

Tipping in America

By *Talia Berman, WireTap*

Posted on April 17, 2006, Printed on September 26, 2008

Thanks to tipping, restaurant service is one of the most erratically paid professions in the United States. In some states, tips comprise 100 percent of a server's income, and all but seven have separate, decreased minimum wages for tipped employees. On the federal level, the minimum hourly wage for tipped employees is \$2.15. In Kansas, it's \$1.59.

So how do servers survive? As it turns out, many of them don't -- servers have a greater turnover rate than virtually any other profession. Tipping is part of the problem, according to Michael Lynn, associate professor of Consumer Behavior at Cornell University's Hotel School and an expert on tipping norms and practices, "Part of it has to do with tipping itself. It's an unsure source of income. If you are a professional server making money on tips, it is difficult to establish credit ratings and to buy a house."

Anatomy of a tip

So what is average for a tip? The expected rate used to be 15 percent of the total bill, but these days, especially in urban areas, tips are much closer to 20 percent. According to Zagat Survey's 2006 Top Restaurant Survey, the average restaurant tip in the United States is 18.7 percent.

And where do the tips go? Servers invariably have to "tip out" -- pool together and share -- their nightly income with other service staff such as bartenders, bussers and runners, and often a coffee guy and bar back as well. A tip-out can be as much as 40 percent or as little as 10 percent. Each restaurant develops a unique method of division. Generally, but by no means without exception, bartenders are paid the most, then servers and runners, and then everyone else.

Tipping for good weather forecasts and good looks

The Center for Hospitality Research lists a number of other factors that affect your tip, many of which are completely out of a server's control. Good weather, good moods and a piece of candy with the check are all important tip boosters. For the server, being attractive improves your tip, being a woman improves your tip, and being an attractive woman exponentially increases it.

But there are more subtle factors -- offering your customers a good weather forecast increases a tip. Seating a small party at a big table increases a tip. Wearing unusual ornaments or articles of clothing increases your tip. A busy restaurant increases a tip. And more than we may realize, it is all about making the numbers look nice. "People don't like to leave change. They round numbers," says New York-based restaurant consultant Arlene Spiegel. "People round up from the total -- it might end up being 15 percent or it might end up being 20 percent."

How to tip in Belgrade

The system in this country differs from other countries in that servers don't get a base salary, which is something not everyone realizes. "What the guests don't know is that servers are not making any money during the time they aren't taking tables, when they are setting up," says Spiegel. "That is where I think that guests are misled."

How servers feel remains unstudied, but a round of questioning found a variety of opinions. "They should get a bigger wage," says Hargrove, "That's part of the reason I left." Scranton, however, thinks even the idea of pooling tips is "horrible." "Some people really work really hard and others are lazy, and you should make the money you deserve to make!" Binghamton, on the other hand, says she would like to see more consistency in her income referring to lunch shifts and slow nights, "I am sick of working for free. We should get a wage."