

國科會專題研究計畫

領隊與團體旅客之間的旅遊糾紛—有關小費問題

TRAVEL DISPUTES BETWEEN THE TOUR LEADER AND
TOUR PARTICIPANTS – AN ISSUE OF TIPPING

張瑞奇 副教授

Jui Chi Chang

靜宜大學觀光事業學系（所）

Providence University

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Abstract

Tipping is not customary for the general public in many countries and this subject has impaired both tourism professionals and consumers. Numerous researches have indicated that customers tip because of the level of appreciation they have received. However, the reasons customers tip change over time. This study aims to explore how tips are perceived by travel agencies, tour leaders, and tour participants. It also examines the factors that affect tour participants to tip. Both qualitative and quantitative approaches were conducted. This study identified five factors - social norms, selfish economic behaviour, perceived equity, service performance, and company's tipping policies – which influence travellers to tip. There is a gap between service providers and tour participants in term of the perception of tipping. The service performance was considered the most important factor in influencing customers to tip by the tour participants. In contrast, selfish economic behavior seemed to be more salient than the other variables on the impact of tour leaders' perceptions of why customers should tip. In addition, tour participants' tipping perceptions do not make much difference among their social-demographical variables.

Key Words: Tour leader, travel agency, package tour, tip, social norms

Introduction

Traditionally, it is believed that a tip should be offered spontaneously and individually based on the level of appreciation customers received (Brown & Rolle, 1991). Tippers believe that giving a tip is a voluntary behavior and should not be treated as obligatory. The decision about whether or not to leave a tip is largely determined by social norms and customs. However, the reasons customers tip change over time. An economic phenomenon becomes commonly the main reason nowadays. Azar (2004) indicates that the practice of tipping is a multi-billion-dollar phenomenon that challenges the selfish economic managers who have no feelings and do not care about social norms. Many restaurants have included a fixed service charge to a dinning bill and tips are still expected (Dewald, 2003). The contradiction between voluntary behavior and economic consideration causes a conflict between tippers and service workers, particularly when tips have become an expected part of employees' incomes in the service industries (Star, 1988) and service workers perceive tips as a bonus on top of wages (McCarty, Shrum, Conrad-Katz, & Kanne, 1990). For example, Mainland Chinese revealed that they were forced to tip local guides when traveling to Hong Kong (Dewald, 2001) and a large number of Taiwanese tourists felt that they were pressured to leave a tip, being asked to tip in advance or setting fixed amounts for tips (Travel Quality Assurance Association R.O.C., 2005). The conflict also raises questions about the factors that affect people to tip and how, when, and how much a tourist should tip.

Numerous research papers on tipping are related to the restaurant sector, but tipping behavior in restaurants is different from other service sectors and more studies in other establishments can enhance our understanding of the mechanism of tipping (Koku, 2005). Callan and Tyson (2000) state that "tipping behavior is a subject worthy of further study and knowing the factors which motivate consumers to tip or not will benefit both service workers and their managers." Guided package tours have become popular for specific

market segments and represent a significant tourism market (Mancini, 1996). However, not many studies on tipping have been done on guided package tours and what factors influence tourists to tip are less known. This study aims to 1) explore how tipping are perceived by travel agencies, tour leaders, and tour participants, 2) identify the effects between social-demographical variables on tipping perception and the performance of the tour leader, 3) examine the factors that affect tour participants to tip.

Five antecedents of tipping

The practice of tipping is not universal and is different from business to business. Customers might not tip due to their cultural background or other reasons (Lynn, 1997). One premise that may aid in understanding the factors that affect customers to tip is derived from ‘social exchange theory’ (Emerson, 1976). The theory has roots in economics, psychology and sociology. Social exchange theory posits that human relationships are formed depending on our perceptions of the balance between what we put into the relationship and what we obtain out of it, the sort of relationship we earn, and the likelihoods of having a better relationship with others. The theory suggests that people tend to return benefits given to them in a relationship. A relationship has give and take which may be related to the balance of service performance, social relationships, economic considerations, and the feeling of equity. Along with the theory, the involuntary/voluntary aspect of tipping raises questions about why a customer should tip. These questions have been addressed either explicitly or implicitly in much of the academic writing on tipping. Literature has suggested that the potential reasons customers tip are based upon, social norms, selfish economic behavior, perceived equity, service performance, and company policies.

Social norms/customs

Tipping is common in the United States and the UK (Azar, 2004). Tipping is not

customary in many Asian countries (Dewald, 2001), even though the tipping phenomenon is gradually changing and may become more acceptable. With a variety of tipping norms/customs worldwide, the decision about whether or not to leave a tip is a great concern among service providers (Lynn, Zinkhan, & Harris, 1993). Cassey (2001) points out that tipping has been regarded as a social norm which is providing anticipated behavior guidelines recognized to customers and service providers. Although the practice of giving tips does not involve legal obligation, people tend to obey social norms and avoid embarrassment or disapproval, since humans are social animals with deep-seated needs for self-esteem, and the esteem from their fellows (Baumeister & Tice, 1990).

Based on the norm, leaving tips is not always a voluntary behavior. In Europe and Asia, the mandatory service charge has been common gratuity to service providers. Despite Americans considering tipping as a voluntary behavior and leaving tips is common practice in the USA, social norms in the United States require tipping 15% of the bill size (Cassey, 2001) which seems to contradict the general belief that it should be voluntary. These social norms also provide a guide of how much the service providers should be tipped and who to tip. In the USA and Egypt, it is customary to tip a large number of service workers (Lynn, 2000); in the USA millions of service workers in restaurants, hotels, cruise ships, bus companies, and taxi drivers depends heavily on tip income (Wessels, 1997). In contrast, countries like Denmark and New Zealand, it is customary to tip only a few service professions (Lynn, 2000). While comparing all the environments worldwide, it seems that tipping in restaurants and hotels are the most common practice.

Tourists' cultural background has a great effect on tipping propensity (Lynn, 1997) even though people may tend to abide the social norms in a particular establishment. Shamir (1984) indicates that tipping is less widespread in countries where the general public places a higher value on status. Callan and Tyson (2000) find that tipping as a means of showing status is significantly more important to the Italians when comparing with English, and

Italians seem to be more generous in tipping waiters/waitresses than the English are. Additionally, Britons are embarrassed about receiving tips, whereas Americans may react rudely if no tips are given (Lyons, 1994). Asian consumers may be easier to persuade to tip more since Asian people tend to be obedient and submissive to a group leader, authority or elders (Reisinger & Waryszak, 1994). Taiwanese people tend to 'save face', their own and of others to maintain social harmony (Komin, 1990). They may tip in front of others when on the tour but may feel being force to tip after the tour once the feeling of social pressure is gone.

Selfish economic behavior

Social custom suggests that customers leave tips as an incentive or reward for good service (Lynn & Gregor, 2001). The intention causes a few researchers to believe that tipping is coherent with selfish behavior of tippers (Kahneman, Knetsch, & Thaler, 1986; Lynn & Grassman, 1990). In order for tipping to function as an incentive, customers may tip service workers before receiving any services, and some tippers consider tipping in advance will improve the service they get in the future (Hsieh & Wu, 2007). Similarly, service providers believe tips can motivate them to provide better service, and expect to get tips beforehand to avoid disappointment by providing too much service. Frequently, a company's tipping policy may be affected by selfish economic considerations. Many restaurants/hotels obtain parts of the tips from their tipped workers (Azar, 2004) for compensation of providing lower price or as a secondary source of the companies' income. From the economic perspective, customers tend to consider tips to be a reward which contrasts with service providers who treat tips as an incentive. Nevertheless, the primary function of tipping for the incentive mechanism was weakened by the development of objectionable social customs – mainly for economic purpose (Israeli & Barkan, 2004). More service workers do not regard tipping as a voluntary behavior. Instead, they perceive tipping

as a mandatory service charge and expect to get the full amounts from each tipper (Dewald, 2003). For example, to ensure service performance and to avoid embarrassment of tour leaders, it is common practice for Mainland Chinese tour groups to add a gratuity charge to the total bill (Dewald, 2001). Callan and Tyson (2000) reveal that tipping in the UK is now slowly being replaced by service charges and many believe that this trend will ascend widely. Despite Tse (2003) claims that based on the economic principle people should never pay more than they need to, it seems that the perception towards tipping between customers and service providers is diverted from social exchange into economic exchange (Lynn et al., 1993).

Although a selfish economic behavior (Lynn & Grassman, 1990) has a great effect on tipping considerations, to what extent can the economic considerations influence tippers to tip needs to be further explored. For example, there are arguments regarding whether children/infants should tip half the amount of an adult (Chang, 2003), and whether the amount of customers' tips should include the first and the last day of a tour if the tour departs in the evening and arrives home in the morning. Furthermore, some tour participants may prefer to include tips in the price of the tour to avoid the dilemma of tipping tour leaders (Chang, 2006). In fact, the practice of including tips in the price of the tour is not new. One of the largest travel agencies in Taiwan has included tips in the price of ready-made tours and almost all travel agencies have already included tips in the price of tailor-made tours. Nevertheless, the issues discussed above have not been unanimously agreed by the majority of tour participants since the extra paid by tour participants will boost their financial disbursement.

Perceived equity

The notion of equity is a core part of social exchange theory (Emerson, 1976). Although the feeling of equity is related to the service quality, the judgment of fairness is

very individualistic and involves characteristic tangible and intangible elements (Oliver, 1997). Oliver (1997) introduces the role of equity in consumer satisfaction which indicates that the entity of equity involves two comparisons: person-to-person and person-to-merchant comparisons. Theory of equity suggests that equity is achieved when one person's ratio of outcomes to inputs is equal to that of another (Adam, 1963). Lynn and Grassman (1990) identify three possibilities that people tip in order to buy 1) social approval, 2) equitable relationships and/or, 3) future service. Accordingly, Lynn and Graves (1996) claim that a desire for equitable relationship influences the level of tip size. The theory predicts that the amount of tips given is related to service quality since consumers seek to maintain an equitable relationship with their servers (Lynn & Graves, 1996; Walster, Berscheid, & Walster 1973). When unfairness exists, the individual feels discomfort and will try to find ways to get equity (Wheeler, 2002) – tip less to show their dissatisfaction. Israeli and Barkan (2004) suggest that customers and servers are involved in a tit-for-tat interaction – good service makes high tips and bad service causes low tips. Personal service quantity and quality should then be rated importantly to tip sizes. For example, the frequencies of customer-server contact may play a significant role on tipping propensity. Lynn and Gregor (2001) consider that more prolonged contact between the customers and the servers creates social pressure that may simply overwhelm service considerations and make customers tip more. Furthermore, researchers have found that the size of dining party has an inverse relationship to the tip size (Deward, 2003; Freeman, Walker, Borden, & Latane 1975; Lynn & Latane, 1984). This phenomenon can be explained by the equity theory – the larger the party, the less energy a waitperson can serve on each person at the table (Snyder, 1976). Unlike the service in a restaurant or a hotel, which is normally one on one, or one to a few services, Chang (2006) states that in a package tour, tour participants might not feel obliged to tip the full amount to the tour leader due to the unequal amount of service given; some do not feel that they have received enough attention because they have had to share the service

with others. Apparently, customers take into consideration the relative time and effort required per dollar of service to serve to the party (May, 1980).

Service performance

In order to make tipping to act as an incentive/reward, consumers come to a decision on the size of their tips with the quantity and quality of the service they receive. Many researches have found a positive correlation between tip sizes and service evaluations (Bodvarsson & Gibson, 1999; Lynn & McCall, 2000). Based on the social custom and psychological theory, it is certain that the better service quality customers receive, the more they tip (Lynn & Grassman, 1990). Economists claim that tipping exists because it is the most cost-effective way of stimulating servers to deliver good service (Bodvarsson & Gibson, 1999). Nevertheless, not all the researchers consent unanimously. Researches have indicated that the relationship between tip-size and quality service is weak (Dewald, 2003; Lynn & Grassman, 1990; Lynn & McCall, 2000; Oliver & Swan, 1989). For example, Tse (2003) considers that tip size is influenced by the amount of deviation between the actual and expected level of service quality rather than the absolute level of service quality. Israeli and Barkan (2004) suspect that the weak correlation between service quality and tips may be attributed to the different methodologies applied in different studies. Since service quality may be rated by customers, servers, and some third party (Lynn & McCall, 2000), the results may be significantly different owing to the benefits sought. Israeli and Barkan (2004) conclude that when rated by customers, service quality has been found to be positively related to tip size, but such a positive relationship becomes weak when service quality is rated by the server or by some third party. Theoretically, consumers tip friendly servers more than less friendly servers (Lynn & Grassman, 1990), Chang (2006) reflects that tourists are more satisfied if they have good interaction with the tour leader. This may motivate tourists to tip more or at least tip the full amount recommended by the travel

agencies. Even though the proposition of the week relationship may be true, the result which emerges may be because of the interference of other factors, such as social norms or a company's tipping policy.

Company tipping policies

Companies often make their tipping policies in line with their economic benefits or service policies. A company should determine the causal effects of compliance with service policies on employees' tips (Lynn & Gregor, 2001). Very often service providers believe that tips can act as a motivator for job performance and good performance has more chance to attract larger tips since customers have a desire to compensate servers' hard work (Holloway, 1985; Lynn & Grassman, 1990). Based on past tipping research in the restaurant industry, Israeli and Barkan (2004) propose three tipping strategies for the servers and customers. Travel agencies have adopted similar strategies which are attributed as following – mandatory service charge (including tips on the price of tour), fixed percent/dollar amount (recommend a fix amount of tip per person per day based on different overseas destinations), tit-for-tat (voluntary payment based on the performance of the tour leader). In many Europe and Asian countries, such as the UK and Hong Kong, a mandatory service charge is added to a bill as a means of raising additional revenue to employees' wages (Callan & Tyson, 2000). In the USA, consumers are advised to leave \$ 1-2 for the chambermaid per night (Lyons, 1994) and 15 per cent of bill to restaurant waiters/waitresses (Star, 1988) even though most Americans strongly favor voluntary tipping (Edwards, 1988). Apart from the recommended amount of tips set by the individual travel agencies, their tipping policies may also include when, how, and from whom tour leaders may collect their tips, whether they can mention their tips to tour participants, collecting tips for bus drivers and local guides, and other related issues.

Should consumers still tip if they do not receive satisfactory service? Economists

consider that people are sensitive with cost-effective balance (Bodvarrson & Gibson, 1999) and may tend to tip less if the service received is below standard. However, psychologists argue that people are socialized and tend to maintain a reasonable balance between the benefits they receive from a relationship associate and the benefits they deliver to that associate (Walster et al., 1973), they may still tip more in order to avoid psychological embarrassment (Azar 2004). Azar (2004) argues that tippers' internal social pressures and negative feelings of guilt will force them to tip the servers with suggested amounts of gratuity (Azar, 2004). A weaker social pressures to tip servers (for example, a short-term contact with hotel bellmen) may give consumers greater freedom to consider service when deciding how much to tip (Lynn & Gregor, 2001). On the contrary, a stronger social pressure like a long-term contact between tourists and the tour leader/the travel agency may leave consumers no option to tip more. In conclusion, each of the components might be suppressed or heightened depending on a particular tourism situation. Consumers will finally come to a decision with different influential variables.

Study Methods

The main question of this research is whether service providers and tourists have been generally agreed with the connotations of tipping, and what factors make tourists to tip. Research on tipping behavior in the travel industry, particularly related to tip collection, is less known. Considerations about this subject have impaired both tourism professionals and consumers. A two-staged data collection was applied and Taiwanese respondents were the subject for investigation. Knowing service providers' policies and perceptions toward tipping is essential, after all the phenomenon of tipping is much dominant to service providers rather than consumers. Hence in the first stage, a qualitative approach was adopted as the most suitable strategy for an exploratory study that one has relatively little knowledge about the subject. Semi-structured interviews with travel agencies and tour

leaders were chosen as an appropriate data collection method. In the second stage, both qualitative and quantitative approaches were used to discover tourists' tipping propensities.

Data collection in the first stage and the results

Interviews with travel agencies and tour leaders in Taiwan were conducted in the first stage. A pilot study included face-to-face interviews with 4 managerial staff and 4 tour leaders was conducted prior to the formal interviews. The purpose of the pilot study was to examine the feasibility of the interview technique since questions involve the sensitivity of forcing customers to tip. It was also used to refine and examine the reliability of interviewed questions and facilitate the researcher's interview skills. Several interview questions were modified and added after the pilot interviews. For example, if the practice of a 'daily fee' (the allowance given to a tour leader who escorts a tour overseas) or 'head tax' (a fee charged by the travel agency to a person for the privilege to lead an overseas tour) are used by travel agencies.

With limited resources and the sensitivity of the topic, a snowball sampling selection of 14 travel agencies was carried out after the pilot study. Based on the 14 travel agencies, 28 tour leaders were chosen for interview (2 from each interviewed travel agency). To ensure that the sampled travel agencies were representative and not too small in size, travel agencies with multiple branches were required. These travel agencies also have to be members of the Travel Quality Assurance Association to ensure that they are qualified to a certain standard. Due to above delimitations, busy schedule of interviewed managerial staff/tour leaders, and the sensitivity of the topic, great efforts were used to find the volunteers. The semi-structured, face-to-face interviews with the 14 travel agencies' managerial staff who are responsible for the company's tipping policies were conducted first. A phone call was made before the interview to ensure that they knew the subject and that they were aware their comments would be tape-recorded but would remain confidential.

Each interview took about 30 minutes and took place in the office of the travel agency. The questions for formal interviews were based on the reviewed literature, current cases of tipping disputes (Travel Quality Assurance Association R.O.C., 2005) and the results of the pilot study. They were asked the following 5 general questions regarding their tipping policies: 1) What is your company's tipping policies in general? 2) How do your tour leaders collect their tips? 3) How much tip should children be charged and should the tip of the first day and last day be included? 4) Does your company include tips in the price of a tour? 5) According to your knowledge, do you think your customers are satisfied with your tipping policy and whether your tour leaders are satisfied with the tips they have received?

The next step was semi-structured, face-to-face interviews with 28 tour leaders. The interviewed tour leaders should have at least 2 years of escorting outbound package tour experiences. After interviewing 28 tour leaders, the researcher decided to stop conducting further interviews since the results from the interviewers were rather similar to each other (Pyrzczak, 2005). They were asked the following 5 general questions regarding their perceptions toward tipping: 1) When do you think is the most proper time for tip collection? 2) How much tip should children be charged and should the tip of the first day and last day be included? 3) Do you think it is appropriate to include tips in the tour price? 4) According to your experience, are you satisfied with your company's tipping policy and are you satisfied with tips you have received? 5) What factors do you think affected the tip amounts you have received? Interview-notes were analyzed using domain analysis.

The findings from interviewed managerial staff (IMS) and tour leaders (TL) are showed below. Managerial staffs were asked about their companies tipping policies. Data showed that the recommended amount of tips per day was based on the current market guidelines. Only one IMS set its own tipping policy and stated that

“We (the company) have a different tipping policy from other travel agencies - recommended tip amounts being less than the current guidelines but the company pay a

‘daily fee’ to ours tour leaders and the company do not charge a ‘head tax’ from tour leaders.”

There were only 4 out of 14 travel agencies pay their tour leaders a ‘daily fee’ and 6 travel agencies charge their tour leaders a ‘head tax’. Numerous IMSs indicated that the reason they do not pay a ‘daily fee’ or charge a ‘head tax’ is because the prices of their tours are lower than average. One MS even stated that “our tour leaders will not get tips if they are paid by daily fee”.

Overwhelmingly, IMSs and TLs regarded the last day of the tour as the most appropriate time to collect tips. However, two IMSs indicated that the third day of the tour is acceptable and one considered it acceptable to collect the tip on the first day of the tour. Although the majority of IMSs and TLs considered the best place for collecting tips is on the bus, it is interesting to know that some TLs collect their tips in customers’ hotel rooms (some tour leaders visit tour members after they check into their hotel rooms to ensure they are comfortable with the room). One TL revealed that he would write down the amount of the tip on an envelope and asked tour participants to tip when on the bus. In fact, many IMS indicated that it is up to tour leaders’ experiences and the circumstances as long as tour members do not complain to the company. However, only two IMSs explicitly stated that they would not allow tour leaders to force customers to tip.

With regard to whether children/infants should pay tips, the majority of the respondents (12 IMSs and 24 TLs) considered that children should pay the full amount since they demand more attention. Only two IMS considered that infants should also pay the full amount. However, several TLs indicated that if tour participants asked for half of amount for children and infants, they would not force them but will try to convince them to tip the full amount. The majority of IMSs and TLs believed that customers’ tips should include the first and the last day of a tour, even if the tour departs in the evening and arrives home in the morning, since Taiwanese tour leaders tend to provide 24 hours service. They considered

that there is much work need to be completed by the tour leader during the pre-tour and after tour periods. Only one IMS considered tipping for just one day to be acceptable. Several long-haul TLs considered it acceptable if tour participants asked for one day tip since they do not provide service on the plane.

In terms of whether tips should be included in the price of the tour, their opinions were varied. Some IMSs indicated that it is not appropriate to include a tip for several reasons: 1) the price of the tour will increase and it will become less competitive, 2) tour leaders' service performance might be affected, 3) it is against the nature of tipping and tour participants might not agree with it. However, 3 IMSs indicated a different idea and stated that

“To save many problems, the company had included tips in the price of the tour for both tailor-made and ready-made package tours since it is much convenient for both tour leaders and customers, and eventually tour participants pay the tips anyway.”

Surprisingly, 8 IMSs indicated that they would include tips in the price of the tour in the future. Including tips in the price the tour was generally accepted by the TLs. They considered it would not affect their service performance since word-of-mouth communication is important for repeat business. Only 3 considered it is not to be appropriate to include it since it is against the nature of tipping.

Managerial staffs were asked about their customers' satisfaction in terms of tipping policies. The majority of the IMSs pointed out that they did not hear many complaints about it, but some tour participants may find excuses to avoid tipping tour leaders, one IMS said. A few TLs stated that Taiwanese tourists are acquiring more travel experience and are willing to pay for service. However, TLs considered that tipping is hardly practiced in the service industry and is not customary for the general public in Taiwan. Therefore, it is their duty to educate customers about tipping. Many TLs also specified that they would remind tour participants to tip them during the tour and would try to convince tour participants to tip

if they found that they had an intention not to tip. For example, by using friends or the group leader as a third party to help.

The managerial staffs were asked if their tour leaders were satisfied with their companies' tipping policies. All IMSs revealed that their tour leaders were satisfied with their company's tipping policy and had received reasonable amounts for tips. Two IMSs indicated that Taiwanese tourists are concerned about '*mien-tsu*' (saving face) of others and themselves and would not refuse to tip the tour leader in front of the group but they would complain to the travel agency after the tour if something has gone wrong. Likewise, the majority of TLs indicated that they were satisfied with their companies tipping policies but 3 TLs said that the tipping policy did not protect their interests since they did not receive a 'daily fee' and tour participants might not tip or asked for refund after the tour. Therefore they hoped tips could be included in the price of the tour. Three TLs suggested that the daily tip suggested by the travel agencies should be increased. "We should learn from Singapore, consumers should be educated to tip more, if they considered the service was more than expected", one TL said. Other 3 TLs were not satisfied with their tips during the low season.

TLs indicated that receiving less than the recommended amount depressed them, but as long as they work hard, they will have no problem in receiving the expected tip amount. Many TLs considered there to be a relationship between repeat customers and service performance. However, more than half (15 out of 28) indicated that there is no relationship between the tip amount and service performance, since the fixed tip amount has been recommended and the majority of tour participants will just tip the recommended amount. Lastly, more TLs indicated that 'travel agencies' tipping policies' and 'good interaction with the tour members' are to be the most important factors in influencing the tip amounts.

When using the five key variables to examine service providers' perceptions of why tour participants should tip the tour leaders, it was found that selfish economic behavior, perceived equity, service performance and company tipping policies are all significantly

important. However, selfish economic behavior seems to be more salient than the other variables on the impact of tour leaders' perceptions of why customers should tip. The consequence supports Azar's (2004) assertion and predicts that the consideration will be reinforced by service providers who offer the low price of tours. The phenomena of not getting a 'daily fee' and paying a 'head tax' may be the reasons. Tipping tour leaders is becoming a social norm in the travel industry but this phenomena is still not customary for the Taiwanese; a few service providers support the notion of collecting tips before the service is provided, verbally asking for tips, and including tips in the price of a tour. The reason tourists leave tips are influenced significantly by travel agencies' tipping policies and the behavior of tour leaders. The result is sustained by Azar (2004) who indicates that the employers play an important role in supporting tip size when they pay lower wages or no wages at all to their service workers. It seems that service providers consider tips to be an important source of income as Star's (1988) indication and have a tendency to perceive tips as a service charge (Dewald, 2003). Apparently, travel agencies and tour leaders' perception towards tipping is gradually abstracted from social norms to selfish economic behavior (Lynn & Grassman, 1990). It may assume that service performance is considered important but less significant on the impact of the tipping (Israeli & Barkan, 2004) due to the external social pressure on the tourists. Regardless of the circumstances, tour leaders' intention of getting the full recommended tipping amounts from each tour participant indicates that the element of perceived equity is suppressed and the selfish economic behavior is heightened, even though they claim that they have provided long-hour services.

Data collection in the second stage and results

Data collection in the second stage included Internet discussions and a questionnaire survey. The purpose of Internet discussions and the questionnaire survey was to investigate tourists' perceptions on tipping. Questions for the Internet discussions were derived from

reviewed literature, and supplemented by interviews with travel agencies/tour leader and were posted on <http://tw.knowledge.yahoo.com/> for 1 month - until no new respondents were found. Responders who had participated in at least one package tour were asked to join the discussions. A total of 24 respondents joined the discussions and 18 (including 8 males and 10 females with average age of 25) useable respondents were retained for data analysis (6 respondents who were found without participating in any overseas guided package tour were excluded). The web site provides a convenient discussion with consumers. The respondents could answers questions freely without feeling pressured. The questions for the Internet discussions include demographic information, perceptions toward tipping, opinions to travel agencies' tipping policies, and tip amounts in related to tour leaders' performance. However, the Internet discussions with the guided package tour users encounter several limitations. The age of respondents from the Internet discussions were younger and not representative. In addition, due to the lack of communication with the respondents through the Internet, their answers may have been limited due to the time spent on the discussions and also not fully reflect the meaning of the questions. Hence, it was decided that the data collected from the Internet discussion was inadequate and a further questionnaire survey was conducted.

Twenty attributes for the questionnaire survey were similar to the Internet discussions but were updated. A pilot study was conducted to examine the reliability of the questionnaire. Fifteen respondents including graduate students and the researcher's colleagues were asked to fill in questionnaires. A few changes were made to refine the Chinese sentences. The data for this questionnaire survey was collected from two different terminals in the Taipei international airport during one full day by six graduate students. A total of 360 questionnaires were dispatched and 357 usable questionnaires (43% for male, 57% for female) were retained for analysis. A five-point Likert scale was used to ask whether or not they strongly agree (5), agree (4), neutral (3), disagree (2), or strongly

disagree (1) with 17 attributes, which were related to their perceptions toward tipping, opinions toward travel agencies' tipping policies, and the relationships between the tour leaders' performance and amounts of tip. In addition to the scaled items, the respondents were also asked three open questions to reveal their previous tipping experiences. Only the tourists who were sitting on the chair in the airport lounge waiting for boarding were asked to participate in the survey. Once the respondents were approached, the interviewers introduced themselves as university graduate students conducting a survey for their tourism department and asked for tourist's participation. Respondents were screened by asking them if they had ever participated in any guided package tour. Respondents who were not Taiwanese and had not participated in any guided package tour were excluded. To increase the response rate, a small gift was given as an incentive.

Based on Internet discussions, respondents' opinions regarding tipping were diverse but the findings provided significant contribution. Respondents revealed that tipping on the first day of a tour is not practical since the tour leader has not provided much service to that point and may not work hard after receiving tips. More respondents believed that children should only tip half amount even though a couple of respondents indicated that the tour leader was helpful in taking care of their children. They considered it to be reasonable to tip for only one day rather than two days if the tour departs in the evening and arrives home in the morning because the tour leader does not provide service when on the airplane. In contrast, two respondents who work in the travel industry expressed more sympathetic viewpoints – they think tour leaders deserve to have two days tips. It is interesting to know that a few respondents considered it good practice to include tips in the price of a tour for several reasons - convenience, to avoid embarrassment (spoiling the atmosphere), and as sympathy for the low salary of tour leaders. However, the majority did not consider this appropriate. In terms of whether they were satisfied with the tipping policies, respondents indicated that it is acceptable to tip tour leaders but they emphasized that tipping should be a

voluntary expression. One respondent pointed out that the policy, in fact, forces tourists to tip. The data also indicated that tour leaders' service performance is an important factor in influencing their propensity to tip. In conclusion, these young respondents are highly concerned about tour leaders' service performance and the entity of equity, although their intentions to tip are influenced by social approval (sympathy) and the travel agencies' tipping policies. One respondent's statement reflects the scenario:

"I thought giving a tip should be a voluntary action. But after I joined a group tour, somehow I could feel the pressure there and I then realized that the tip is an important part of a tour leader's salary. I would feel bad if I did not tip the tour leader properly."

Descriptive statistics and inferential analyses were used to analyze the data as summarized in Table 1 and Table 2. Mean, frequencies, percentages, ANOVA, were calculated to indicate approximately where the data as a whole were situated (Crouch & Housden, 1996). To investigate tour participants' perceptions toward tipping, means were calculated among each attributes (Table 1). Respondents agreed that a tip should be a voluntary behavior (mean = 3.86) and should be based on individuals' will (mean = 3.95) but disagreed that the amount of the tip asked by the tour leader are appropriate (mean = 2.51). They also disagreed with tips being collected on the first day of the tour (mean = 2.36) or even in the middle of the tour (mean = 2.62). Instead, they considered it more appropriate to collect the tip on the last day of the tour (mean = 3.95). Travel agencies' tipping policies have an influence on tour participants' to tip (mean = 3.27 and mean = 3.34 respectively). With regards to whether or not the tip should be included for the first day and last day, and how much tip should children be charged, respondents disagreed to tip both days (mean = 2.56), but agreed to tip for one day only (mean = 3.45). In addition, they considered that children should only tip the half amount (mean = 3.45) but disagreed to tip the full amounts (mean = 3.62). The data also revealed that respondents were in favor of including a tip in the cost of price (mean = 3.73). Finally, respondents considered that tour leaders' performance

was significant in influencing the tip amounts (mean = 3.70 and mean = 2.88 respectively).

Table 1: Tourists' Perceptions toward Tipping, Tipping Policies, and Performance

Items	Means	SD
I believe giving a tip should be a voluntary behavior.	3.86	0.92
On the tour, if the tour leader does not mention tips, I will not tip the tour leader.	3.04	1.028
I believe that the tipping amounts recommended by travel agencies are appropriate.	3.27	0.908
I believe that the tipping amounts asked by the tour leader are appropriate.	2.51	0.866
I believe that the tipping amounts should be based on individuals' will.	3.95	0.853
The amounts I tip the tour leader will be affected by other tour member.	3.22	1.057
It is acceptable if the tour leader collects the tip on the first day of the tour.	2.36	1.001
It is acceptable if the tour leader collects the tip on the last day of tour.	3.95	0.865
It is acceptable if the tour leader collects the tip in the middle of the tour.	2.62	0.936
The amounts I tip will be affected by travel agencies' tipping policies.	3.34	0.88
It is appropriate to tip both days if the tour departs in the evening and arrives home in the morning.	2.56	0.961
It is appropriate to tip for one day only if the tour departs in the evening and arrives home in the morning.	3.45	0.915
I think children should not tip the full amount as an adult does.	3.62	0.912
I think children should only tip half the amount.	3.34	0.933
I believe that it is appropriate to include tips in the price of a tour.	3.73	1.008
If the tour leader has provided more than the expected service, I will tip more than the recommended amount.	3.70	0.872
I will still tip the tour leader even if the tour leader performs poorly.	2.88	1.004

Respondents were also asked whether they had been forced to tip when joining overseas guided package tours and whether they were satisfied with travel agencies' tipping policies. A large percent (87.10%) of respondents indicated that they had felt being force to tip the tour leaders. The majority of respondents (81.20%) were satisfied with travel agencies' tipping policies. Only 18.80% of respondents were not satisfied. However, among the dissatisfied group, their reasons were significant since they were related to the last question – being force to tip. The more relevant comments are summarized as below:

One, the policies are inconsistent or not clear - for example, not knowing how and when

to tip. Two, travel agencies should not suggest a fixed tip amount - tourists should be able to decide how much to tip regardless of the performance of tour leaders. Three, since the tip amounts are suggested, tour participants should not be forced to tip – for example, travel agencies should not (or strongly) advice tourists to tip, tour leaders should not mention it again on the tour, or collect on the first day. Four, it isn't the tour participants' responsibility to pay the tour leader; travel agencies should raise tour leaders' salary or should not see tips as a major income of tour leaders. Five, the issue of tipping should be regulated; otherwise service providers should not ask for tips. Six, the tip amount should be related to the shopping opportunities – tourists should tip less when shopping opportunities increase. Seven, tips should be included in the price of the tour in order to avoiding embarrassment and inconvenience.

The factor which had most influence on their tipping propensity, the performance of the tour leaders (68.70%) was considered the most important when compared with other factors. Only 15.50% of respondents considered that the travel agencies' tipping policies had more influence and social norms was considered less influence on their tipping propensity.

Table 2: Tourists' Previous Tipping Experience

	Frequency	Percent
Have you been forced to tip?		
Yes	310	87.10%
No	46	12.90%
Total	356	100.00%
In general, are you satisfied with the travel agency's tipping policy?		
Yes	289	81.20%
No	67	18.80%
Total	356	100.00%
Which of the following influenced you most to tip?		
Individual perceptions and past experience toward tipping.	32	9.00%
Travel agencies' tipping policies.	55	15.50%
The performance of the tour leader.	244	68.70%

Social norms.	24	6.80%
Total	355	100%

Social-demographical variables: Respondents were asked their social-demographical background. In order to identified the effects from social-demographical variables, the total of forty-four items from tipping perception and the performance of tour leader have been compared with different groups separated by gender, age, education, year salary, location, occupation and the frequency participating outbound tour.

Gender effects

From different gender perspectives, five items related the tipping perception and the performance of tour leader have shown the evidences of statistic significances at the 0.05 level (See Table 3). The male group had a higher agreement toward the voluntary behavior but a lower agreement toward the purpose of tipping for better services than female. For the way of tipping, the female group (mean=2.88) displayed the higher disagreement toward directed paying (without envelope) than the male group (mean=3.10). In terms of the performance of tour leader, the female group (mean=2.49 or 2.38) expressed a higher disagreement related to gender and appearance of tour leader than the male group (mean=2.77 or 2.58).

Table 3 T-value results: tipping perception versus gender

Items	Mean		T-value	P-value
	Male (n=149)	Female (n=202)		
I believe giving a tip should be a voluntary behavior	3.97	3.78	1.987	0.048
In order to get better service, I will tip before receiving any services	3.06	3.34	-2.344	0.020
I think it is appropriate to tip the tour leader directly (without putting the tips in the envelope)	3.10	2.88	1.994	0.047
The appearance of the tour leader will affect the amounts I tip to him/her	2.77	2.49	2.459	0.015

The gender of the tour leader will affect the amounts I tip to him/her	2.58	2.38	1.969	0.050
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The effects from education level

According to the results of ANOVA (Table 4), the groups with education level above college have higher agreement than the other groups based on a voluntary behavior, tipping information, influencing variables related tipping size, the way of tipping and tipping policy. However, for the time of tipping, the groups with college education level (mean=4.03) have higher agreement on the item “I believe that it is acceptable if the tour leader collecting the tip on the last day of tour.” than the other groups.

Table 4 .ANOVA results: Tipping perception versus education level (below college/college/ above college)

Items categories	Items	Mean			F	Turkey HSD
		Below College (n= 83)	College (n=231)	Above College (n= 40)		
A voluntary behavior	I believe giving a tip should be a voluntary behavior	3.55	3.92	4.22	8.88 (0.001)	1*2 1*3
	I believe that the amounts of tip should be based on individuals' will	3.60	4.04	4.25	11.24 (0.001)	1*2 1*3
Tipping Information	Knowing to tip is based on past travel experiences	3.54	3.74	3.90	3.35 (0.036)	1*3
	In order to get better service, I will tip before receiving any services	3.37	3.10	3.53	3.77 (0.024)	1*2 1*3
Influencing variables related tipping size	My past experiences of participating guided package tours will affect the amounts I tip to the tour leader	3.10	3.39	3.53	4.42 (0.013)	1*2 1*3
	I will tip more for the tour leader whom I am familiar with	3.12	3.23	3.60	3.91 (0.021)	1*3 2*3
	The price of the tour will affect the amounts I tip to the tour leader	3.09	3.16	3.58	4.08 (0.018)	1*3 2*3
The way of tipping	To tip the tour leader, I think it is appropriate to put the tips in an envelope	3.57	3.79	4.13	5.08 (0.007)	1*3
The time of tipping	I believe that it is acceptable if the tour leader collecting the tip on the last day of tour	3.83	4.03	3.72	3.312 (0.038)	(a)
Tipping Policy	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader	3.59	3.90	4.15	6.82 (0.001)	1*2 1*3
	I think infants should not tip	3.81	3.73	4.20	4.05 (0.018)	2*3

Note 1: (a) represented this item has not the post-hoc effects from Turkey HSD test.

The effects of monthly salary level.

In terms of different year salary level (Table 5), the group with monthly salary between 40,000 to 59,999 has shown the highest agreement for a voluntary behavior but the lowest disagreement for tipping to the tour leader with bad performance compared with the others.

Table 5 ANOVA results: tipping perception versus year salary level

Items	Mean				F	Turkey HSD
	< 19999 (n=76)	20000~39999 (n=104)	40000~59999 (n=103)	> 60000 (n=58)		
I believe giving a tip should be a voluntary behavior.	3.83	3.68	4.03	3.91	2.66 (0.048)	2*3
I will still tip the suggested amounts even if the tour leader does not arrange a smooth journey.	2.80	3.00	2.67	2.7	8.719 (0.033)	----

Note 1: (a) represented this item didn't satisfy the ANOVA assumption of homogeneous and the non-parameter Kruskal Wallis has been adopted.

The effects of location level.

In terms of different location, the group from east or Island have shown the highest agreement for the way of directed tipping (without envelop) (mean=3.25) and caring about the performance of tour leader compared with the other groups (See Table 6).

Table 6 ANOVA results: tipping perception versus location level.

Items	Mean				F	Turkey HSD
	1 North (n=161)	2 Middle (n=105)	3 South (n=72)	4 East or island (n=12)		
I think it is appropriate to tip the tour leader directly (without putting the tips in the envelope)	2.81	3.07	3.18	3.25	3.112 (0.026)	1*3
The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader	3.83	3.68	3.76	3.92	13.751 (0.003)	----

Note 1: (a) represented this item didn't satisfy the ANOVA assumption of homogeneous and the non-parameter Kruskal Wallis has been adopted

The effects of age level

In terms of different age level, the group with age level below 30 year-old has shown the highest agreement for a voluntary behavior and have significant differences compared with the groups with age level above 50 year-old (See Table 7). For the tipping information, the groups with age level above 50 have shown lowest agreement (mean=3.41) for the tipping based on the past experience compared with the other groups and have significant differences with them. Moreover, the tour leader known before, the price of tour, and the arranged itinerary have been identified for the influencing variables related tipping size by the group with age level below 30 year-old, and have significant difference with the other two groups. The same situations have happened in the way of tipping and the performance of tour leader. Two items, “I think it is appropriate to put the tips in an envelope” and “If the tour leader have provided more than expected service, I will tip more than recommended amounts” have shown the highest agreement by the groups with age level below 30-year-old. However, for the items related to tipping policy, three items have shown significant differences between groups. The group with age level below 30 (mean=3.89) and between 30-50 year-old (mean=3.85) have shown the highest agreement for “I think infants should not tip”. However, two items related to the “I think it is appropriate for tour leaders to collect tips for local guides (mean=3.44)” and “I think it is appropriate for tour leaders to collect tips for drivers (mean=3.41)” have been identified the highest agreement by the group with age level between 30-50 year-old and have significant mean difference with the other two groups.

Table 7. ANOVA results: tipping perception versus age level

Items categories	Items	Mean			F	Turkey HSD
		1	2	3		
		< 30 (n=127)	30~50 (n=164)	> 50 (n=63)		
A voluntary	I believe giving a tip should be a	4.08	3.88	3.40	23.20	-----

behavior	voluntary behavior .(a)				(0.000)	
	On the tour, if the tour leader does not mention the tips, I will not tip the tour leader	<u>3.19</u>	3.01	2.75	4.04 (0.018)	1*3
	I believe that the amounts of tip should be based on individuals' will.	<u>4.12</u>	3.98	3.56	9.74. (0.000)	1*3
Tipping Information	Knowing to tip is based on past travel experiences.	3.73	<u>3.79</u>	3.41	5.60. (0.004)	1*3
Influencing variables related tipping size	I will tip more for the tour leader whom I am familiar with.	<u>3.41</u>	3.17	3.08	3.68. (0.026)	1*3
	The price of the tour will affect the amounts I tip to the tour leader.	<u>3.38</u>	3.05	3.13	4.63. (0.010)	1*2
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	<u>4.06</u>	3.72	3.79	10.83 (0.004)	-----
The way of tipping	To tip the tour leader, I think it is appropriate to put the tips in an envelope.	<u>3.90</u>	3.78	3.48	6.91 (0.032)	-----
	I think it is appropriate to tip the tour leader directly (without putting the tips in the envelope).	2.80	2.99	<u>3.25</u>	9.527 (0.009)	-----
Tipping Policy	I think infants should not tip.	<u>3.89</u>	3.85	3.51	3.71 (0.025)	1*3 2*3
	I think it is appropriate for tour leaders to collect tips for local guides.	3.16	<u>3.44</u>	3.27	7.43 (0.024)	-----
	I think it is appropriate for tour leaders to collect tips for drivers	3.23	<u>3.41</u>	3.13	6.49 (0.039)	-----
The performance of tour leader	If the tour leader have provided more than expected service, I will tip more than recommended amounts.	<u>3.83</u>	3.68	3.49	3.20 (0.042)	1*3

Note 1: (a) represented this item didn't satisfy the ANOVA assumption of homogeneous and the non-parameter Kruskal Wallis has been adopted.
Note 2: The groups with highest mean have been identified by underline.

The effects of occupations

Among 41 items, only "I think it is appropriate to put the tips in an envelope" have showed the significant differences when compared the mean differences with different occupation groups ($F=7.20$, $P<0.001$) (See Table 8). The production and business group (mean=4.15) has shown the highest agreement for the way of tipping and have significant differences compared with the groups with the other groups.

Table 8 ANOVA results: tipping perception versus frequency occupations

Items	Mean				F	Turkey HSD
	1	2	3	4		
	Government employees (n=57)	Agriculture, manufacture , And business (n=89)	Service industries (n=109)	unemployment (n=102)		
To tip the tour leader, I think it is appropriate to put the tips in an envelope.	3.54	4.15	3.64	3.68	7.201 (0.001)	2*1 2*3 2*4

The effects of frequency participating outbound tour

In terms of past experiences from outbound tour, the group with once experience participating outbound tour (mean=3.53) has shown the highest agreement for a voluntary behavior and have significant differences compared with the groups with three times (mean=2.95) (See Table 9). For the tipping information, the groups with one experience have showed the highest agreement for the tipping based on the past experience or relied on the mass media compared with the other groups and have significant differences with them. Moreover, other tour members, past experiences of participating guided package tours, the tour leader known before, and the price of the tour have been identified for the influencing variables related tipping size by the group with once experience, and have significant difference with the other two groups. The same situations have happened in the way of tipping and the performance of tour leader. Two items, “I think it is more appropriate to tip the tour leader by collecting all tour participants’ tips together ” and “I think it is appropriate for tour leaders to collect tips for local guides” have show the highest agreement by the groups with once experience.

For tipping policy and the performance of tour leader, two items, “ I think it is appropriate to tip for two days if the tour departs in the evening and arrives home in the morning” and “the gender of the tour leader will affect the amounts I tip to him/her” have showed the lowest agreement by the groups with more experiences participating outbound

tour compared with less experience group.

However, two items related to the time of tipping, the group with more experience have expressed the highest agreement on “collecting the tip on the last day of tour (mean=4.03)” but the group with less experience accepted “collecting the tip on the middle of the tour (mean=2.85)” more and have significant mean difference with the other two groups.

Table9 ANOVA results: tipping perception versus frequency participating outbound tour

Item categories	Items	Mean			F	Turkey HSD
		1	2	3		
		Once (n=40)	Twice (n=82)	Three or Above (n=233)		
A voluntary behavior	On the tour, if the tour leader does not mention the tips, I will not tip the tour leader	<u>3.53</u>	3.05	2.95	5.42 (0.005)	1*3
Tipping Information	Knowing to tip is based on past travel experiences	<u>3.95</u>	3.51	3.73	8.78 (0.012)	-----
	Knowing to tip is derived from advertising medium	<u>3.13</u>	2.94	2.73	3.70 (0.026)	1*3
Influencing variables related tipping size	The amounts I tip to the tour leader will be affected by other tour members.	<u>3.63</u>	3.30	3.13	4.13 (0.017)	1*3
	My past experiences of participating guided package tours will affect the amounts I tip to the tour leader	<u>3.65</u>	3.24	3.30	3.10 (0.046)	(b)
	I will tip more for the tour leader whom I am familiar with.	<u>3.55</u>	3.05	3.25	4.23 (0.015)	1*2
	I will tip more for the tour leader whom I am familiar with.	<u>3.58</u>	3.23	3.10	4.53 (0.011)	1*3
The way of tipping	I think it is more appropriate to tip the tour leader by collecting all tour participants' tips together	<u>3.63</u>	3.15	3.15	3.15 (0.044)	1*3
	I think it is appropriate for tour leaders to collect tips for local guides	<u>3.35</u>	3.13	<u>3.36</u>	6.40 (0.041)	-----
The time of tipping	I believe that it is acceptable if the tour leader collecting the tip on the last day of tour	3.50	3.96	<u>4.03</u>	6.49 (0.002)	1*2 1*3
	I believe that it is acceptable if the tour leader collecting the tip on the middle of the tour	<u>2.85</u>	2.77	2.53	3.29 (0.038)	(b)
Tipping policy	I think it is appropriate to tip for two if the tour departs in the evening and arrives home in the morning.	<u>2.90</u>	2.61	2.49	3.23 (0.041)	1*3
The	The gender of the tour leader will	<u>2.78</u>	2.57	2.39	3.466	1*3

performance of tour leader	affect the amounts I tip to him/her	(0.032)
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Note 1: (a) represented this item didn't satisfy the ANOVA assumption of homogeneous and the non-parameter Kruskal Wallis has been adopted

Note 2: The group with highest mean have been identified by underline.

Note 3: (b) represented this item have not the post-hoc effects from Turkey HSD test.

The most influencing dimension

According to the percentage table, majority of respondents (68.7%) have expressed the most concerning dimension toward tipping is performance of tour leader. The less influencing dimension is social norm (6.8%) (Table 10). Furthermore, adding social-demographical variables to compare the relationship between them, these four dimensions did not have statistic significant evidences (Table 11).

Table 10 percentage of the most influencing dimension

Dimension	Tipping perception	Tipping policy	Performance of tour leader	Social Norm	Total
Percentage (N)	9.0% (n=32)	15.5% (n=55)	68.7% (n=244)	6.8% (n=24)	100% (n=355)

Table 11 Crosstable results from the most influencing dimension vs. social-demographical variables

	Tipping perception	Tipping policy	Performance of tour leader	Social Norm	Chi-square (Sig.)
Sex (%)	9.2% (n=32)	15.5% (n=54)	68.8% (n=240)	6.6% (n=23)	X²=0.246 (P=0.97)
Male	4.0% (n=14)	6.9% (n=24)	28.4% (n=99)	2.9% (n=10)	
Female	5.2% (n=18)	8.6% (n=30)	40.4% (n=141)	3.7% (n=13)	
Education (%)	9.1% (n=32)	15.6% (n=55)	68.5% (n=241)	6.8% (n=24)	X²=4.959 (P=0.175)
Below college	0.9% (n=3)	3.7% (n=13)	16.8% (n=59)	2.3% (n=8)	
College or above college	8.2% (n=29)	11.9% (n=42)	51.7% (n=182)	4.5% (n=16)	
Age (%)	9.1% (n=32)	15.6% (n=55)	68.5% (241)	6.8% (n=24)	X²=8.049 (P=0.235)
<30	5.1% (n=18)	6.0% (n=27)	22.4% (n=79)	2.3% (n=8)	
30~50	2.8% (n=10)	7.7% (n=27)	32.7% (n=115)	3.1% (n=11)	
>50	1.1% (n=4)	2.0% (n=7)	13.4% (n=47)	1.4% (n=5)	
Monthly Salary (%)	9.2% (n=32)	15.8% (n=55)	68.2% (n=238)	6.9% (n=24)	X²=13.235 (P=0.152)
<19999	2.3% (n=8)	2.6% (n=9)	15.5% (n=54)	1.1% (n=4)	
20000~39999	2.6%	4.6%	21.8%	3.7%	

	(n=9)	(n=16)	(n=76)	(n=13)	
40000~59999	3.2%	4.6%	21.2%	0.6%	
	(n=11)	(n=16)	(n=74)	(n=2)	
>60000	1.1%	4.0%	9.7%	1.4%	
	(n=4)	(n=14)	(n=34)	(n=5)	
Location (%)	9.2%	15.5%	68.7%	6.6%	X²=15.152
	(n=32)	(n=54)	(n=239)	(n=23)	(P=0.087)
North	4.9%	7.5%	31.3%	2.3%	
	(n=17)	(n=26)	(n=109)	(n=8)	
Middle	2.6%	3.4%	21.6%	2.6%	
	(n=9)	(n=12)	(n=75)	(n=9)	
South	1.7%	2.9%	14.1%	1.7%	
	(n=6)	(n=10)	(n=49)	(n=6)	
East or Island	0.0%	1.7%	1.7%	0.0%	
	(n=0)	(n=6)	(n=6)	(n=0)	
Occupation (%)	9.0%	15.5%	68.7%	6.8%	X²=9.020
	(n=32)	(n=55)	(n=244)	(n=24)	(P=0.435)
Officials	1.4%	2.0%	10.7%	1.7%	
	(n=5)	(n=7)	(n=38)	(n=6)	
Production and Business	1.4%	3.1%	19.4%	1.1%	
	(n=5)	(n=11)	(n=69)	(n=4)	
Services and others	3.9%	5.9%	19.2%	1.7%	
	(n= 14)	(n=21)	(n=68)	(n=24)	
No occupation	2.3%	4.5%	19.4%	2.3%	
	(n=8)	(n=16)	(n=69)	(n=8)	
Frequency participating outbound tour in past three years (%)	9.1%	15.3%	68.8%	6.8%	X²=10.561
	(n=32)	(n=54)	(n=243)	(n=24)	(P=0.103)
Once	0.6%	2.0%	7.6%	1.1%	
	(n=2)	(n=7)	(n=27)	(n=4)	
Twice	2.8%	4.0%	13.3%	2.8%	
	(n=10)	(n=14)	(n=47)	(n=10)	
Three or Above	5.7%	9.3%	47.9%	2.8%	
	(n=20)	(n=33)	(n=169)	(n=10)	

Influencing variables toward tipping size (amounts)

In order to identified the influencing variables toward tipping amount, ten items related to influenced variables related tipping size and two items related to the performance of tour leader (Table 12) have been involved in the regression model. The method of stepwise have been chosen to display the relationship between dependent variables “If the tour leader have provided more than expected service, I will tip more than recommended amounts.” and twelve independent variables.

Table 12 The items for the dependent variables and independent variables.

Influenced variables related tipping size	Tipping perception	I believe that the amounts of tip recommended by travel agencies are appropriate
		I believe that the amounts of tip asked by the tour leader are appropriate
		I believe that the amounts of tip should be based on individuals' will.
	Social Norm	The amounts I tip to the tour leader will be affected by other tour members
		My past experiences of participating guided package tours will affect the amounts I tip to the tour leader.
		I will tip more for the tour leader whom I am familiar with.
	<u>Tipping policy</u>	The price of the tour will affect the amounts I tip the tour leader.
		The amounts I tip to the tour leader will be affected by travel agencies' tipping policies
		I think the tip amounts suggested by travel agencies are clear.
The performance of tour leader	<u>Performance</u>	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.
		The appearance of the tour leader will affect the amounts I tip to him/her.
		The gender of the tour leader will affect the amounts I tip to him/her.
	DV	If the tour leader have provided more than expected service, I will tip more than recommended amounts (DV)

Note 1: DV: If the tour leader have provided more than expected service, I will tip more than recommended amounts.

According to the results provided from the stepwise regression analysis, six variables have been identified and have a 18.1% total explained variation toward dependent variables (Table 13). Based on the standardized regressions coefficients, the arranged itinerary, the tour leader known before, the appearance of the tour leader and tip amounts suggested by travel agencies, have the positive coefficients. The Beta value was respectively 0.266, 0.177, 0.157 and 0.146. The relationship have expressed if the tour leader have provided more than expected service, respondents will tip more than recommended amounts, especially while related to the arranged itinerary, the tour leader known before, the appearance of the tour leader and the tip amounts suggested by the travel agencies. However, tour participants and travel agencies' tipping policies have negative coefficients and the Beta value was respectively -0.122 and -0.107. This relationship have provided the situation, more pressure from social norm or tipping policy from travel agency can not help to tip more.

Table 13 The coefficients for the regression model.

Model		Unstandardized Coefficients		Std. coefficients	T	Sig	F (Sig.)	R (Adjusted R Square)
		B	Std. Error	Beta				
1	(Constant)	2.567	.199		12.926	.001	34.881	0.302
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.297	.050	.302	5.906	.001	(<0.001)	(R ² =0.088)
2	(Constant)	2.148	.226		9.506	.001	24.820	0.354
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.257	.051	.261	5.078	.001	(<0.001)	(R ² =0.120)
	I will tip more for the tour leader whom I am familiar with.	.177	.048	.189	3.675	.001		
3	(Constant)	2.476	.253		9.785	.001	19.439	0.380
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.262	.050	.266	5.224	.001	(<0.001)	(R ² =0.137)
	I will tip more for the tour leader whom I am familiar with.	.180	.048	.192	3.777	.001		
	The amounts I tip to the tour leader will be affected by other tour members.	-.111	.040	-.138	-2.778	.005		
4	(Constant)	2.181	.268		8.148	.001	17.306	0.409
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.267	.050	.274	5.400	.001	(<0.001)	(R ² =0.157)
	I will tip more for the tour leader whom I am familiar with.	.174	.047	.186	3.682	.001		
	The amounts I tip to the tour leader will be affected by other tour members.	-.124	.040	-.157	-3.116	.002		
	The appearance of the tour leader will affect the amounts I tip to him/her.	.128	.042	.153	3.078	.002		
5	(Constant)	1.748	.308		5.728	.001	15.541	0.439
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.265	.049	.269	5.334	.001	(<0.001)	(R ² =0.172)
	I will tip more for the tour leader whom I am familiar with.	.165	.047	.176	3.490	.001		
	The amounts I tip to the tour leader will be affected by other tour members.	-.126	.039	-.155	-3.088	.002		
	The appearance of the tour leader will affect the amounts I tip to him/her.	.130	.041	.155	3.128	.002		
	I think the tip amounts suggested by travel agencies are clear.	.135	.049	.135	2.689	.006		
6	(Constant)	1.969	.322		6.121	.001	13.810	0.441
	The amounts I tip to the tour leader will be affected by the journey arranged by the tour leader.	.261	.049	.266	5.339	.001	(<0.001)	(R ² =0.180)
	I will tip more for the tour leader whom I am familiar with.	.166	.047	.177	3.550	.001		
	The amounts I tip to the tour leader will be affected by other tour members.	-.098	.041	-.122	-2.411	.014		
	The appearance of the tour leader will affect the amounts I tip to him/her.	.132	.041	.157	3.220	.001		

I think the tip amounts suggested by travel agencies are clear.	.146	.049	.146	2.970	.003
The amounts I tip to the tour leader will be affected by travel agencies' tipping policies	-.103	.049	-.107	-2.095	.042

The above findings indicated that tour participants' social-demographical variables did not make much difference in term of tipping perceptions. However, tour participants' benefit sought has a great influence on tipping. Based on the questionnaire survey, tourists, indeed, are sensitive with cost-effective balance and their tipping propensity is positively related to service performance (Bodvarrson & Gibson, 1999). They perceive equity as a vital indicator in influencing tip amounts, which supports the proposition of a tit-for-tat interaction (Israeli & Barkan, 2004). However, a paradox exists regarding performance and tip amounts. Tourists' perceptions toward tipping seem to be the same as restaurants' patrons – conceptually they think tipping should be a voluntary behavior but operationally they tip the suggested percept amounts to waitresses/waiters. The ambiguous findings may suggest that social exchange theory is not the best alternative to explain tourists' tipping behavior since maintaining social harmony (Komin, 1990) and the feeling of empathy for servers (Azar, 2005) may diverse tourists' attitudes toward tipping. The notion of including a tip in the price of a tour to avoid embarrassment or disapproval (Baumeister & Tice, 1990) shows that selfish economic behavior seem not to be a considerable aspect for tip amounts by tourists. But what is considered a reasonable tip amount concerned most tour participants? A company' tipping policy usually plays a standard guideline. Although respondents claim that travel agencies' tipping policies do not play a crucial role in influencing their tipping propensity, psychologically, they are affected by the social norms and pressure of others including tour leaders (ethical persuasion).

Conclusions

The research has presented a diverse scenario regarding the perceptions of tipping. Factors that influence tourists to tip are perceived differently between service providers and tippers. Apparently, a gap is existent between tour participants and service providers regarding the issue of tipping. Not all tour leaders comply with the travel agencies' tipping policies even though they are employed by them. Travel agencies see tips as an incentive for better service and perceive tips as a compensation for the low price of tours. Tour leaders expect tips to be a service charge and see tips as a major source of income and are determined to get the full tip amount from each tour participant. In contrast, tourists see tips as a voluntary payment for reward and the tip amounts paid should be based on service performance. The consequences are supported by Israeli and Barkan (2004) who argue that the relationship between tip size and service quality are perceived differently between customers and the servers.

Equity theory has implied the correlation between tip amounts and service performance. Chang's (2003) study confirms that the amount of tips given by tourists is influenced mainly by the tour leader's service performance. Therefore, building good relationships with tour members certainly increase tip amounts. Yet, people will not tip more than the suggested amounts due to selfish economic considerations and tipping customs in a country where tipping is seldom practiced. Certainly, poor service quality in general does not make the full tip amounts since it is against the function of tipping. Conceptually, this study has showed that service performance is an important indicator for tip amounts. In reality, this may not be the true since other variables have influenced tourists to tip more (the findings showed that tour participants eventually tip the suggested amounts). The result supports Lynn (2000) and Dewald's (2003) assertion that there is a weak relationship between tip size and evaluations of service quality. Explanations for this weak relationship may be because of the pressure travel agencies put on their customers to tip (social disapproval) (Baumeister & Tice, 1990),

avoiding psychological distress and maintaining equitable relationships with servers (Lynn & Grassman, 1990), and the feeling of empathy and compassion for servers (Azar, 2005).

Selfish economic considerations seem to be the greatest concern for both travel agencies and tour leaders even though they claim that service performance is a matter. These considerations inevitably make tips an involuntary payment. The practice of not paying a 'daily fee' by travel agencies and charging a 'head tax' from tour leaders causes a dilemma since tour leaders have become tip-sensitive and see tips as a major source of income. Alternatively, their expectations of getting tips are dependent on travel agencies policies – explicitly advising tour participants to tip by verbal communication and implicitly indicated with written suggestions of tip amounts. As a result, the development of tipping changed from an incentive function to a selfish economic consideration, and this is supported by Israeli and Barkan (2004) who claim that the development of selfish economic considerations has deleted the meaning of the tit-for-tat interaction between servers and customers. Similarly, tour participants' economic considerations also considerably affect their tipping but this consideration is limited to a certain incident/demographic variable. In the field of tourism, tip amounts are based on days of travel rather than the bill size. The consequence may then cause a great attention for a tourist who has to tip more when he/she travels more days or a family who are traveling together has to pay a tremendously large tip amount.

Cultural values certainly influence tip amounts (Lynn, 1997). Different from an individualist culture, in a collectivist society such as a Taiwanese group, people is group oriented and concerned about the welfare of the group (Adler, 1991). Good server-customer interactions are found positively related to tip amount (Callan & Tyson, 2000). Taiwanese people are heavily concerned with '*Kuan-Hsi*' (personal relationships) and '*Jen-Chin*' (human obligation, such as doing favors) in their interpersonal relationships. The ideal of group harmony and the concept of 'face' are central objectives in Taiwanese philosophy. People who leave no tips when paying the bill may lose face in front of their fellow guests.

As Lynn's (1996) indication, the social relationship between the customer and the server is a significant predictor of the tip amounts.

Social equity theory copes with the interchange relationship between individual inputs (cost) and outputs (benefit). A strong sense of feeling for equity is prevalent among tourists when participating in a guided package tour. Equitable treatment during the process of consumption for tour participants is considered substantial, but the sentiment of fairness seems to be ignored by both travel agencies and tour leaders. Hsieh and Wu's (2007) claims that the earlier the tipping, the greater the service effort by tour leaders, but to solicit tips in advance or force tourists to tip seems not to be acceptable by most tourists. To tip after receiving service is a common belief by most tourists. However, there is a paradox among tourists regarding when to tip. Their perception of fairness is contradicted by social approval. This phenomenon is sustained by many tourists who giving up their own rights to support the notion of including a tip in the price of a tour. In a sense, customers' feeling of equity is comprised of other benefits such as avoiding psychological distress or selfish economic considerations.

In conclusion, the procedure of tipping imposed by travel agencies indeed plays a crucial role in tour participants' tipping propensity. It provides a guideline for first-time tour participants to tip. Due to the upcoming trend, more travel agencies have switched tipping policies to include tips in the price of a tour. Similar to some American restaurants which add a fixed gratuity to the bill to compliment waiters/waitress's income (Azar, 2004), a tourist's tendency to pay tips is, in fact, predominantly norm-driven – suggested by travel agencies and reinforced by tour leaders - rather than social customs.

How much tour participants should tip still remains a contradiction in Asia, due to the fact that tipping is not a social custom in general and tourists feel that they are forced to tip reluctantly. There is a tendency of including tips in the price of the tour. Whether tips should be seen as a service charge might be a challenge for future practice with travel agencies, and

service providers should practice it with a greater level of thought. Although this study analyses the subject in depth, there are limitations associated with culture and nationality. Taiwanese tourists are the subjects for the data collection. Their perceptions toward tipping may not be representative of other international tourists due to different cultural background and social norms. In addition, some interviewed travel agencies/tour leaders might not reveal the true scenarios regarding how they collect their tips, due to the sensitivity of the issue (data shows that many tour participants have felt being forced to tip). Therefore, data collected from service providers should be treated with caution. Few studies focus on factors which influence tourists to tip when participating in guided package tour. This study contributes literature on tipping in the travel industry. It is expected that this research can also offer a tipping framework for further exploration.

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