

TOP TIPS ON PAYING EXTRA FOR GOOD SERVICE

► Tipping custom in UAE has evolved, with online platforms allowing cashless gratuities, David Dunn writes

It was while working in the US restaurant industry that Charles Jabbour witnessed directly how important tips were to serving staff.

Employees in food and beverage outlets in the US have traditionally relied on satisfied customers usually giving 15 per cent to 20 per cent on top of the bill to boost their take home pay towards a liveable wage.

"The generosity of Americans is because most of them actually worked in restaurant businesses when they were younger," Mr Jabbour, who previously invested in Italian eateries, says.

"A lot of kids grew up washing dishes or whatever ... it is like the people that tip worked in the restaurant business sometime in their life.

"The structure of it ... people that worked as waiters and so forth really didn't get paid fair amounts and everything else was tips."

Mr Jabbour, 54, who now lives in Dubai, owns a business retailing sustainable gifts such as Mangobeat smartphone amplifiers and Parafina sunglasses. But he has not left his gratuities discipline behind, whether rewarding delivery drivers, servers or hair stylists.

"I try to tip all of these if I feel the service deserves it," says Mr Jabbour. "About 10 per cent ... a bit higher if service exceeds expectation."

This includes dining venues such as in UAE hotels where the bill may already include a service charge.

"We regularly go to restaurants [and] I will tip extra in extraordinary situations if a service charge is included."

Tipping habits vary between countries and cultures, and sometimes even between guests around a restaurant table.

A 12.5 per cent service charge is increasingly common on many UK dining bills, while US waiters, taxi drivers, even porters, can become irate at customers failing to tip the expected 15 per cent to 20 per cent since this comprises a decent chunk of their earnings.

Tipping varies across European countries and cities, where it is often left to customer discretion but appreciated, while China and Japan discourage it.

Leaving a gratuity is optional in Egypt and India, although 10 per cent is welcomed, while UAE restaurants usually add 10 per cent to bills; it is then decided by diners whether to enhance that.

Dubai resident George Spork, 58, who is originally from the Netherlands, tips about 10



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per cent in restaurants, based on quality and friendliness of service.

"If a service charge is included in the bill, then only by exception will I give an additional tip - if I am not pleased with the service, then I won't tip," the father-of-two says.

"Delivery drivers are receiving a fixed amount [Dh5] as I believe they can do with a bit of additional support and I tip taxis based on trip duration and friendliness, either Dh5 or Dh10, depending on distance."

Mr Spork, a key account manager based in Umm Suqeim in Dubai, has a long-term regular hairdresser who receives "a good tip" of Dh20 for a haircut, shave and facial costing Dh100, and Dh50 during Ramadan.

"We have built a good friendship over the years and really like each other," he says.

Part of the gratuities conundrum is being solved in the UAE by E-Tips, a cashless "new way of tipping" and review platform working with more than 100 restaurants.

The process of rewarding good service is not restricted to dining environments, so the start-up works with a range of service industry clients from hospitality to beauty, spas and even automotive outlets.

E-Tips offers businesses a creative way to motivate staff, increase productivity and

receive instant feedback, says Michael Lvov, the company's chief executive and co-founder.

"Nowadays, people don't carry cash and adding a tip on a bill is not always convenient for customers, so E-Tips gives opportunity to offer tips and feedback using a QR code and virtual payment," he says.

Potential clients can request a demonstration or meeting through the company's website, and be operating the same day.

Focusing on hospitality, E-Tips says it provides a way to increase staff tips, while managers can receive reviews and observations directly to their phone. Customers, meanwhile, can reward a specific staff member - be they the chef, waiter or dishwasher - through their device.

Providing a cashless solution simplifies tipping without customers worrying if they have suitable change, thereby making it more likely, Mr Lvov says.

"There are about 30 per cent more tips [given], plus our clients receive much more relevant feedback from customers and can work with these reviews.

"The only cost is a [10 per cent] commission from tips they received using our platform - we don't take any commission if there are no tips."

For other features, such as menu or pay-at-table options,

E-Tips operates a yearly or monthly subscription payment.

Currently, the platform works mostly with different food and beverage services, including restaurants, delivery and dark kitchens, and has plans to expand. "There are also clients from beauty services and our platform works perfect for them as well," Mr Lvov says.

"But we are looking for more opportunities and are happy to work with clients from different business areas."

Yevgeniy Vaigandt, chief executive of Fusion Smoke Company, which has restaurants on



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CHARLES JABBOUR
Dubai resident

Palm Jumeirah, says signing to the platform has made customer appreciation simpler.

"Once we began to work with E-Tips, my team started to get 50 per cent more tips," he says. "These days, it is perfect motivation for the staff."

Crystal Duarte, assistant restaurant manager of Muchachas Mexican Cantina at Dubai's Holiday Inn Express, says her colleagues started to earn more tips once the outlet joined the app. "We can get feedback from guests immediately, we know what they like or don't like" she says.

McKinsey research found that 58 per cent of Middle East consumers expressed a strong preference for digital payment methods during the pandemic, while only 10 per cent strongly preferred cash.

At the same time, 87 per cent of experts said pass-through digital wallets and cards would become the most popular payment methods in the next five years, and this would extend to tipping.

During Ramadan, E-Tips teamed up with UAE virtual food brand The Cloud for a campaign called Tip The Chef.

Launched across more than 100 Abu Dhabi and Dubai delivery-only restaurants, including Chicken Cottage, Burger Heist, Sushi Artisan and Shawarmania, it enabled customers to give gratuities to

unsung heroes such as kitchen staff, as well as delivery drivers.

One aspect many regular tip-pers confirm is the feel-good effect derived from financially acknowledging someone for good service.

Dr Sarah Rasmi, psychologist and managing director of Dubai's Thrive Wellbeing Centre, says there are solid reasons why.

"The first is that it provides us with a sense of control over the situation in that we are able to 'reward' or 'punish' people based on our perception of the service quality," she says.

"Rewarding someone when service is good also makes us feel good because it is a giving behaviour ... research consistently shows that altruism is associated with well-being."

Dr Rasmi also acknowledges that tipping is not a universal behaviour, resulting in different expectations for tips.

She highlights countries such as the US, where it is "quite offensive when someone either fails to tip or leaves a small tip".

"In other places, like Japan, tipping is not expected and it is quite offensive when someone does leave a tip," she says.

"This is because Japanese workers are performing their duties with a sense of honour and pride, and not for additional monetary benefit."

Awkwardness can also arise in group situations where some diners decide to tip as others withhold cash, perhaps leaving friends to fill the deficit.

"I will only cover my end, but will make it a point that I did," says Mr Jabbour.

As a Dubai resident "off and on since 1979" and continuously since 2014, he has seen the restaurant scene evolve and the nationality range of customers broaden, each bringing cultural nuances.

Mr Jabbour has yet to use a cashless tipping app, such as E-Tips, but says he would consider it "if convenient to the servers as well".

For now, he is mostly sticking with handing cash to wait staff, or adding to his card payment if required. "I sometimes ask what the preference is, but mainly I will give directly," Mr Jabbour says.

Mr Spork also prefers to give cash directly or leave it on the table but admits to being uncertain whether that ends up being divided among other staff.

"This is also a reason for not adding to the credit card as this goes directly to the company and then you have to rely on the honesty of the company or manager that the tip is given to the right person or persons."