

Is Putting Suggested Tip Percentages on a Guest Check a Good Strategy?

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In recent years, restaurants, cafés, bars, and even quick-service operations have increasingly added *suggested tip percentages* to their guest receipts or digital checkout screens. What started as a convenience feature has now become a major point of debate among operators: **Does displaying suggested tips help, or can it backfire?**

As restaurant consultants who study guest behavior, profitability metrics, and service-experience design, we see both sides. The answer is: **suggested tip percentages can be a highly effective strategy—when executed correctly.** But they can also damage guest perception and long-term loyalty when misused.

Below is a full breakdown of the strategy, when it works, when it fails, and how to implement it properly.

Why Restaurants Use Suggested Tip Percentages

1. They Increase Average Tip Amounts

Multiple studies in behavioral economics show that when people are presented with default options, they tend to choose from those options rather than create their own number.

Suggested tips—typically 15%, 18%, 20%, or higher—move guest behavior upward. Even if the lowest suggestion is 18%, many customers simply tap it.

2. They Speed Up the Checkout Process

Suggested amounts eliminate math. This reduces friction in the service workflow, especially during high-volume periods or in fast-casual environments using digital kiosks or handheld devices.

3. They Help Servers Earn More (Which Helps Retention)

Higher tips translate to happier servers, lower turnover, and more consistent service performance. That's a direct financial benefit to operations.

4. They Establish a Restaurant's Position on Service Culture

Whether subtle or explicit, suggested tips communicate the restaurant's service expectations and the value it places on hospitality.

But This Strategy Is Not Risk-Free

1. Guest Perception Can Turn Negative

Consumers are increasingly sensitive to “tip fatigue.” When suggested percentages are too aggressive—22%, 25%, or 30%—guests perceive the restaurant as pushy or greedy.

Once a customer feels manipulated, it damages trust and decreases the likelihood of a return visit.

2. It Can Create the Illusion of Mandatory Tipping

Some guests mistakenly believe a printed suggestion is the *expected* or *required* amount. In states with strict consumer-protection laws, overly aggressive suggestion designs have even led to complaints.

3. It Can Result in Lower Tips With Poor Service

If the suggestion is too high and the service was subpar, guests sometimes retaliate with very low tips, zero tips, or negative online reviews calling out the tactic.

4. It May Cause Conflicts for Large Parties

When suggested tips coexist with automatic gratuities for large groups, confusion can occur—leading to double tipping, disputes, and guest frustration.

Best Practices for Successful Tip Suggestions

Keep the Lowest Suggestion Reasonable

The industry standard is still 15–20%. Any suggestion above that, especially as the *lowest* option, increases the chance of guest pushback.

Offer Three Options and a Custom Field

Analysis of POS data from clients across the U.S. shows:

- Three options outperform four or more (too many choices causes hesitation).
- Custom fields give guests a psychological feeling of control.

Align Tip Percentages With Concept Type

- **Fine dining:** 18–22% is acceptable.
- **Fast casual:** 12–18% is safer.
- **Counter service/coffee shops:** 10–18%, depending on labor model.

- **Bars:** 15–20% works well unless service is labor-intensive.

Guests judge fairness based on the *service format*.

Avoid “Guilt-Driven” User Interfaces

Aggressive prompts—“Your server depends on your generosity!” or buttons labeled “No Tip (Not Recommended)”—cause resentment.

Subtlety outperforms pressure.

Explain How Tips Support the Service Team

A simple line such as “*Tips help support our service and hospitality staff*” softens the ask without being forceful.

Test and Adjust

Restaurants should track:

- Average tip percentage
- Tip distribution across suggestions
- Server feedback
- Guest comment cards and online sentiment

If tip complaints rise, reduce percentages or change presentation.

When Suggested Tips Are a Bad Idea

There are scenarios where we recommend **not** using suggested tips or using them only on digital devices:

- **High-end restaurants** where gratuity norms are well understood
- **New concepts** still trying to establish a brand identity
- **Restaurants with frequent service complaints** (solve the service problem first)
- **Fast-food environments** where tipping is not customary

In these cases, suggested percentages can feel inappropriate or opportunistic.

Our Professional Recommendation

Suggested tip percentages **are a powerful revenue and morale tool** when used with thoughtfulness and respect for the guest experience. Restaurants who implement them correctly typically see:

- Higher average guest tips
- Improved server satisfaction
- Faster checkout times
- Greater consistency across service shifts

But when misused, the strategy becomes a brand liability.

The goal is not to pressure guests—it's to create a smooth, clear, and fair tipping process that reflects your restaurant's values and rewards your hospitality team.