

Ethnic Differences in Tipping

A Matter of Familiarity with Tipping Norms

by MICHAEL LYNN

Studies of tipping behavior indicate that black customers tend to leave lower tips than do white customers. Rather than unnecessarily demean a customer group, however, the industry should try to understand and address the underlying cause of this ethnic difference in tipping. The results of the study reported here suggest that differences in tipping between African American and Caucasian customers may reflect differences in the groups' familiarity with the 15 to 20 percent restaurant-tipping norm. This explanation suggests that one solution to the problems posed by differences in the groups' tipping is to publicize the 15 to 20 percent tipping norm in minority communities.

Keywords: tipping; ethnic minorities; restaurants

Several years ago, the owner of a Miami restaurant was widely chastised in the public media for characterizing African Americans as being poor tipppers.¹ Unfortunately, his comments reflected a covert but widespread belief within the restaurant industry. Many waiters and waitresses believe that African Americans tip less than Caucasians. For example, an unpublished survey I conducted among fifty-one servers at a restaurant in Houston found that 94 percent of the servers classified black customers as poor tipppers.² As a result of that belief, many table servers dislike waiting on black customers, deliver inferior service to black guests on whom they must wait, and refuse to work in restaurants with a predominately black clientele.³ Although anecdotal, the following quotations

drawn from a discussion board at www.tipping.org illustrate what many in the industry believe are widespread views.

- All the servers I work with hate having to wait on minorities, black people in particular (and over half of our waitstaff is black!!!). It is not uncommon to have several black tables in a night that rack up a bill of over \$100 and then not tip more than \$2. When I started working there, I never prejudged a table based on color. I gave outstanding service to every table and the tips were excellent, except from my black tables. After about three months, I caught on to why all of our waitstaff never wanted to wait on black tables.
- I work in a seafood restaurant located in the midwest. . . . I thought the average black person not tipping was just a regional problem; I guess it's a national problem. I will not take black tables unless I have no other option; call me racist, but I also walk out with more money than the people who end up with them.
- I've lost count as to how many black tables I've waited on in my five years of serving, both in the north and the south. But I can count literally on *one* hand how many times I've been left a decent (15-percent) tip. As a result, to (most—not all!) I will wait on you last and spend less time with you. Because, though I've tried giving considerate, friendly, and attentive service, it's been to no avail.
- I have worked in restaurants that attract a black clientele, and I am done with it. I grew up in Cleveland Heights, Ohio, and was not raised with any prejudices, but within the walls of a restaurant my prejudices have formed. Not only am I not treated well when waiting on them, but I am not tipped well. I have since moved to a restaurant that attracts a very yuppie clientele, and I am treated well and tipped on every bill. It is a very frustrating cultural difference and one that I just don't know how to deal with anymore.

In this article, I examine the consequences of the above attitudes and actions, as well as potential solutions to the problems they pose for the restaurant industry.

Specifically, I argue that (1) servers' perceptions of black–white differences in tipping are generally accurate, (2) the resulting attitudes and behavior on the part of servers toward black customers are harmful to restaurants, and (3) the underlying causes of black–white differences in tipping must be understood and addressed if these problems are to be reduced or avoided. I then present evidence supporting the idea that black–white differences in tipping reflect differences in familiarity with the restaurant-tipping norm. This explanation suggests that individual restaurant managers and the restaurant industry as a whole need to promote the 15 to 20 percent tipping norm to black consumers.⁴ I conclude the article by making several specific suggestions about how such a promotional effort could be conducted.

Why This Is an Industry Challenge

Unfortunately, servers' beliefs that blacks tip less than whites appear to be accurate. Soon-to-be-published studies reporting data from national telephone surveys, from server records, and from exit interviews with restaurant customers indicate that (on average) blacks tip 20 percent less than do whites.⁵ This black–white difference in tipping is not due to income or other demographic differences between the two ethnic groups, because that difference remained both sizable and statistically significant after controlling for sex, age, education, income, and household size. Nor can this difference in tipping be attributed to discrimination in service delivery, because it remained significant after controlling for service quality. In one of the studies, black restaurant patrons actually rated the service slightly higher than did white patrons, but the black patrons still tipped less.⁶ Furthermore, black patrons' tips were not significantly

related to their evaluations of the service.⁷ These latter findings do not mean that service discrimination never occurs or that service discrimination never contributes to ethnic differences in tipping. However, these results do suggest that service discrimination is not the primary cause of black–white differences in tipping. They also indicate that simply delivering comparable levels of service to black and white customers will not result in comparable tips from the two groups.

I contend that this ethnic difference in tipping, along with its effects on servers, represents a problem for the restaurant industry. Specifically, servers' negative attitudes and behavior toward black customers contribute to the following: (1) lower restaurant patronage from black consumers, (2) lawsuits alleging that restaurants discriminate in service delivery to blacks, (3) high levels of employee turnover in restaurants with a predominantly black clientele, and (4) a reluctance on the part of restaurant chains to enter black communities. Each of these points is discussed further below.

Reduced patronage. Servers' negative attitudes and behavior toward black parties most likely reduce restaurant patronage on the part of African Americans. Blacks are less likely than whites and other minority groups to frequent casual and family restaurants and are more likely than other groups to order take-out and delivery.⁸ While other factors also play a role, the fact that many servers dislike waiting on black tables and deliver inferior service to them undoubtedly contributes to such patterns of restaurant patronage. The alienation of blacks is costly to sit-down restaurants because blacks represent approximately 12 percent of the nation's population and possess an estimated buying power of over \$646 billion a

year.⁹ Moreover, the population and the buying power of blacks are growing faster than are the population and the buying power of whites.¹⁰ Thus, blacks represent an attractive, growing market that sit-down restaurants can ignore only at their own expense.

Lawsuits. Servers' discrimination against black customers threatens restaurants with civil litigation and negative publicity, as occurred with Denny's Restaurants. Two highly publicized class-action lawsuits filed against Denny's in 1993 resulted in a \$46-million settlement and tarnished the company's reputation.¹¹ Though the company has since made great strides in turning around its policies and burnishing its reputation,¹² as recently as 1999, Denny's continued to be the target of lawsuits alleging discrimination against black customers.¹³ Of course, Denny's is not the only restaurant company subject to such suits. Cracker Barrel is currently involved in a publicized class-action lawsuit seeking \$100 million in compensation for the company's alleged discrimination against black patrons.¹⁴ Even if Cracker Barrel ultimately "wins" this lawsuit, its legal fees and loss of reputation will be costly.

Turnover. Servers' unwillingness to work in restaurants with a largely black clientele increases employee turnover, which, in turn, increases the costs of business and lowers profit margins for those restaurants.¹⁵ Sid Levy, who operates steak houses in black communities in Maryland, has said that his servers make less in tips than do servers at other restaurants in the region. As a result, he experiences higher-than-typical turnover and is experimenting with additional ways of compensating his servers. Levy's experiences are not unusual. Gerald Young, who owns an

independent restaurant in Philadelphia, has said that low tips from non-white customers resulted in monthly turnover of 100 percent until he decided to add an automatic, 18 percent gratuity to every bill.¹⁶

Missed markets. Finally, tipping-related turnover makes black communities relatively unattractive target markets for restaurants and restricts the expansion of restaurant chains into those markets. In an article for DiversityInc.com, Linda Wallace noted that many affluent African American communities have a shortage of sit-down and fine-dining restaurants. She also wrote that

Industry experts cited two reasons chains have not aggressively pursued these markets: a belief that they can't make money and a perceived problem with tipping. Across America, there is a widespread belief among restaurateurs that African-Americans and members of some immigrant ethnic groups just aren't good tippers. This perception, they say, shapes strategic decisions about restaurant placement and customer policies, yet it is rarely discussed publicly because bringing it up might appear racist.¹⁷

The Industry's Response

The high costs of servers' negative attitudes and behavior toward black customers have prompted some restaurant companies to address the issue. However, those efforts have largely focused on symptoms rather than on their underlying causes. For example, one restaurant chain monitors its servers' treatment of black customers and lets its servers know that discriminatory behavior will result in termination of employment.¹⁸ Unfortunately, such monitoring is costly and cannot be done for every server-customer

interaction.¹⁹ Thus, it is at best an imperfect solution to the problem of service discrimination. Furthermore, monitoring does nothing to address (and may exacerbate) turnover.

In a similar stab at symptoms, some restaurateurs operating in black communities try to reduce turnover by adding automatic service charges or by paying higher wages.²⁰ However, surveys indicate that most U.S. consumers dislike automatic service charges.²¹ Furthermore, restaurant chains that impose automatic service charges in predominantly black communities but do not do so in white communities open themselves up to charges of racial discrimination. Paying higher wages is another option, but the resulting increase in labor cost is difficult to pass on to consumers. Restaurant chains cannot pass such costs on to consumers, because price differentials between black and white communities would be perceived as discriminatory. Independent restaurants (with one location) can pass those costs on to consumers without appearing discriminatory, but higher prices may result in the loss of some business.

To find lasting solutions to the problems posed by ethnic differences in tipping, the industry must understand and address the underlying causes of those differences. One likely explanation for black-white differences in tipping is that blacks may be less familiar with the norm of a 15 to 20 percent tip than are whites. Consistent with this potential explanation, researchers have found that blacks are less inclined to base their tips on bill size than are whites.²² In other words, blacks are more likely than whites to leave a flat tip (regardless of check size). Furthermore, black-white differences in tipping diminish with restaurant-patronage frequency, which should logically be related to knowledge of tipping norms.²³ Despite

Exhibit 1:**A Comparison of Tipping Knowledge among Black and White Consumers**

<i>Response to a Query about the Customary Restaurant Tip</i>	<i>Blacks (n = 99)</i>	<i>Whites (n = 788)</i>	$\chi^2(1)^*$	<i>p value</i>
Less than 15%	28.3%	17.5%	6.71	.010
15% to 20%	37.4%	71.2%	45.79	.001
More than 20%	4.0%	3.7%	0.03	.858
A dollar amount	15.2%	3.3%	28.02	.001
"Don't know"	12.1%	2.4%	24.59	.001
Other	3.0%	1.9%	N/A	N/A

NOTE: * Chi-square test of the difference between black and white percentages in each category.

these findings, research is needed to directly test the existence of differences in the two groups' knowledge of tipping norms. The study reported below was designed to do that.

Survey of People's Knowledge of Tipping Norms

As part of a larger, national telephone survey, U.S. residents were asked, "Thinking about tipping overall, not your own practices, how much is it customary for people in the United States to tip waiters and waitresses?" Responses to this open-ended question regarding customary tip amounts were categorized by the interviewers into one of the following mutually exclusive categories:

- less than 15 percent,
- 15 to 20 percent,
- more than 20 percent,
- a dollar amount,
- "don't know," and
- other.²⁴

At the end of the survey, respondents were also asked various demographic questions. Information about each respondent's ethnicity (white or black), sex (male or female), age (in years), education (in

seven ordered categories), income (in ten ordered categories), household size (number of people), and "metro status" (metro = 0, nonmetro = 1) were used in the analyses reported below.

The survey results suggest that blacks are less familiar with restaurant-tipping norms than are whites. Exhibit 1 shows the comparisons of blacks' and whites' responses to the survey question. Overall, the distribution of blacks' responses differed significantly from that of whites.²⁵ Most important, blacks were about half as likely as whites to say that the customary restaurant tip in the United States is 15 to 20 percent of the bill (37.4 percent for blacks, and 71.2 percent for whites). This ethnic difference is statistically significant (see Exhibit 1) and remains significant even after controlling for the respondents' sex, age, education, income, household size, and metro status.²⁶

Additional comparisons of the different response categories indicate that blacks are more likely than whites to say that

- they do not know the customary restaurant-tip amount in the United States (12.1 percent for blacks and 2.4 percent for whites);

- the customary restaurant-tip amount is less than 15 percent of the bill (28.3 for blacks and 17.5 percent for whites); and
- the customary restaurant-tip amount is a dollar amount rather than a percentage of the bill (15.2 percent for blacks and 3.3 percent for whites).

These ethnic differences are statistically significant (see Exhibit 1) and remain at least marginally significant after controlling for the respondents' sex, age, education, income, household size, and metro-status.²⁷

Perspective on the Results

One concern about a study of this kind is readers' reactions, especially given the stereotypes already found in the restaurant industry. Some people who have examined these findings have expressed a fear that they will be used to justify continued industry prejudice and discrimination against blacks. I understand those fears, but I believe that they are misplaced for two reasons. First, as previously discussed, the belief that blacks tip less than whites is already widespread in the restaurant industry, based on servers' assessments of their personal experiences. Consequently, those inclined to racial prejudice and discrimination have already developed an excuse for their attitudes and behavior. Given the finding that blacks do tip less than whites, it is naive to believe that the resulting stereotypes, prejudices, and discriminatory behavior will disappear if the industry simply pretends that ethnic differences in tipping do not exist. In fact, failing to acknowledge and address this sensitive issue will only perpetuate a status quo that harms restaurants and customers alike by encouraging restaurant servers to discriminate in service delivery and discouraging restaurant operators from opening restaurants in predominantly black communities.

Second, the findings in this survey do not point to anything inherent in blacks' character or psychology as being the cause of tipping differences. Rather, the findings suggest that this ethnic difference is due to a cause—unfamiliarity with tipping norms—that can be remedied and that also

Although the topic is sensitive, the restaurant industry needs to openly discuss and deal with ethnic differences in tipping. This study contributes to the dialogue by providing evidence that black consumers are less familiar with the restaurant tipping norm than are white consumers.

affects the tipping of almost one in three whites. Thus, these findings do not justify continued prejudice and discrimination against blacks. Instead, they point out a way to solve these problems, which is to make all customers aware of tipping norms.

This survey's findings present the restaurant industry with a difficult and sensitive task. Blacks are unlikely to leave tips that are considered normal as long as they do not know about or accept the 15 to 20 percent tipping norm. Thus, public-relations campaigns are needed to promote that norm to black consumers. In general, social scientists have found that people

Sidebar

The study in the accompanying text was part of a commercial, omnibus (multicustomer) survey conducted by Taylor Nelson Sofres (TNS) Intersearch using Genesys random-digit-dial sampling. The sampling method allows researchers to sample people with unlisted phone numbers. The researchers completed 1,024 interviews—788 interviews with white respondents, 99 interviews with black respondents, and the remainder with respondents from other ethnic groups. Only the interviews with black and white respondents were used in this study.

The refusal rate reported by TNS Intersearch for the overall survey was 71 percent, which raises the possibility of self-selection bias. However, there is no reason to believe that nonrespondents differed from respondents in knowledge of restaurant-tipping norms, so self-selection (though present) is not likely to bias the survey data. Even if self-selection does affect the data, it is unlikely to differ by ethnicity and, therefore, is unlikely to bias the reported analyses of ethnic differences.

The wording of the survey question was designed to elicit descriptions of *injunctive* tipping customs or norms. I believe most respondents interpreted it that way. However, one reviewer felt that respondents may have interpreted my question as asking about *descriptive* norms. Thus, that reviewer believes that the survey results may indicate only that blacks have different perceptions than do whites about how much people actually tip—and not that blacks have different perceptions than do whites about how much people are expected to tip. However, it seems likely that most people would assume the injunctive norm is complied with and would use their perception of the injunctive norm to describe typical tipping behavior. In that case, both interpretations of the question would lead to the same answer. Furthermore, if blacks do perceive descriptive and injunctive tipping norms differently, then they would feel less social pressure to comply with the injunctive norms. This reduced social pressure could also explain why blacks tip less than do whites and would also suggest that a public-relations campaign (like those described later) would help blacks to “buy into” the injunctive tipping norm. Thus, I argue that the practical implications of the survey results are similar under both interpretations of the question.

comply with social norms more when they are aware of the norm, internalize (or personally subscribe to) the norm, believe

that others comply with the norm, and also believe that the approval of significant others depends on norm compliance.²⁸ Thus, efforts to promote compliance with the restaurant-tipping norm among black consumers should involve one or more of the following:

- inform customers that a tip amounting to 15 to 20 percent of the bill is customary and expected;
- remind customers of the norm at the time they must make tipping decisions;
- explain why tipping 15 to 20 percent is important;
- convince customers that most other customers tip 15 to 20 percent; and
- increase the social approval (or disapproval) customers feel when leaving good (or bad) tips.

I doubt that anyone knows the single best way to accomplish the above objectives.²⁹ More research on blacks' attitudes and opinions about tipping, restaurants, servers, and potential spokespersons is needed to help identify and develop promising courses of action. Then experiments and quasi-experiments should be used to pretest the various approaches and identify those that are most effective.³⁰ Nevertheless, in the paragraphs below, I offer some suggestions about what restaurant managers and others in the restaurant industry can do to promote the 15 to 20 percent tipping norm.

Suggestions for Restaurant Managers

Restaurant managers can inform and remind their customers about the 15 to 20 percent tipping norm by putting appropriate information on menus, table tents, and checks. Recently, many restaurants have started doing this by adding “suggested tips” to checks and credit-card slips.³¹ Although one research study found that providing tipping guidelines had little

effect on average tip size, two executives at one restaurant chain have told me that they found this practice helpful.³² They observed an increase in tipping at their restaurants with largely black clientele when the managers included tipping guidelines and information about server compensation with the bills given to all customers. At minimum, this is an easy and inexpensive solution that restaurant managers should try.

A more elaborate (and perhaps more effective) managerial intervention would be to remind customers of the tipping norm and to publicly reward them for compliance with that norm. For example, a manager could introduce a game that dining parties leaving at least a 15 percent tip would be eligible to play. (Tables that tipped less than 15 percent would not be eligible to participate in the game.) Servers would bring a bucket of loose playing cards (with the restaurant's logo on the back) to eligible tables after the bill and tip had been paid and members of the dining party would be invited to pick one card for every entrée ordered.³³ The people at a table could combine the cards from this visit and from previous visits to construct a poker hand that is redeemable for free food on future visits. For example, a pair might win a free side dish, and four of a kind might win a free entrée. Instructions explaining the game and eligibility requirements could be handed to guests when they are seated, printed on table tents, or inserted into menus.

A promotion of this type would do the following things to increase tipping: (1) it would remind customers that they should tip at least 15 percent; (2) it would identify those who do tip at least 15 percent to others in the dining room—thus demonstrating that others comply with the norm; (3) it would reward those who do tip 15 percent with social approval from other

diners in the room and with the opportunity to win food on future visits; and (4) it would encourage good tipplers to visit the restaurant again to collect more cards or to redeem poker hands already accumulated. The first three of these aspects of the game should affect the tips of patrons unfamiliar with the restaurant-tipping norm more than they do the tips of those already familiar with the norm. Thus, the game should decrease ethnic differences in tipping.

Suggestions for Others in the Restaurant Industry

The restaurant industry can help its managers solve the problem of black–white differences in tipping by conducting multimedia campaigns promoting the 15 to 20 percent tipping norm. One campaign should target all ethnic groups because blacks were not the only group unfamiliar with the restaurant-tipping norm. Approximately one-third of the whites in this survey were also unfamiliar with the norm, so they too need education about it. In my opinion, the National Restaurant Association (NRA), whose stated mission is to “represent, educate and promote” the restaurant industry, should take the lead in developing, funding, and running such a campaign.

Although a broad campaign promoting the 15 to 20 percent tipping norm to all consumers would be helpful, a separate campaign concentrated in communities with a particularly low knowledge and acceptance of the norm might also prove useful. For example, a campaign specifically targeting blacks could use appeals, models, and media that would probably be more effective than those used in a campaign geared toward a general audience. One concern about a campaign specifically promoting minority tipping is that it might reinforce negative stereotypes

about ethnic minorities and contribute to discrimination against them in the broader society. For this reason, any such campaign should be designed to have a low profile outside minority communities.

One approach to keeping a low profile in the broad society is to work with local churches and other organizations within minority communities to get the message out privately. For example, Rita Booker, who is cochair of the Interfaith Action Communities Committee on Development Issues in Prince Georges County (Maryland), has expressed a willingness to foster discussion of appropriate tipping behavior in an effort to bring restaurants into her community.³⁴ Representatives of restaurant chains and representatives of the industry as a whole can and should work with people like Booker to quietly promote tipping in minority communities.

A campaign promoting minority tipping can also keep a low profile outside minority communities by using only ethnic magazines, television channels, and radio stations. For example, radio celebrity Tavis Smiley discussed poor tipping among blacks during "The Smiley Report" on ABC radio's Tom Joyner Morning Show in July 2001.³⁵ That discussion reached a large black audience without attracting attention from the white media. Similar discussions of tipping in black media, such as articles featured in *Ebony* or public-service announcements aired on Black Entertainment Television, could also be used to reach large black audiences while minimizing whites' exposure to the message.

Given the sensitive nature of such a campaign and the need to get buy-in from minority organizations and media outlets, I believe that it should be organized and coordinated by a minority-run organization within the industry. The Multicultural Food Service and Hospitality Alliance

(MFHA) is a likely candidate to fill this role. Its leadership recently demonstrated that it has the foresight and courage to address this issue when it featured a panel discussion of minority tipping at its national conference in August 2002.³⁶ In my opinion, the MFHA should begin a campaign to promote minority tipping and should solicit donations of time, money, and effort from restaurant chains, black celebrities, and black media outlets to support that campaign.

Although more research and dialogue on ethnic differences in tipping would be welcome, I believe it is time to act on the information we already have about this issue. Concerted efforts along the lines described above by restaurant managers, the NRA, and the MFHA to promote the 15 to 20 percent tipping norm would give the industry a real chance to reduce black-white differences in tipping. In turn, reducing this ethnic difference would help the industry to fully serve and profit from black markets.

Endnotes

1. See: M. Clary, "Unusual Dinner Tab Brings Outcry over Stigma of 'Dining While Black,'" *Los Angeles Times*, November 14, 1999, p. A33.
2. None of the servers classified whites as poor tippers.
3. See: Suzie Amer, "Minority Report," *Restaurant Business*, November 15, 2002, pp. 27–38.
4. For current tipping norms, see: Judith Martin, *Miss Manners' Guide for the Turn-of-the-Millennium* (New York: Pharos Books, 1988), p. 374; *Global Road Warrior*, Version 3.0 (Novato, CA: World Trade Press, January 17, 2002); and *How to Tip* (New York: Fodor's Travel Publications, 2002), p. 5.
5. See: Michael Lynn and Clorice Thomas-Haysbert, "Ethnic Differences in Tipping: Evidence, Explanations, and Implications," *Journal of Applied Social Psychology* (in press); and Michael Lynn, "Black-White Differences

- in Tipping Various Service Providers," *Journal of Applied Social Psychology* (in press). Working drafts of both papers are available online at www.hotelschool.cornell.edu/chr/research/working/.
6. In another study, black-white differences in tipping were found when respondents were asked how much they tipped waiters and waitresses who provided good service. See: Lynn (in press).
 7. Tips are only weakly related to customers' evaluations of the service among all consumers, not just among blacks. See: Michael Lynn, "Restaurant Tipping and Service Quality: A Tenuous Relationship," *Cornell Hotel and Restaurant Administration Quarterly*, vol. 42, no. 1 (January 2001), pp. 14-20.
 8. See: Rita Rousseau, "Feeding the New America," *Restaurants & Institutions*, February 15, 1997, pp. 28-42.
 9. Jeffrey Humphreys, "The Multicultural Economy 2002," *Georgia Business and Economic Conditions*, vol. 62, no. 2 (2002), pp. 1-27.
 10. Ibid.
 11. See: Russell Mokhiber, "The Ten Worst Corporations of 1994," in Multinational Monitor's Corporate Rap Sheet, www.ratical.org/corporations/mm10worst94.html. {Seen when, Mike?}
 12. The NAACP has named Denny's James Adamson as CEO of the Year and has repeatedly given Denny's its "Fair-share Corporate Award for Minority Business Development." See: James Adamson, "The Denny's Discrimination Story—And Ways to Avoid it in Your Operation," *Nation's Restaurant News*, October 5, 1998, p. 40.
 13. See: *Larouche v. Denny's Inc.*, Case no. 98-0654-Civ-Seitz, U.S. District Court for the Southern District of Florida, Miami Division, 62F. Supp. 2d 1375; 1999 U.S. Dist. LEXIS 13063, August 19, 1999. Also see: *Charity v. Denny's Inc.*, Civ. Action no. 98-0554 Section "c," U.S. District Court for Eastern District of Louisiana, 1999 U.S. Dist. LEXIS 11462, July 26, 1999.
 14. See: Richard Lezin Jones, "NAACP Joins Race-bias Suit against Cracker Barrel," *The Philadelphia Inquirer*, October 6, 1999; "NAACP Joins Lawsuit Against Cracker Barrel," in *Legal Monitor*, http://www.restaurant.org/legal/lm/lm2002_05.cfm (as viewed on May 2002); and James Thorner, "Local Witnesses Divided on Cracker Barrel Law Suit," *St. Petersburg Times*, December 15, 2001, p. 1E.
 15. See: Timothy Hinkin and Bruce Tracey, "The Cost of Turnover," *Cornell Hotel and Restaurant Administration Quarterly*, vol. 41, no. 3 (June 2000), pp. 14-21.
 16. Amer, pp. 27-38.
 17. See: Linda Wallace, "The Restaurant Wars: Dare To Go Where No Broker Has Gone Before," *DiversityInc.com*, August 9, 2001; and Amer, pp. 27-38.
 18. See James Adamson, "The Denny's Discrimination Story—And Ways to Avoid it in Your Operation," *Nation's Restaurant News*, October 5, 1998, p. 40.
 19. The inability to perfectly monitor server treatment of black customers is probably one reason that Denny's continues to be named in lawsuits alleging discrimination against black patrons (see note 12).
 20. Amer, pp. 27-38.
 21. See: Susan Mills and Hudson Riehle, "What Customers Think About Tips versus Service Charges," *Restaurants USA*, October 1987, pp. 20-22; Joe Edwards, "NRN Survey: Tips Beat Service Charges 5-to-1," *Nation's Restaurant News*, vol. 22, no. 27 (July 4, 1988), pp. 1, 84; and Wendy Cole, "Leaving Tips," *Time*, February 27, 1989, p. 54.
 22. See: Lynn (in press); and Lynn and Thomas-Haysbert (in press).
 23. See: Lynn and Thomas-Haysbert (in press).
 24. Some categories used by the interviewers have been combined for ease of reporting. For example, the "less than 15%" category combines the following two categories: "less than 10" and "10 to 14 percent." Refusals to answer the question were counted as missing values.
 25. Conclusion based on a χ^2 (5) of 71.41 ($p < .001$).
 26. Conclusion based on a binomial logistic regression analysis that produced a Wald statistic (1) of 24.52 ($p < .001$).
 27. Conclusion based on separate binomial logistic regression analyses in which all Wald statistics (1) were greater than 3.61 ($p < .06$).
 28. See: Robert Cialdini and Melanie Trost, "Social Influence: Social Norms, Conformity, and Compliance," in *The Handbook of Social Psychology*, 4th ed., vol. 2, edited by D. Gilbert, S. Fiske, and G. Lindzey (Boston: McGraw-Hill, 1998), pp. 151-92.

29. As a general rule, expert opinions are not a reliable guide to the effectiveness of marketing and promotional campaigns. That is why most marketing campaigns fail. See: Kevin Clancy and Peter Krieg, *Counter-Intuitive Marketing* (New York: Free Press, 2000), pp. 21–27.
30. See: Ann Lynn and Michael Lynn, “Experiments and Quasi-Experiments: Tools for Evaluating Marketing Options,” *Cornell Hotel and Restaurant Administration Quarterly*, vol. 44, no. 2 (April 2003), pp. 75–84; and Renee Bator and Robert Cialdini, “The Application of Persuasion Theory to the Development of Effective Proenvironmental Public Service Announcements,” *Journal of Social Issues*, vol. 56, no. 3 (2000), pp. 527–41.
31. See: Amanda Hesser, “At Tip Time, Restaurants Do the Math,” *New York Times*, April 7, 1999, p. F1; and Florence Fabricant, “Tips Past the Tipping Point,” *New York Times*, September 25, 2002, p. F1.
32. The study found that providing tipping guidelines increased some people’s tips but decreased others’ tips, so there was no net effect on tip size. See: David Strohmets and Bruce Rind, “The Impact of Tipping Recommendations on Tip Levels,” *Cornell Hotel and Restaurant Administration Quarterly*, vol. 42, no. 3 (June 2001), pp. 71–73.
33. This game is based on a similar game that is actually played at John Thomas Steakhouse in Ithaca, New York. However, the restaurant’s management allows all guests to play the game regardless of how they tip.
34. Information about Rita Booker is drawn from from: Wallace, op. cit.
35. See: Jordan Pine, “Tavis Smiley on Restaurant Tipping: DiversityInc.com’s His News Source,” July 25, 2001, *DiversityInc.com*.
36. The session, titled “Minorities Don’t Tip! Fact or Fiction?”, featured presentations by Cornell Barnett (owner–operator of Outback restaurants), Joseph Jackson (director of inclusion at Outback), Laura Kornegay (college and diversity recruiter at Carlson Restaurants), and me.



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