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SURVEY TIPS WAITRESSES ON WHO TIPS THE MOST

CHARLOTTESVILLE, Va., Feb. 21 -- A student research project has confirmed what waitresses have long believed: men are better tippers than women.

But here's another tip for waitresses: older men who drink alcoholic beverages, but who do not smoke, and use credit cards to pay for their dinners are the best tippers overall.

That's what University of Virginia undergraduate Rebekah Marie Bill found after completing a statistical analysis of how people tip as part of a research project in an econometrics course last semester.

In Bill's project three college-age women kept records of their tips over a two-month period, noting such characteristics of their patrons as gender, approximate ages, drinking patterns, smoking behaviors, number at table and method of payment. Tips were recorded for about 300 dinners served at three local establishments: an upscale seafood restaurant, a medium-priced steakhouse chain and a low-priced Mexican restaurant-and-bar near the University.

How customers paid for their meals was the most significant factor in determining how much tip was left, the analysis showed. "Cash customers left tips that were 3 percent lower than those who used checks or credit cards. Tips left by credit card users were about 1 percent higher than those paying by check," said Bill, an economics major.

Tips left by men were 2.5 percent higher on average than women's tips.

Alcohol played a significant factor in tipping decisions. "Tips increased by about 1.5 percent if customers had been drinking," said Bill, who noted that she could find no other study on

OVER
tipping when she researched her project.

Smokers were not so generous. "Holding all other factors constant, smoking negatively affected tips by roughly 1 percent. There was no difference between male and female smokers," Bill said.

The size of the dinner party played a role in determining tips, the analysis showed. "As the size of the group increased, the tip decreased by approximately 1 percent," said Bill, who hopes to find a job in dispute analysis after she graduates in May.

A waitress for four years, Bill had expected several factors to be significant that weren't. One surprise was quality of service. "How long customers waited or how much they enjoyed the food did not appear to be a statistically significant determinant of tips," she said.

Although there was a general trend that tips were higher with older customers, age was also not statistically significant.

When other students in her class elected to examine such things as interest rates for their projects, Bill was not deterred in her choice. "I wanted to choose something I knew about. As a waitress, I can usually guess who is going to tip well. I wanted to see if statistics could help waitresses pick tables offering the highest tip potential."

Speaking as an economist, Bill noted, "From the analysis I was able to describe 30 percent of a person's tip. That's impressive because the data does not allow for customer's income, feelings or experiences."

Because Bill assigned numbers to each variable and analyzed the factors influencing tipping practices, she believes the results would hold true for diners at similar types of restaurants nationwide. "Most of my chosen variables are universal," she noted.

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Here’s a tip for you: Just try to be fair

Y = aYit + b'Xit + eit happens. In fact, it happens every time you tip.

It’s a cold fact of life, a simple mathematical equation that boils down all of your wild arithmetic gesticulations into a logical, alphabet soup of variables and umpteenth power principles.

Now I know why I’m staring at an $11.29 tab trying vainly to remember how to perform percentages: I’m number illiterate.

“The idea is simple,” says Rebekah Bill as we finish up our lunch at the Baja Bean eatery on the University Corner.

“Look, ‘Y’ is the percentage of a tables’ total bill let to the waitress as a tip and ‘a’ is the estimated coefficient associated with each individual waitress while the estimated coefficient of the each individual regressor is ‘b’.”

Right. That’s why the undergraduate research of a University of Virginia economics major has attracted media attention from the Miami Herald to the Richmond Times-Dispatch, from NBC to National Public Radio.

Elusive guidance

After all, finding academic economics translated to the real world is like finding a use for Euclidean geometry while manning the French-fry machine at Hardee’s.

“We had to take the principles we learned in the econometrics course and write a paper applying them to situations,” Ms. Bill says. I scribble a check to cover the bill, add a few extras dollars and round off the cents.

“Everyone seemed to be dealing with weighty issues. But there are people who’ve been paid more to study it, and know more about it than me and still no one reads it,” she says.

“The truth is, I care more about day-to-day issues, issues that affect the average person, issues that affect me,” she says.

That’s why Ms. Bill decided to look into an issue that hits a large percentage of students: the tip.

A large number of college students earn cash working in local restaurants, including Ms. Bill and her friends Melissa Gill and Courtney Harding.

“We all have assumptions about what kind of customers are going to give you a good tip,” Ms. Bill explained. “I wanted to find out how accurate those assumptions were.”

Three waitresses at three restaurants catering to three different economic strata gathered information from 100 tables each.

Ms. Bill then used computer programs and analysis vehicles that cannot be explained by words commonly in use by most English-speaking people.

Back to the basics

Basically, they smashed the information into variables, means, standard deviations, coefficients, t-ratios, r-squared and adjusted r-squared values.

Then she interpreted them, something that can lead to severe injury without the proper training.

The survey says: The best tippers pay with credit cards, drink booze, don’t smoke and buy fairly inexpensive meals.

“The credit card makes a lot of sense, because if you’re peeling off $25 in bills, you can see exactly where that money’s going,” Ms. Bill says. “You’re less likely to break a $10 or $20 for change to leave a tip.”

Credit cards and checks are a different story. “People don’t have that first-person relationship with their money,” she says. “It’s like someone else may be paying for it so they’re more likely to tip.”

Which leads us to the final conclusion of Ms. Bill’s research:

“When I walk into work tonight I want to wait on a table of four men around the age of 52 who order cocktails and effortlessly pull out American Express Platinum cards to pay the bill.”