

WHAT IS TIPPING IN POST-COMMUNIST COUNTRIES? A CASE STUDY FROM SLOVENIA

Abstract. *This research study aims to investigate the attitudes and behaviours of Slovenians regarding tipping and to discuss the results in the context of tipping habits in post-communist countries. A quantitative survey was implemented on a convenience sample of 457 Slovenians, using the non-probability snowball sampling technique. The data collection took place in autumn 2015. The results led to the following findings: (1) tips are most often given to food-service providers; (2) the large majority of respondents gives tips of up to 5% of the bill or up to EUR 2; (3) men provide tips more frequently than women; and (4) the residents of towns, cities and suburban settlements are more frequent tip-pers than those residing in rural areas. Moreover, the majority of respondents gives tips at least often or occasionally, while a bigger tip is more likely when paying in cash.*

Keywords: *tipping, tip amount, tipping frequency, service professions, Slovenia, post-communist countries*

Introduction

One of the most valuable ways the scientific understanding of tipping behaviour can be advanced is by continually revisiting previous research with new data. A tip, given as the result of a high-quality service, is most common in service sectors like tourism. The goal is to better understand the tipping phenomenon in post-communist countries. Our case study is from Slovenia, an ex-Yugoslav country under a communist regime up until 1990.

There are different practices regarding tips. One dimension in which tipping customs vary across countries is the number of service professions tipped (Lynn, Zinkhan & Harris, 1993). In Argentina, Greece and the USA, it is a customary to tip a large number of service workers, while in New Zealand, Japan and Sweden only very few service workers are typically given tips (Star, 1988). May (1980) and Shamir (1984) note that tipping was outlawed

* Andrej Raspor, PhD, Assistant Professor, DOBA Business School Maribor, Slovenia. Marko Divjak, PhD, Researcher and Assistant Professor, DOBA Business School Maribor, Slovenia.

in communist countries for its politically unacceptable status implications, thus placing tipping habits within broader national and cultural contexts. In China, offering a gratuity was regarded as unusual. May (1980) calls tipping, the “vestige of petty bourgeois attitudes”. At the time, tipping in the Soviet Union was considered an insult to both those offering and those accepting tips (May, 1980). But even these two countries changed their tipping habits: tipping is becoming more common today (Worldwide Tipping Guide, 2014). The distribution of tipping rates normally varies from 5%–10% of the total bill amount (Mansfield, 2016). Tipping rates are generally much higher in countries where restaurants do not include a service charge.

Tipping is not customary in Japan (Yenckel, 1996; Callan & Tyson, 2000). Lyons (1994) claims the British are embarrassed about money while Americans will happily hover with their palms outstretched, some even reacting rudely if no tip is given. In the UK, such behaviour would be considered shocking. Since the recession, fewer people are now willing to leave money behind as a tip. However, more often than not, the British feel obliged to leave a tip as it is considered the expected practice and they are often embarrassed if they do not do so (Lyons, 1994).

Despite several research studies on tipping (Raspor, 2007a; “Dajete napitnino?,” 2008; Raspor, 2009; Raspor, 2010a; Lynn, Zinkhan & Harris, 1993; Lynn et al., 1993; Mansfield, 2016), tipping in Slovenia generally remains poorly researched.

Therefore, this study offers an opportunity to explore sociological aspects and other behaviours associated with Slovenians’ tipping habits. The legal, fiscal or economic reasons for tipping are not considered since our interest lies in the presence and amount of tips with respect to various demographic factors in Slovenia as a post-communist country.

Defining a tip starts from the premise that a tip is a »gift for a high standard of service« (Raspor, 2002a: 286; Raspor, 2016: 25). We know about waiter and hairdressing tips, tips for employees at service stations, tips for all other services which include, ultimately, casinos (Raspor, 2002b: 142). What they all have in common is they are given by satisfied customers to employees for the services they have provided them with.

The objective of this research was to investigate the attitudes and behaviours of Slovenians with regard to tipping. Specifically, this research aimed to ascertain: (a) Slovenians’ attitudes to tipping; (b) the frequency and amount of tips given; and (c) the dispersion of tipping across various professions and services – who is most likely to receive tips?

The introductory theoretical part of this paper summarises the main theoretical concepts related to tipping and provides a synthesis of prior research findings. The empirical part of this article describes and discusses the results of the quantitative survey on attitudes and behaviours regarding

tipping, implemented on a convenience sample of 457 participants from Slovenia. Finally, the limitations and further implications of the survey are pointed out in the concluding section.

Theoretical background

A tip is conventionally defined as a sum paid by a customer as a voluntary act in recognition of some service performed for him/her (Margalioth, 2010). One of the first studies on tipping was by Crespi in 1947. He examined the implications of tipping in the United States where tipping habits were first initiated by the traveling aristocracy, before gradually spreading downwards class by class (Segrave, 1998). Crespi's studies attempted to answer the following questions: (1) *Why do people tip?*; (2) *What percentage of people tip?*; (3) *Is tipping democratic?*; and (4) *Does the public want to eliminate tipping once service workers receive fair wages for their work?* The results of Crespi's study indicate that one-third of the respondents tipped because it was considered as an incentive and reward and another one-third due to a fear of disapproval. Only 10 percent of people replied that they rarely or practically never tipped. Tipping was considered democratic (voluntary). Most respondents felt that, once service workers receive fair wages, tipping should be eliminated (Crespi, 1947).

Parrett (2003) considers two possible theories of reasons people give tips in restaurants, which are taken from the social norms literature: reciprocity and let-down aversion. Reciprocity theory assumes a consumer rewards a better service with a higher tip and a worse service with a lower tip. If reciprocity is a good explanation of why people tip in restaurants, then the relationship between tip size and service quality should be positive. Let-down aversion theory, in contrast, assumes a consumer tips more when they believe the tipping norm is higher, and tips less when they think the tipping norm is lower. The tipping norm is a consumer's perception of the amount the server expects the consumer is going to tip (Charness & Dufwenberg, 2002 in Parrett, 2003).

In US restaurants, giving tips amounting to 15 to 25 percent of the total bill is considered common practice (Margolis, 2012), while customers can decide how much tip to leave. The expected tip in restaurants in the USA is currently slightly above 19 percent and 15 percent in Canada (Margalioth, 2010: 563). This means a tip is expected to be given, which runs counter to common definitions of tipping being a voluntary act.

Many authors (Raspor, 2010b; Lynn, 2011; Raspor, 2016) believe there is a cause-and-effect relationship associated with receiving a tip. The behaviour of employees affects the occurrence and amount of tipping. The act is supposed to be voluntary; there is no legal requirement to tip a waiter. Yet,

assuming the service provided by the waiter is acceptable, almost everyone tips (Woodhead, 2010). One interesting aspect of tipping is that tips are paid even when a customer has no plans to or in fact never again visits the restaurant. Parrett's explanation of people tipping in these circumstances refers to: (1) expectations – tipping is expected from them by society; and (2) self-representations – people do not like to be judged negatively by other people, even by waiters they are never going to see again. An important thing to note about tipping is that it is a face-to-face transaction between two individuals, as opposed to a face-to-faceless transaction between an individual and some corporation. This distinction holds important consequences (Parrett, 2003).

Sutton (2007) argues that tipping may be considered a kind of marginal practice that helps when analysing some of the contradictions inherent in the culture of capitalism. Tipping is far from being solely a rational practice for awarding high-quality services. In fact, several studies show there is hardly any relationship between perceptions of good service and the size of tips, contradicting the purely 'rational maximising' function of tips. Instead, tipping performs a communicative function because the customer uses the tip to say something about himself, the server and/or the relationship between them. Here, money becomes more of a symbolic and perhaps even a sensual vehicle (ibid.).

One key aspect of tipping is that it is the customer, not the waiter, who determines the amount of tip (Woodhead, 2010). While there are general guidelines, the customer is free to tip more (to reward perceived excellence) or less (to signal below-average performance) as they desire (Parrett, 2003). However, it is also the waiters who may take over control in the server-customer relationship, e.g. by refusing a tip they consider insulting, which is in line with the symbolic communicative function of the tip mentioned above (Sutton, 2007).

People chiefly tip because it is a social norm and because *stiffing* (i.e. not tipping) causes negative feelings like embarrassment and guilt. Social norms and feelings are also major motivations for other economic behaviours such as gift giving and donations. Therefore, better understanding of tipping may in addition provide insights into other economic phenomena (Azar, 2007). This also explains why someone gives a tip even though the service was not good (Wessels, 1997: 336). From the perspective of service providers, it seems the potential to receive a tip somehow stimulates them to provide a better-quality service. However, it has also been found that when the minimum wage for tipped workers was increased too much, the quality of the service provided decreased substantially (Wessels, 1997: 230; Moore, 2015). This means that willingness to provide excellent service and thus to compete for higher tips also depends on the level of the minimum wage.

Numerous studies consider the reasons for guests giving tips in the hospitality industry or the service industry generally. Parrett (2003) found that guests from countries where tips are socially acceptable typically give more tips. Tipping is a learned behaviour. Parents play a huge role in how young people learn about norms in society (Fernandez, 2004: 49). The tip increases with the number of guests at the table (Lynn, 2000; Lynn, 2006c). Guests (Azar, 2007; Lynn, 2006c) who visit a restaurant frequently give a bigger tip. The tip is also affected by the total amount of the bill, in both absolute and relative terms, as tips normally rise by increasing the total bill amount (Lynn, 2006a; Azar, 2007; Raspor, 2007b). Moreover, Lynn (2007) notes that the frequency of giving tips depends on the payment method (more frequent when paying with credit cards than with cash) and the quality of services. In particular, this has been established for catering services (Parrett, 2003; Azar, 2007; Raspor, 2007a; Raspor, 2007b).

The social norm of tipping is not globally shared. In general, there seems to be no such social norm in Asia, the Pacific, the Middle East (with the exception of Israel) or Africa. In Asia and the Pacific, offering a tip may even be seen as insulting, implying the notion of a master-servant relationship. In Europe, as well as in Central and South America, many hotels and restaurants add a service charge to the bill and people are not expected to add a tip on top.

Where no service charge is added to the bill, countries differ between those in which 10 percent is expected to be paid as a tip for restaurant service and those where the price of the meal is thought to include the payment for service and no tip is expected. A slight variation on the latter is the expectation in some countries that the amount being paid will be adjusted upward to the nearest round number, meaning a small tip that varies arbitrarily (Margalioth, 2010: 563).

There is very little research on tipping in post-communist countries, especially because their concepts of tip and bribe overlap. Here we are interested in what was or is¹ a tip in (post)communist countries. For the purpose of this analysis, Mansfield compared the Soviet Union in 1982 with Russia in 2010, West Germany in 1982 with Germany in 2010, Yugoslavia in 1982 with Serbia in 2010, and Czechoslovakia in 1982 with the Czech Republic in 2010. Above all, the focus of this research was to investigate how the perception of tipping had changed since the fall of communism. The results showed the rise in tipping rates between the two periods can be predicted by the presence and/or introduction of a service charge and the frequency of travelling to the United States (suggesting the effect of the diffusion of social norms on tipping from the USA to Europe). On the other hand, no

¹ *Examples of communist countries are: China, Cuba, Laos, North Korea and Vietnam.*

statistically significant relationship was confirmed between the change in the tipping rates and the change in GDP per capita or the replacement of the communist regime (Mansfield, 2016).

There is reason to expect that tipping rates will be lower in countries with communist governance systems than elsewhere since gratuities were banned in most of these countries and remain illegal in countries such as Vietnam (Lynn, Zinkhan and Harris, 1993: 481; Lynn, 2006a: 638, in Mansfield, 2016). Communist countries were opposed to tipping because it was considered a capitalist practice that fosters class cleavages and aggravates social inequalities. These bans did not do away with tipping in the communist world, but may have reduced both the frequency and size of such gratuities (Segrave, 1998: 68).

Apart from being an individual decision, it is evident that tipping practices vary substantially across countries, showing that tipping behaviour should also be understood and interpreted in the context of 'complex variables' like national character traits (e.g. individualism versus collectivism), masculine or feminine values and national levels of extraversion, neuroticism and psychoticism (Lynn, 2000). On a sample of 19 countries, it was found that the number of different professions tipped positively correlates with national levels of extraversion (extraverts being more social and expressive) and neuroticism (neurotics being more anxious and nervous valuing emotionally positive service providers) and negatively with the national level of psychoticism (psychotics being more aggressive, anti-social and less caring for others) (*ibid.*).

Regarding Hofstede's cultural dimensions, it is shown that tipping was less prevalent in countries with a low tolerance for status and power differences between people (e.g. in countries with a communist regime) and in countries with feminine values that emphasise social over economic relationships. Tipping is also more prevalent in countries with low tolerance for uncertainty, which contradicts the presumption that tipping increases the customer's uncertainty regarding how much to tip and whether to tip at all (so that those with higher uncertainty tolerance are more willing to tip).

In this study, we would like to investigate whether Slovenia has moved closer towards Western countries' tipping habits. The starting point was that consumers tip some service occupations more often than others (Lynn, 2017). In former Yugoslavia, tipping stood at 3 percent of the overall bill amount (Lynn et al., 1993) but today the distribution of tipping rates in (ex)communist countries normally varies from 5 percent to 10 percent (Mansfield, 2016). In general, men are more likely to tip (Lynn & McCall, 2016), as are the elderly (Lynn, Jabbour, & Kim, 2012), those from an urban environment (Wight, 2006) and those paying with credit cards (McCall & Belmont, 1996).

Based on the theory, we wanted to investigate whether tipping practices in Slovenia are consistent with prior findings. Therefore, we formulated and empirically investigated the following hypotheses:

- H1: *Tipping is found most in the hospitality and tourism sectors.*
- H2: *The average tip in Slovenia does not exceed 5% of the bill amount.*
- H3: *Men are more likely to tip.*
- H4: *The elderly are more likely to tip.*
- H5: *Those coming from an urban environment are more likely to tip.*
- H6: *Guests who pay with credit cards give a higher tip.*

Methodology

A quantitative survey method was adopted to empirically examine the attitudes and behaviours of tipping in Slovenia. Data collection by means of an online questionnaire took place between 1 September and 30 October 2015. The questionnaire was distributed through the Facebook and LinkedIn social networks as well as by email to acquaintances living in various locations in Slovenia. Respondents were asked to complete the questionnaire and forward it to their peers, acquaintances, family and friends (the snowball sampling technique). A convenience sample of 457 eligible respondents was created.

Prior to the data analysis, the data were weighted by the gender and age of the respondents (post-stratification method) in order to adjust minor discrepancies in the sample vis-à-vis the structure of the target population. Consequently, the weighted data adequately represents the Slovenian adult population in terms of gender and age.

The questionnaire contained questions on tipping frequency, personnel to whom the tip is given, and the elements affecting tipping (e.g. the quality of the service, the professionalism of personnel, their kindness and personal appearance, the speed of serving guests). We also investigated how the manner of making payment affects the tip amount, what proportion of the bill value an average given tip amounts to, what is the average amount of tips that are given and how the total bill value affects the percentage of the tip given.

Results

The frequency of tipping

We first wanted to investigate how frequently respondents had provided tips for services in the previous month. Quite surprisingly, the giving of tips seemed to be a common habit with nearly 60 percent of respondents reported having left tips “often”, “very often” or “always”. Only one-tenth of respondents almost never gave tips and around 30 percent of respondents only rarely. The average frequency of tipping on a 5-point Likert scale is $M = 2.86$ ($SD = 1.11$), which is close to the median value of 3.00 ($IR = 2$), denoting the category “often”.

The comparison of tipping frequency between various subsets of the population according to basic demographic criteria revealed some statistically significant differences. Namely, men tend to tip more frequently than women ($t(455) = 2.404$; $p = 0.017$) and respondents with a monthly gross income exceeding EUR 2,000 tend to tip more frequently than respondents with a lower income ($F(2,353) = 5.419$; $p = 0.005$). Respondents living in the countryside tend to tip less frequently than those living in cities and suburban settlements ($F(2,449) = 4.669$; $p = 0.010$). On the contrary, no statistically significant differences in the frequency of tipping were found with respect to age, education or status (Table 1).

In addition, respondents who on average provide bigger tips tend to tip more frequently than those who on average tip smaller amounts. However, the correlation between the two variables is, although positive, quite weak. The correlation coefficient between tipping frequency and tip amount as a percentage of the bill is close to zero (Spearman $\rho = 0.097$; $p = 0.046$) while there is a small correlation between tipping frequency and the tip amount in euros (Spearman $\rho = 0.240$; $p = 0.000$). This means that tipping frequency only explains a small share of the variance in the tip amount (or vice versa).

Table 1: AVERAGE FREQUENCY OF TIPPING ACCORDING TO DEMOGRAPHIC CRITERIA AND THE REPORTED TIP AMOUNTS

	n	M	SD	SE
Total sample	457	2.86	1.11	
GENDER				
Male	225	2.99	1.10	0.07
Female	232	2.74	1.10	0.07
AGE				
18 to 30 years	81	3.08	1.08	0.12

	n	M	SD	SE
31 to 50 years	163	2.79	1.13	0.09
51 years and more	212	2.83	1.10	0.08
EDUCATION				
Vocational school or high school	147	2.96	1.23	0.10
Higher education, bachelor degree	215	2.79	1.03	0.07
Specialisation, master degree, PhD	89	2.79	1.06	0.11
STATUS				
Student	48	3.00	1.04	0.15
Unemployed	40	3.06	1.67	0.26
Employed	317	2.85	1.06	0.06
Retired	31	2.63	0.84	0.15
GROSS INCOME PER MONTH				
Up to 1,000 EUR	119	2.65	1.19	0.11
1,001 to 2,000 EUR	157	2.83	0.97	0.08
2,001 EUR and more	81	3.14	0.89	0.10
SETTLEMENT TYPE				
Countryside	123	2.60	1.06	0.10
Towns, cities	248	2.96	1.15	0.07
Suburban settlements	82	2.92	0.98	0.11
TIP AMOUNT AS % OF THE BILL				
Up to 5%	301	2.82	1.07	0.06
More than 5%	136	3.11	1.11	0.10
TIP AMOUNT IN EUR				
Up to 2 EUR	312	2.70	1.13	0.06
More than 2 EUR	120	3.23	0.96	0.09

Source: own analysis.

Tipping habits and detrimental factors for tipping

Next, we wanted to identify the types of services respondents normally reward by tipping. The results show that the large majority (97.2%) gives tips to waiters. Nearly half the respondents (44.7%) tip hairdressers and around one-fifth of them give tips to hotel maids (19.5%) and taxi drivers (19.5%). Next, around one-tenth of respondents is willing to provide tips to employees at petrol service stations (12.3%), employees in beauty salons (11.1%), tourist guides (9.9%) and postmen (8.3%).

Respondents were also required to identify the most relevant reasons for tipping. In other words, we wished to determine which elements of the service influence customers' decisions to leave tips. According to the results, the two strongest reasons for leaving tips, which appear above all other reasons, are: the kindness of the personnel (91.5% of respondents) and the quality of the service (82.4% of respondents). These are followed by

the professionalism of personnel (56.5% of respondents) and the speed of service (34.4% of respondents), while all other reasons were mentioned less frequently. Interestingly, the speed of service is not among the top factors influencing customers' decision to leave tips.

Aspects of service that customers value and reward by tipping seem to be related to the frequency of tipping, but not to the tip amounts. Respondents who consider the quality of the service ($t(455) = 3.506$; $p = 0.002$), the professionalism ($t(455) = 5.037$; $p = 0.000$) and tidiness of the personnel ($t(455) = 2.265$; $p = 0.024$) to be important determinants of leaving tips do give tips significantly more frequently than respondents who do not see these factors as being detrimental to tipping. On the contrary, valuing the kindness of personnel and the speed of service do not seem to be related to more frequent tipping (Table 2). We also checked for interrelations between valued aspects of the services and the amount of tips respondents would normally leave, but found no statistically significant differences. In other words, the average tip amount is not related to respondents' reasons for tipping (e.g. those who tip due to the quality of the service leave the same amount as those who consider service quality as irrelevant to tipping).

Table 2: FREQUENCY OF TIPPING BY REASONS FOR TIPPING

Reasons for tipping	Frequency of tipping			
	n	M	SD	SE
Quality of service				
Yes	376	2.94	1.07	0.06
No	81	2.47	1.21	0.13
Professionalism of employees				
Yes	258	3.08	1.08	0.07
No	199	2.57	1.08	0.08
Kindness of employees				
Yes	418	2.84	1.09	0.05
No	39	3.08	1.24	0.20
Tidiness of personnel				
Yes	58	3.17	1.09	0.14
No	399	2.81	1.10	0.06
Speed of service				
Yes	157	2.89	1.11	0.09
No	300	2.84	1.11	0.06
Satisfaction with managing complaints				
Yes	60	3.04	1.21	0.16
No	397	2.83	1.09	0.05

Source: own analysis.

The amount of tips

Two variables were used to measure the average tip amount respondents give to employees: the percentage of the total bill and the absolute amount in euros. When measured as a percentage of the total amount, nearly one-third of customers would provide tips of up to 3 percent of the bill (34.7%), another third of customers would tip 4%–5% of the bill (34.2%) and one-quarter of respondents would leave tips of 6%–10% of the bill (23.2%). Almost 60 percent of respondents (57.6%) claim they normally provide the same percentage of tip regardless of the total bill amount, while others modify the tip percentage according to the total bill amount.

A similar frequency distribution of answers emerges when tip amount is measured in euros. More than one-third of respondents normally leave tips of up to EUR 1 (35.6%), while a similar share of respondents tips up to EUR 2 (36.7%) and one-fifth of respondents up to EUR 4 (18.4%).

To investigate the profile of respondents who normally give bigger tips, the two variables measuring the average amount of tips (dependent variables) were cross-tabulated against the demographic variables (independent variables). Cross-tabulation with each dependent variable produced somewhat different results. For the cross-tabulation purposes, respondents were first recoded into two independent groups according to their average tip amount in order to simplify the comparison (Table 3).

When the tip amount is measured as a percentage of the total bill, most independent demographic variables do not significantly differentiate between respondents who give tips of up to 5 percent of the bill and respondents who give tips greater than 5 percent of the bill. The status of respondents was found to be the only variable with a statistically significant effect on the average tip amount expressed as a percentage of the bill ($\chi^2(3) = 40.818$; $p = 0.000$). In other words, employed respondents are significantly overrepresented among those who on average tip up to 5 percent of the bill, while retired respondents are significantly overrepresented among those who tip more than 5 percent of the bill. This outcome was somewhat surprising since retired people are normally considered to be those with a lower income, and may be attributed to the specifics of the sample – as only 31 retirees were included.

Cross-tabulation of the demographic data with the average tip amount measured in euros provided additional insight into the profiles of tippers who provide smaller and greater tip amounts. Significant differences were found with respect to age ($\chi^2(2) = 6.884$; $p = 0.032$), education ($\chi^2(2) = 7.005$; $p = 0.030$), professional status ($\chi^2(3) = 38.564$; $p = 0.000$) and monthly income ($\chi^2(2) = 16.610$; $p = 0.000$). Among those who on average tip a maximum of EUR 2, the following segments are significantly overrepresented: respondents

aged 18 to 30, respondents with high school and vocational school, students and unemployed as well as those with a monthly gross income of up to EUR 1,000. On the contrary, the following attributes were found to be significantly overrepresented in the group of respondents who on average tip amounts greater than EUR 2: acquired specialisation, master's degree or PhD, retirement status, and monthly gross income exceeding EUR 2,000.

The different demographic profiles of tippers obtained with each dependent variable can at least partly be explained by the only weak to moderate correlation of the two variables used to measure the tip amount (Spearman rho = 0.352; p = 0.000).

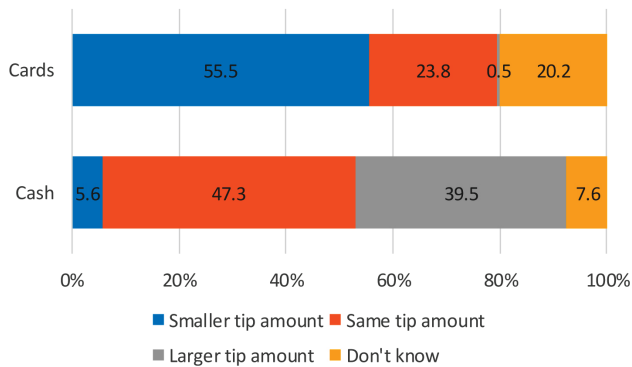
Table 3: AMOUNT OF TIPS MEASURED AS A PERCENTAGE OF THE BILL AND AS THE ABSOLUTE AMOUNT IN EUROS BY DEMOGRAPHIC CRITERIA

	Amount of tip as % of the bill			Amount of tip in EUR (percentages)		
	Up to 5 %	6 % and more	Total	Up to 2 EUR	More than 2 EUR	Total
GENDER						
Male	48.2	57.4	51.0	48.2	56.3	50.5
Female	51.8	42.6	49.0	51.8	43.7	49.5
AGE						
18 to 30 years	15.9	21.3	17.6	20.9	10.1	17.9
31 to 50 years	35.9	33.1	35.0	34.1	37.8	35.1
51 years and more	48.2	45.6	47.4	45.0	52.1	47.0
EDUCATION						
Vocational school or high school	34.8	23.5	31.3	35.7	26.1	33.0
Higher education, bachelor degree	46.6	52.2	48.4	46.9	46.2	46.7
Specialisation, master degree, PhD	18.6	24.3	20.4	17.4	27.7	20.2
STATUS						
Student	10.0	12.4	10.8	13.5	5.4	11.3
Unemployed	9.7	8.5	9.3	12.5	0.9	9.4
Employed	78.2	59.7	72.5	71.3	78.6	73.3
Retired	2.1	19.4	7.4	2.6	15.2	6.0
GROSS INCOME PER MONTH						
Up to 1,000 EUR	28.3	38.2	31.5	37.7	18.3	31.8
1,001 to 2,000 EUR	49.4	36.4	45.2	44.4	48.1	45.5
2,001 EUR and more	22.3	25.5	23.3	18.0	33.7	22.7
SETTLEMENT TYPE						
Countryside	27.3	25.7	26.8	29.5	25.2	28.3
Towns, cities	57.0	50.0	54.8	53.2	55.5	53.9
Suburban settlements	15.7	24.3	18.3	17.2	19.3	17.8

Source: own analysis.

Next, we also tested the assumption the tip amount is influenced by the type of payment method. Figure 4 shows that more than half the respondents leave a lower tip when they pay with credit cards (55.5%), while almost 40 percent of respondents leave a bigger tip when paying in cash.

Figure 1: AMOUNT OF TIPS FOR WAITERS BY TYPE OF PAYMENT METHOD



Source: own analysis.

Conclusion

This study investigated the attitudes and behaviours of Slovenians with respect to tipping. Quite surprisingly, the results show that giving tips is quite common among Slovenians – nearly 60 percent of respondents tip often, very often or always. This finding is somewhat inconsistent with the hypothesis of tipping patterns in post-communist countries that states that tipping should be less frequent due to the influence of the previous regime in which tipping was banned (Segrave, 1998) or at least considered very uncommon. On the other hand, one needs to bear in mind that it is now more than 25 years since the fall of communism and, given that tipping is a learned behaviour (Fernandez, 2004), one may also assume that tipping habits have changed substantially over the last quarter of a century. The change in tipping practice can also be explained by cultural transmission – the so-called diffusion of social norms on tipping that may be the result of more frequent travelling to as well as other influences from ‘the western world’, as argued by Mansfield (2016). However, this research is unable to provide a solid explanation for the reasons underlying the change in tipping practices in Slovenia over the last few decades as that was not the primary objective of this empirical investigation.

Next, the large majority of Slovenians at least occasionally tip waiters, while nearly half also give tips to hairdressers. All other service workers are

far less likely to be given tips. It seems the spectrum of service providers Slovenians are willing to give tips to is quite limited, playing Slovenia in the group of countries along with New Zealand, Japan and Sweden where it is common to only tip very few service providers (Star, 1988).

The reasons for giving tips were also investigated. It was found the two biggest reasons for leaving tips were the kindness of personnel and the quality of the service where it may be assumed that the kindness of personnel is a detrimental component of the service quality. In this respect, this result is in line with Parrett's (2003) reciprocity theory and Lynn's (2007) findings on the frequency of tipping being related to the quality of the service. Yet, when measuring the reasons for tipping, we only focused on aspects associated with the service providers. Aspects related to the tip providers themselves, such as the perception of tipping as a social norm (e.g. the social obligation to tip) or one's tendency to present oneself as a positive generous person (avoiding feelings of guilt and embarrassment due to stiffing), were unfortunately not included in the questionnaire. However, it would be useful to include these aspects of tipping in future research so as to provide a more holistic and systematic overview of the true reasons for giving tips.

The results allow us to conclude that Slovenians normally give only small tip amounts. Nearly 70 percent of respondents generally tip up to 5 percent of the bill and, when measuring tips as absolute amounts in euros, a similar share of respondents tips up to as maximum of EUR 2. However, there is evidence that absolute tip amounts go up as the total bill amount increases, which is consistent with the findings of previous research (e.g. Lynn, 2006a; Azar, 2007; Raspor, 2007b). Namely, nearly 60 percent of respondents reported giving the same percentage of tip regardless of the total bill amount, meaning that in the case of higher bills bigger tips in absolute terms are given.

We also investigated how the tip amount relates to the type of payment method. More than half of all respondents reported giving lower tips when paying with credit cards, while around 40 percent of respondents reported giving bigger tips when paying in cash. These findings are inconsistent with Lynn's (2007) conclusions about customers tipping more frequently when they pay with credit cards. The results may be explained, at least to some extent, by the fact that in Slovenia it is highly uncommon to add up the tip amount so that the bill amount and the tip amount together would be placed on the credit card. Presumably, this is primarily a consequence of technical issues as most electronic paying terminals in Slovenia do not support this option.

To summarise, most of the stated research hypotheses gained sufficient empirical support and hence the following conclusions can be made. Tips are most often given to food-service providers (*H1*); the large majority of

respondents give tips of up to 5 percent of the bill (*H2*); men provide tips more frequently than women (*H3*); residents of towns, cities and suburban settlements give tips more frequently than residents of rural areas (*H5*). On the contrary, empirical evidence does not support hypotheses *H4* and *H6*. Namely, no statistically significant differences were found in the frequency of tipping among various age groups (*H4*). It also seems that respondents give somewhat bigger tip amounts when paying in cash and not when paying using credit cards (*H6*).

The present study certainly reveals some interesting insights into Slovenian's attitudes and behaviours regarding tipping. Yet, due to certain methodological limitations, the results should be interpreted with caution. The study is based on a non-probability convenience sample that was collected by means of the snowball sampling technique via social media, meaning the results cannot be generalised to the whole population. Further, like with similar behaviours with a strong 'social component' (e.g. reading books, giving to charity, volunteering), we believe a substantial share of respondents might have provided socially desirable responses in order to present themselves as being more generous or more frequent tippers. Hence, we may assume the study results are at least partly exaggerated in a positive direction. It would also be useful to revise the questionnaire to make the questions more exact and specific (e.g. the frequency and amount of tips given in the previous week – not generally) in order to ensure greater data validity.

During the study implementation period, certain additional content issues came up which might be included in future research to allow more elaborated and in-depth conclusions on tipping (e.g. tipping as a social norm; attitudes to giving tips for health services and in public administration offices; distinctions between bribes and tips – perceptions of tipping as a potential act of corruption). It would also be useful to compare Slovenia's results with the results of other ex-Yugoslav republics and other Eastern European post-communist countries which made up the Warsaw Pact up until the fall of the Berlin Wall.

We may conclude that tipping has become a common practice in Slovenia, although the average amounts are substantially lower than in countries like the USA or Canada that were not part of a communist regime.

BIBLIOGRAPHY

- Azar, Ofer H. (2007): The Social Norm of Tipping: A Review. *Journal of Applied Social Psychology* 37 (2): 380–402.
- Callan, Roger J. and Kirstie Tyson (2000): Tipping Behavior in Hospitality Embodying a Comparative Prolegomenon of English and Italian Customers. *Tourism and Hospitality Research* 2 (3): 242–61.

- Crespi, Leo P. (1947): The Implications of Tipping in America. *Public Opinion Quarterly*. Accessible at <http://poq.oxfordjournals.org/content/11/3/424.short> (10. 4. 2017).
- Fernandez, Gerald A. (2004): The Tipping Point—Gratuities, Culture, and Politics. *Cornell Hotel and Restaurant Administration Quarterly* 45 (1): 48–51.
- Lynn, Michael (2000): National Personality and Tipping Customs. *Personality and Individual Differences* 28 (2): 395–404.
- Lynn, Michael (2006a): Geodemographic Differences in Knowledge about the Restaurant Tipping Norm. *Journal of Applied Social Psychology* 36 (3): 740–750.
- Lynn, Michael (2006b): Tipping in Restaurants and Around the Globe: An Interdisciplinary Review. *Handbook of Contemporary Behavioral Economics: Foundations and Developments*, 626–43. Accessible at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=465942 (10. 4. 2017).
- Lynn, Michael (2007): Race Differences in Restaurant Tipping: A Literature Review and Discussion of Practical Implications. *Journal of Foodservice Business Research* 9 (4): 99–113.
- Lynn, Michael (2017): Should US Restaurants Abandon Tipping? A Review of the Issues and Evidence. *Psychosociological Issues in Human Resource Management* 5 (1): 120–159.
- Lynn, Michael, Patrick Jabbour and Woo Gon Kim (2012): Who Uses Tips as a Reward for Service and When? An Examination of Potential Moderators of the Service-Tipping Relationship. *Journal of Economic Psychology* 33 (1): 90–103.
- Lynn, Michael and Michael McCall (2016): Beyond Gratitude and Gratuity: A Meta-Analytic Review of the Predictors of Restaurant Tipping. Accessible at Cornell University, SHA School site: <http://scholarship.sha.cornell.edu/workingpapers/21> (15. 3. 2017).
- Lynn, Michael, George M. Zinkhan and Judy Harris (1993): Consumer Tipping: A Cross-Country Study. *Journal of Consumer Research* 20 (3): 478–88.
- Lynn, Michael, George M. Zinkhan and Judy Harris (1993): Consumer Tipping: A Cross-Country Study. *Journal of Consumer Research* 20 (3): 478–488.
- Lyons, V. (1994): Tips Sliding Away. *Caterer and Hotelkeeper* 12: 32–34.
- Mansfield, Edward D. (2016): The Political Economy of the Itching Palm: A Cross-National Analysis of Tipping. *International Studies Quarterly* 8 (2): 1–12.
- Margalioth, Yoram (2010): The Social Norm of Tipping, Its Correlation with Inequality, and Differences in Tax Treatment Across Countries. *Theoretical Inquiries in Law: Comparative Tax Law and Culture* 11 (2): 560–87. Accessible at <http://www.degruyter.com/view/j/til.2010.11.issue-2/til.2010.11.2.1252/til.2010.11.2.1252.xml> (10. 4. 2017).
- May, Joanne M. (1980): Looking for Tips: An Empirical Perspective on Restaurant Tipping. *Cornell Hotel and Restaurant Administration Quarterly* 20 (4): 6–8.
- McCall, Michael and Heather J. Belmont (1996): Credit Card Insignia and Restaurant Tipping: Evidence for an Associative Link. *Journal of Applied Psychology* 81 (5): 609–613.

- Parrett, B. Matthew (2003): *The Give and Take on Restaurant Tipping*. Blacksburg, VA.: Virginia Polytechnic Institute and State University. Accessible at <https://theses.lib.vt.edu/theses/available/etd-10172003-021146/unrestricted/ETDDis-sertation.pdf> (15. 4. 2017).
- Raspor, Andrej (2002a): Napitnina kot dodatna stimulacija za delo. *Organizacija* 35 (5): 285-95.
- Raspor, Andrej (2002b): Napitnina na področju storitev – primer igralništvo. In Ivan Kejžar (Ed.), *XVII posvetovanje društva za vrednotenje dela (141-152)*. Društvo za vrednotenje dela.
- Raspor, Andrej (2007a): Napitnina v gostinstvu. *Organizacija* 40 (3): A27-37.
- Raspor, Andrej (2007b): Vpliv celovite kakovosti storitve v gostinstvu na napitnino natakarnje. In Mlakar Peter & Kejžar Ivan (Eds.), *Vpliv produktivnosti in ustvarjalnosti na plače zaposlenih (85-111)*. Bled: Društvo za vrednotenje dela.
- Raspor, Andrej (2009): Demografske značilnosti dajalcev napitnine v gostinstvu in igralništvu. *Demographic characteristics of tip-givers in hospitality and tourism industries*. In A. Brezovec & J. Mekinc (Eds.), *Management, izobraževanje in turizem (2307-2319)*. Portorož: Turistica, Fakulteta za turistične študije.
- Raspor, Andrej (2010): Igralniška napitnina kakšno vedenje zaposlenih nagrajuje z napitnino igralniški gosti. *Casino tipping: Which Behaviour of Employees do Casino Guests Reward*. In A. Brezovec & J. Mekinc] (Eds.), *Management, izobraževanje in turizem: družbena odgovornost za trajnostni razvoj (1726-1737)*. Portorož.
- Raspor, Andrej (2016): *Napitnine: orodje za povečanje učinkovitosti poslovanja podjetja*. Murska Sobota: BoMa.
- Segrave, Kerry (1998): *Tipping: An American Social History of Gratuities*. McFarland.
- Shamir, Boas (1984): Between Gratitude and Gratuity an Analysis of Tipping. *Annals of Tourism Research* 11 (1): 59-78.
- Star, Nancy (1988): *The International Guide to Tipping*. Berkley Pub Group.
- Beriss, David and David Sutton (eds.) (2007): *Tipping: An Anthropological Meditation*. *The Restaurants Book: Ethnographies of Where We Eat*. Berg, Oxford.
- Wessels, Walter John (1997): Minimum Wages and Tipped Servers. *Economic Inquiry* 35 (2): 334-49.
- Wight, Milan E. (2006): *Tipping Guide for Gratuitous Folks*. Victoria: Victoria: Trafford Publishing.

SOURCES

- Margolis, Ruth (2012): *Tipping in America: How to do it and What to Expect if you don't*. Accessible at <http://www.bbcamerica.com/anglophenia/2012/08/tipping-in-america-how-to-do-it-and-what-to-expect-if-you-dont> (10. 3. 2017).
- Moore, Rebecca (2015): *Encyclopedia of Contemporary American Social Issues*. In Plan Sponsor. Accessible at <https://www.google.com/>.