How Much Tip Would You Leave? Framing Effects in Tipping Behavior



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Numerous studies have examined how different factors would influence the amount of tip consumers leave. Most of the research is on factors in the environment or server characteristics. Lynn& McCall, 2000a

Introduction



Service providers vary as to whether they present their customers with the option of tipping a dollar value or a percentage. This provides an opportunity to examine how the context may influence tipping behavior.



Research

proposition

\$16.31

TIP

No Tip

BIG BIGGER

TIP

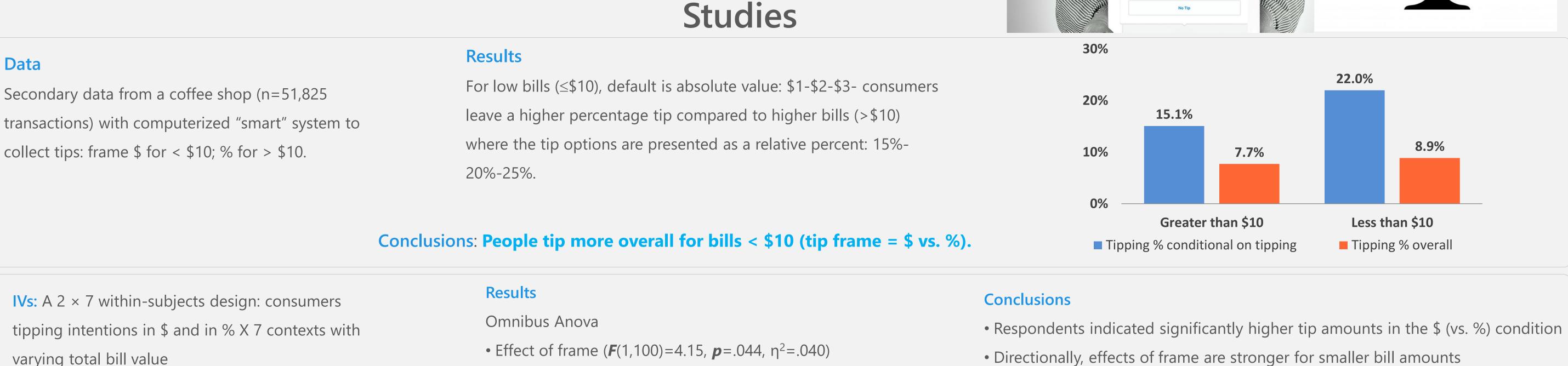
Tipping intentions and behaviors are influenced by context including: domain, framing of the tips options (\$ vs. %) and the size of the bill.

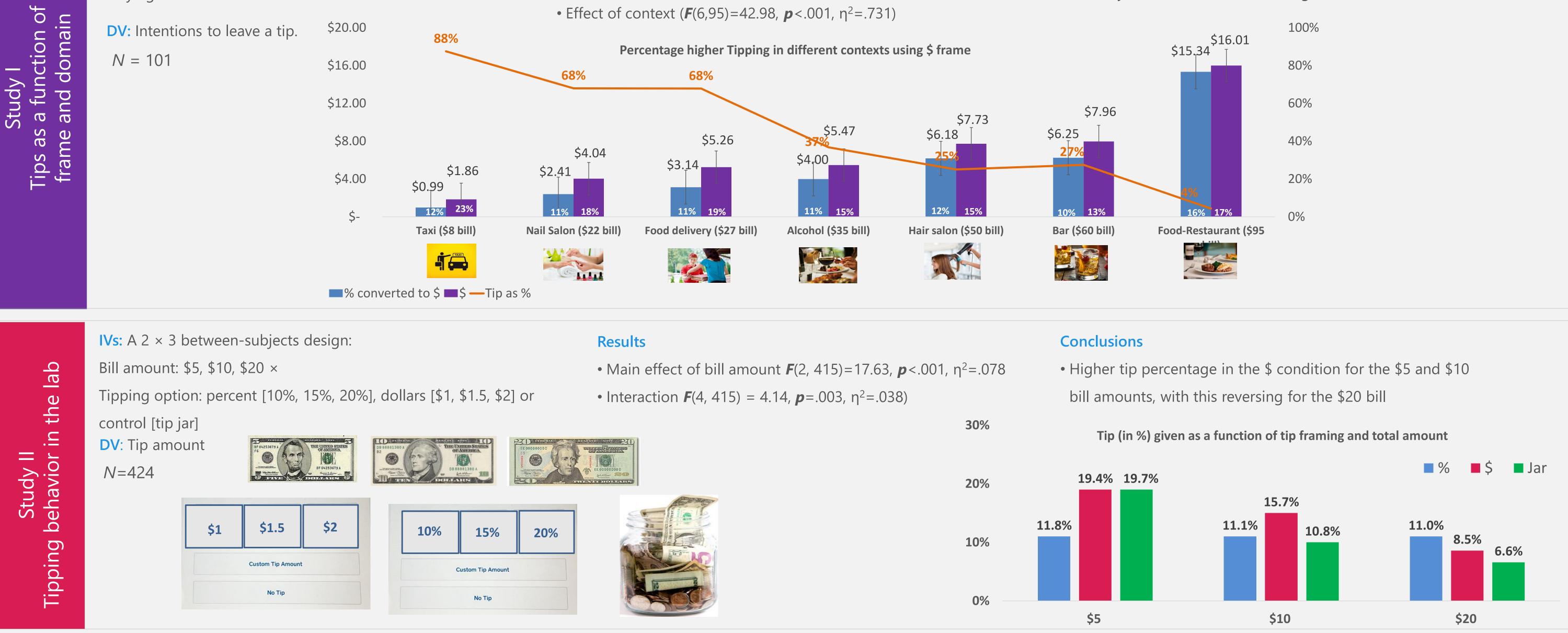
Our hypothesis

H1: Bill amount and tip frames (\$ vs. %) interact, such that

a. For smaller bill amounts, framing a tip in \$ terms will lead to higher tips than framing a tip in % terms

b. For higher bill amounts, framing the bill in % terms will lead to higher tips than framing a tip in \$ terms



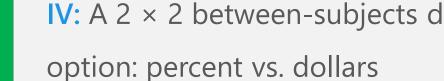


IVs: A 2 × 7 within-subjects design: consumers tipping intentions in \$ and in % X 7 contexts with varying total bill value

• Effect of frame (F(1,100)=4.15, p=.044, $\eta^2=.040$) • Effect of context (**F**(6,95)=42.98, **p**<.001, η²=.731)

Secondary data

Data



IV: A 2 × 2 between-subjects design: Bill amount: \$10, \$20 × tipping

DV: Tip amount (using a slider scale starting from 0 up to 50% of

Results

Main effect of frame (*F*(1, 207)=14.33, *p* < .001, η²=.065)

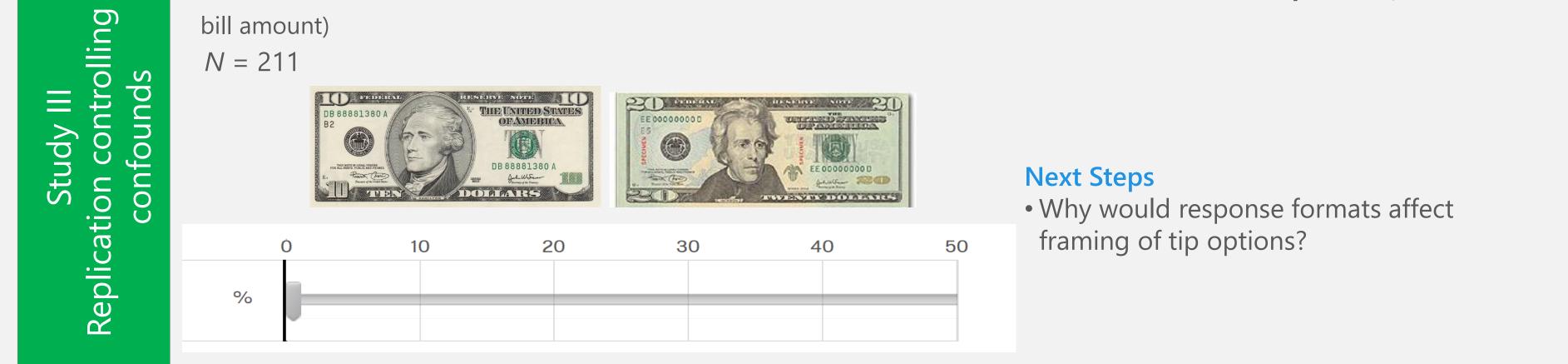
Interaction (*F*(1,207)=4.05, *p*=.045, η²=.019)

Conclusions

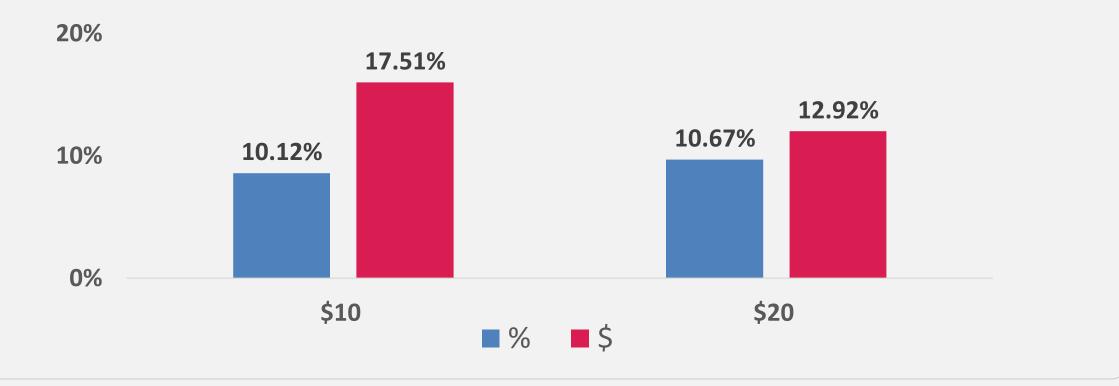
• Greater difference in the lower bill amount condition than in the larger bill

amount condition

for



Tip (in %) as a function of framing and total bill





The manner in which tipping options are framed (as \$ or %) influences consumers' tipping intentions and behavior. People tend to leave a higher tip (in % terms) when their options are presented in absolute \$ terms, and this effect is particularly true for smaller bill amounts. Future research will examine the routes through which this effect occurs and its boundary conditions. We will also examine other contextual factors beyond tip frames.