## **CPA**

## Practice **Advisor**

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

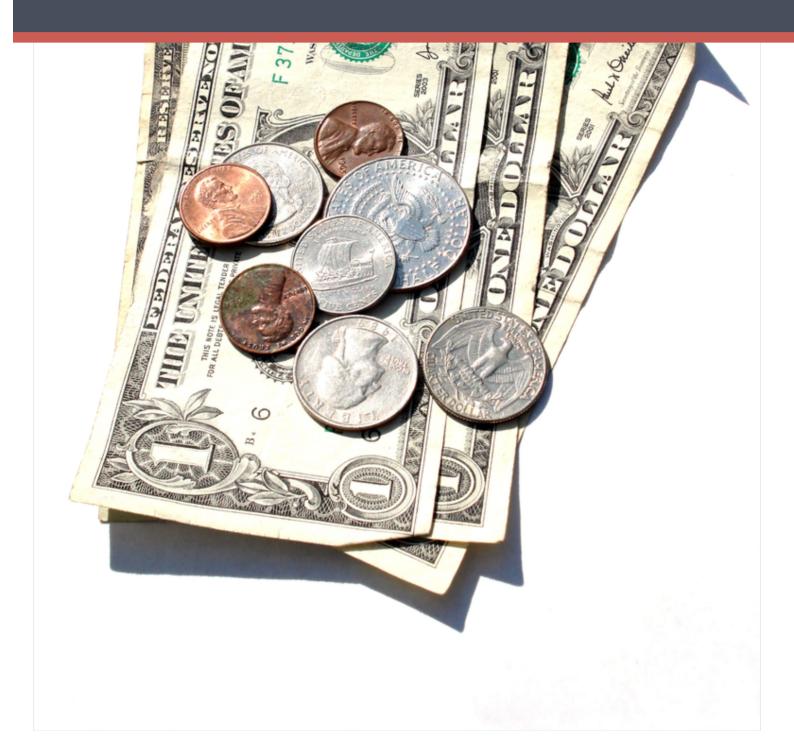
If you have any questions or need help you can email us

but just 31% of Gen Zers, 42% of millennials, and 45% of men do the same.

Isaac M. O'Bannon • Jun. 08, 2023

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us



According to a new Bankrate report, Americans are tipping less often for numerous services, demonstrating a steady decline over the last few years. Additionally, two-thirds (66%) have a negative view about tipping, including feeling like businesses

should pay their employees better rather than relying so much on tips (41%), feeling

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

	2019	2021	2022	2023
Servers at a sit-down restaurant	77%	75%	73%	65%
Hair stylists/barbers	63%	63%	66%	53%
Food delivery people	63%	59%	57%	50%
Taxi/rideshare drivers	49%	48%	43%	40%
Hotel housekeepers	27%	28%	27%	23%
Coffee shop baristas	24%	23%	22%	22%
Furniture/appliance delivery workers	N/A*	N/A*	17%	17%
When picking up takeout food	N/A*	17%	13%	13%
Home services/repair people	N/A*	N/A*	12%	10%

<sup>\*</sup>Note: This category was not surveyed in that particular year.

"Inflation and general economic unease seem to be making Americans stingier with their tipping habits, yet we're confronted with more invitations to tip than ever," said Bankrate senior industry analyst Ted Rossman. "It's a fascinating issue with few clear answers. There is one apparent certainty, though: Tipping doesn't seem likely to leave American society anytime soon."

When it comes to tipping habits for these services, Gen Zers, millennials, and men stand out for being the worst tippers, while older generations and women tip more

<sup>\*\*</sup>Note: This survey was not run in 2020.

often.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

delivery people, and taxi/rideshare drivers.

While 53% of U.S. adults who have a hair stylist/barber always tip them, just 24% of Gen Zers, 40% of millennials, and 46% of men always do so, compared to 60% of women, 67% of Gen Xers, and 70% of baby boomers.

Similarly, 50% of U.S. adults who order food delivery always tip the delivery person, but just 31% of Gen Zers, 42% of millennials, and 45% of men do the same, compared with 54% of women, 63% of Gen Xers, and 62% of baby boomers.

Finally, while 40% of U.S. adults who ride in taxis/rideshares always tip the driver, just 22% of Gen Zers, 30% of millennials, and 36% of men always tip them, compared to 45% of women, 51% of Gen Xers, and 56% of baby boomers.

## **Attitudes about Tipping**

Pre-entered tip screens: As pre-entered tip screens become more commonplace, nearly a third (32%) of U.S. adults say they are annoyed about encountering these in general. Additionally, 18% say they tend to tip less or not at all when they are presented with these pre-entered selections, versus 9% who say they tip more. Both Gen Xers (39%) and baby boomers (35%) are more likely to say they are annoyed about encountering pre-entered tip screens, compared to Gen Zers and millennials (25% each).

**Tipping Culture:** Similarly, 30% of U.S. adults overall say that tipping culture has gotten out of control, with the tendency to feel this way increasing for older generations and higher earners. 33% of Gen Xers and baby boomers agree with this sentiment about tipping culture, compared with 27% of millennials and 22% of Gen

Zers.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Women (44%) are likely to agree versus men (37%). Nearly half (49%) of the highest earners also agree, compared to 36% of the lowest earners.

Eliminating Tipping Altogether: 16% of U.S. adults say they would be willing to pay higher prices if we could do away with tipping, with millennials (21%) and Gen Zers (18%) more likely to say this compared to Gen Xers (13%) and baby boomers (12%).

**Tipping Confusion:** 15% of U.S. adults say they are confused about who and how much to tip, with millennials (21%) and Gen Zers (17%) more likely to feel this way than Gen Xers and baby boomers (12% each).

Is 20% the Right Amount? Overall, just 44% of U.S. adults who say they dine at sit-down restaurants typically tip at least 20%, with the likelihood of doing so rising with age. Only 25% of Gen Z and 34% of millennial diners say they tip at least 20% at sit-down restaurants, compared to 50% of Gen Xer and 57% of baby boomer diners.

**Tipping Since the Pandemic:** 14% of U.S. adults say they are tipping more since the pandemic, while 9% say they are tipping less. The highest earning households are most likely (20%) to say they're tipping more vs. less (6%) since the pandemic, while the lowest-earning households are more evenly split (more: 12%; less: 10%).

Generosity: Over one-third (35%) say they feel good when they leave a generous tip.

"Few topics elicit as many passionate opinions as tipping," Rossman added. "There's so much confusion regarding who to tip, and if so, how much. A lot is changing, as technology makes it easier to tip some people and harder to tip others – as travelers who are short on cash can attest."

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us