candy with the guest check, a server can have a positive influence on the size of gratuity left by the dining party that is independent of the actual quality of the service provided during the party's dining experience. Future research should investigate the generalizability of this candy effect by varying other

restaurant-related factors as well as the nature of the gift in addition to further investigating the psychological mechanisms that underlie practice of tipping.

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Correspondence concerning this article should be addressed to David B. Strohmetz,
Psychology Department, Monmouth University, West Long Branch, NJ 07764. Electronic mail
may be sent to dstrohme@monmouth.edu

Table 1

Mean Percent Tips (and Standard Deviations) and Contrasts Weights for Each Candy Condition

Condition	<u>M</u>	<u>SD</u>	<u>n</u>	Contrast #1 Weights	Contrast #2 Weights	Contrast #3 Weights
No Candy	18.95	1.50	20	-3	0	0
1 piece	19.59	1.75	20	+1	-2	0
2 piece	21.62	2.51	20	+1	+1	-1
1+1 piece	22.99	2.49	20	+1	+1	+1