Culture, religiosity, and economic configural models explaining tipping-behavior prevalence across nations

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HIGHLIGHTS

- Configurations of cultural values are useful for identifying nations with high tipping prevalence.
- A high level on any one cultural value is insufficient for identifying nations with high tipping prevalence.
- The asymmetric models identified 13 of the 17 nations that have high prevalence of tipping.
- Religiosity and economic variables with cultural values enables accounting for high tipping.
- Knowledge where tipping is the norm versus an affront can enhance the satisfaction of the service experience.

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ABSTRACT

Unique from prior research that deconstructs culture into separate attributes and reports on the symmetric "net effect" of each, the current study identifies holistic configurations of culture that account for the prevalence of tipping behaviors across tourism industries. Consistent with the theory that distinct holistic cultures predict tipping and non-tipping behaviors, the findings identify configurations of cultural attributes (e.g. "masculine benevolence", "feminine benevolence", and "achieving individualist") in combination with national religiosity and economic well-being that account for the majority of nations with high prevalence of tipping—as well as configurations (e.g. "collective individualist") that account for nations with low prevalence of tipping. These configurations provide tourism operators, regulators, service providers and tourists with insight about the drivers of tipping expectations at the national level and therefore enable better management of the tourism experience. The paper also demonstrates the usefulness of a complexity theory approach to explore complex phenomena by revealing holistic configurations of antecedent conditions; identifying multiple configurations that explain the same outcome; demonstrating that configurations for high and low prevalence are asymmetric, and; demonstrating that antecedent conditions operate in opposite ways depending on other ingredients in a configuration.

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1. Introduction

Tipping occurs when consumers voluntarily give a discretionary amount of money, in addition to the agreed price, to service workers as a reward for good or exceptional service. Tipping is not prevalent in every nation or in every service industry. For example, in some nations tipping is not expected and taken as an insult by the tip recipient (e.g. Japan, Vohs, Mead, & Goode, 2006; 2008), in others it is illegal (e.g. China—although it still occurs), and in others

a tip is expected in most service professions and close to "mandatory" for some (e.g. taxis and restaurants in the USA). Yet expectations that consumers tip seem to be extending to additional service industries (Azar, 2004) and to more nations (Casey, 2001). Indeed, the value of tipping in the USA accounts for an estimated USA $27 billion in restaurants alone (Azar, 2004) with employees deriving more than half their income from tips (Azar, 2007b).

Some travellers likely know that different nations have different "rules" about which service industries should be tipped but they often do not understand what is required nor why. As Shamir (1984) points out, tourists seek a respite from their normal lives and "normal" social status, and therefore often travel as though they are from a high social status. Therefore, the risk of not tipping

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correctly is high because they have less knowledge, want to live out the "fantasy", and are often taking a holiday from logical decision making (Shamir, 1984; Tsaur & Wang, 2008). By tipping against expectations, the tourist risks insulting the server (resulting in a negative response and poor service), looking bad, or overpaying for the service (Fisher, 2009). Kim, Prideaux, and Kim (2002) and Garcia-Almeida and Klassen (2017) identify specific contexts (e.g., a casino setting, taxicab service) where it can be expected that guests will view activities such as tipping from the viewpoint of their own culture rather than the culture of the setting in which they find themselves. "From an employees' perspective, the varying and perhaps conflicting sets of expectations of clients may cause confusion and call for judgements that are required to demonstrate a high level of cultural awareness, while simultaneously refraining from imposing personal cultural interpretations on the actions of others" (Kim et al., 2002, p. 512). Lynn and McCall (2000) note that while tipping practice occurs in most nations in some form, tipping remains a source of uncertainty for tourists. In order to deal with the uncertainty, tourists avoid diminished social perceptions, poor service, and the loss of their fantasy by over-tipping regardless of "the perceived rules." The present study contributes to providing substantial knowledge especially relating to international travel behavior in explaining when tipping is, and is not, appropriate in different national contexts. Rather than adopting the presently pervasive use of symmetric tests and models (e.g., multiple regression analysis) in tourism research, the present study is unique in adopting asymmetric modeling of each outcome to account for the requisite variety in their behaviors—that is, the study probes and reports on the configurational causes of tipping to be distinctly different from the configurational causes of non-tipping.

Exploring the causes of tipping in some nations for most service professions while other "similar" nations do not is useful Lynn, Zinkhan, and Harris (1993) is the most cited study of the differences in tipping expectations across nations and they found that each individual dimension of culture associates positively or negative with high prevalence of tipping. However, their findings do not explain tipping in most nations clearly because Lynn et al. (1993) do not examine any nation's unique configuration of cultural dimensions—their study examines the relative sizes of influence of distinct cultural values rather than examining cultures as complex wholes (Hsu, Woodside, & Marshall, 2013; Tylor, 1871/ 1920). In contrast to the dominant positivistic research approach of seeking main-effect relationships by measuring correlations between individual cultural variables and prevalence of tipping, the study here applies the tenets of complexity theory and configural analysis (Byrne & Callaghan, 2013; Gummesson, 2008; Urry, 2005; Waldrop, 1992; Woodside, 2014). The present study explores the ability of alternative configurations of national attributes to account for prevalence of tipping. These tools use set-membership analytical techniques to elucidate complex configurations (Ragin, 2008a) of national attributes.

A set-theoretic approach (Fiss, 2007; Ragin, 2000, 2008a; Ragin, Shulman, Weinberg, & Gran, 2003) refocuses theory from a net effect per variable to a configural case-level perspective that matches particularly well the complex whole proposal. Cultures are "complex wholes" which includes knowledge, belief, art, morals, custom and any other capabilities and habit acquired by man as a member of society" (Tylor's (1871/1920: 1). Samaha, Beck, and Palmatier (2014) provide a recent example of exploring the interfaces among dimensions to investigate culture's overall effect. The approach allows identifying cases in the highest (lowest) quintiles, deciles, or even finely grained differences in combinations of a few antecedent conditions to indicate an outcome condition (McClelland, 1998). These tools do not attempt to predict low versus high values for a dependent variable symmetrically but focus on

identifying specific combinations of antecedent conditions that associate with high scores on an outcome and separate combinations that indicate low scores of the same outcome—including separate models of high scores for tipping and high scores for the negation of tipping behaviors. Such an asymmetric stance toward theory and analytics complement and extend symmetric testing methods such as regression analysis and go beyond net-effects (Fiss, 2007; Ordanini, Parasuraman, & Rubera, 2014; Woodside, 2013).

The prevalence of tipping across nations is under-explored for such an important phenomenon and for behaviors affecting tourist satisfaction and the well-being of some industries (Fernandez, 2004). Scant research on tipping outside of the USA is available and therefore the drivers of tipping are unclear in most nations and the assumption that the folkways and mores regarding tipping are consistent with the USA needs clarifying. Both behaviors and rationales for tipping in the USA are unlikely to be consistent with other nations and therefore the findings do not transfer readily (Fisher, 2009). This lack of transferability is observable by the difference between hypotheses and findings in the Lynn et al. (1993) study (discussed later). Even within the USA agreement is absent on what drives tipping. For example, consumers most commonly justify tipping as a reward for good service (Azar, 2007b). This good-service and tipping positive relationship receives support in a study by Kwortnik, Lynn, and Ross (2009), but Lynn and McCall (2000) do not support in their review of 13 empirical studies where they found minimal evidence that tips vary in-line with service quality. The literature also confirms that people tip as a social norm (Lynn, 2006). However from a social perspective tipping seems to lead to few social advantages (i.e. as per Lynn and Witham (2008); tipping in some contexts enables employers to underpay employees, it may demean service workers in some contexts, and may lead to reduced taxes collected). As well, many consumers perceive tipping as a "nuisance" (Crespi, 1947, p. 431) because it makes transactions more complex and increases price (Lynn & Witham, 2008; Wilk, 2015). With these arguments in mind, Azar (2004) argues that tipping is not just a social norm because social norms diminish in the face of real opposition and tipping is not diminishing. Azar (2004) argues that consumers use tipping to impress others, to feel good about helping others, and to improve one's self-image. Lynn and Witham (2008) add that consumers tip to reduce guilt and to feel free. Wilk (2015) describes this as breaking free from their economically restrictive realities.

With these conflicting perspectives in mind, complex configurations of social norms, culture, and economic variables may drive tipping prevalence. Complexity theory accommodates complex causal relationships which are important because outcomes of interest rarely result from a single causal factor; causal factors rarely operate in isolation; and, the same causal factor may have different—even opposing—effects depending on the context (Greckhamer, Koro-Ljungberg, Cilesiz, & Hayes, 2008; Ordanini et al., 2014). Therefore, complexity theory accommodates relationships that are "non-linear with abrupt switches occurring, so the same "cause" can, in specific circumstances, produce different effects" (Urry, 2005, p. 4); or tipping points (Gladwell, 2006) that "give rise to unexpected structures and events" (Urry, 2005, p. 5).

The current study extends tipping research by exploring whether or not configurations of cultural values derived from the existing theory consistently accurately account for nations with high prevalence of tipping—as well as whether or not additional models account for nations with low prevalence of tipping. The study contributes by reporting whether or not configurations are more useful than individual cultural dimensions at explaining prevalence of tipping and help researchers to understand macro drivers for each nation or group of nations. The study also extends the existing research by including additional religiosity and