

The Valet Tipping System

Kyle E. Block

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There is little doubt that we live in an age of convenience and service. In the 21st century, most people are willing to pay a lot of extra money for services that make their lives easier. For example, Netflix makes millions of dollars from people who do not wish to leave their homes to rent movies. Furthermore, online dating services such as E-Harmony charge fees in exchange for the taking the guesswork out of finding that special someone. However, despite all of these new services raking in millions of dollars, there is one industry that has seen little or no improvement in pay. The industry mentioned is that of valet parking.

Valet parking has been around for decades and is popular across the United States. Many bars, restaurants, hospitals, nightclubs, and businesses employ valets to save their customers time and frustration. Despite the prevalence of valet parking, many people are unsure of the appropriate amount to tip a valet. In fact, some people are unsure as to whether a tip is necessary at all. Even sources on proper tipping etiquette make vague recommendations. The consensus is that \$2 is an appropriate tip for most situations (Sardone; Dave & Dee; “Parking Garage; “How much to tip”). However, this has been the consensus since the 1980’s, and \$2 has a lot less purchasing power today. Furthermore, this number is too static to be effectively applied to all situations. Most forms of tips are directly calculated based on the exact circumstance. For example, suggested tips for food servers are 15-20% of the bill’s total. In addition, bellhops and coat-checkers receive about \$1 for each item handled. Knowing the appropriate amount to tip for every situation ensures prompt and pleasant service. Not to mention it portrays the person being served as more intelligent and successful to both the valets and the surrounding guests. Due to the advantage of knowing the proper amount to tip, a new system must be developed that deals solely with valet parking.

This newly developed system is based on expectations from both valets and the customers whose cars are being parked. Prior research has shown that tips increase when customers are complimented in some way (Seiter, 2007, p. 481). In Seiter's experiment, food servers were asked to compliment their customers on their menu choices. The servers who did this earned, on average, 13% more in tips than those who did not offer compliments. This system backs the position that tipping should work in this way. Tips should directly correlate to the service and work done by the tipped employee. It is for this reason that this valet tipping system takes into account several service factors. More specifically, it bases tips on several valet-specific factors that must be taken into consideration when calculating a tip. The system separates tip amounts into three categories. These categories are appropriately named low, medium, and high. Tips totaling \$0-\$5 are considered low tips. Medium tips consist of amounts ranging from \$5 to \$10 dollars. Any amount over \$10 is considered a high tip. Refer to Figure 1 for a visual representation of this system. The system utilizes these categories by stating an appropriate dollar range based on each of the three factors of valet parking. These factors include distance between valet stand/podium and parking lot, time spent waiting for car, and quality of service.

Before each factor is explained in great detail, it is important to note the several taboos of valet tipping. These taboos are essentially rules that cannot be broken no matter the situation the customer is faced with. The first rule is never, under any circumstances, tip a total of just \$1. If the customer is thinking about tipping \$1, he or she should either make it \$2 or shouldn't tip at all. In the words of veteran valet supervisor John Hull, "In a valet's eyes, \$1 represents a total lack of satisfaction" (J. Hull, personal correspondence, April 29, 2007). It is for this reason that not tipping at all would be just as effective for sending this message. Next, it is never appropriate

to give a tip in coins. Coins are cumbersome in a valet's pocket and will just fall out when he or she sits in the next car. Also, they have a tendency to disappear in the valet's podium. "Having change in my pocket is more of a punishment than a reward," states Hull. Third, do not tip the valet before he or she returns the car unless he or she is working alone or a special service is requested. Special services will be covered in more detail later on, but a good example is a request to be parked near the front of the establishment. Other than these two situations, it is not effective to tip beforehand because chances are a different valet will return the car than the one who parked it. Lastly, it is important never to base the tip on the amount of cars being parked by the valets. "It is a common misconception that it is appropriate to tip less on busy nights," says long time valet runner Tommy Ellis (T. Ellis, personal correspondence, April 28, 2007). "But, we work harder on busy nights, so tipping less doesn't really make much sense," Ellis goes on to explain. By avoiding these simple taboos, both the customer and valet are able to avoid confusion and frustration at the valet stand.

Avoiding a tipping taboo is important, but it is even more important to know from what criteria to base a tip on. The three factors mentioned above are the criteria from which to base a tip. Once again, these are as follows: distance between valet stand/podium and parking lot, time spent waiting for car, and quality of service. Depending on the degree of each factor, it is possible to determine a correct tip ranging from low to high.

The first factor is fairly simple to analyze. The distance between where you pull up the car and where it is actually parked directly correlates to the amount of physical work required by the valet. For this reason, a tip should reflect this distance. Cones, ropes, or some sort of sign usually indicate the location of the valet parking lot. Sometimes it is difficult to determine where the cars are parked. In this case, casually asking a valet where he or she parks the cars is

appropriate. In fact, this is the one of the most popular questions asked to a valet. If the valet stand is roughly 25 yards or less away from the parking lot, then a tip in the low range is acceptable. Any distance covered between 25 and 50 yards constitutes a medium sized tip. If the valet is running over 50 yards to get each car then a high type is appropriate.

The second factor deals with the time waited for the vehicle to be returned. To be more specific, the wait referred to is the time between when the valet ticket is handed to the runner (valet) and when the vehicle is pulled up to the podium. This is a direct function of the first factor. Obviously, if the valet's podium is a long distance from where the cars are actually parked, the wait may be longer than if the podium were right next to the valet lot. Therefore, an appropriate wait time is more subjective and depends on several variables. These variables include the number of valets working, number of people at the establishment, weather, and traffic. However, there is a general guideline for appropriate wait time. Anything below 3 minutes is considered speedy and warrants a high tip. Any wait time between 3 and 5 minutes is average and deserves a medium tip. Any time spent waiting over 5 minutes makes a low tip appropriate. However, some leniency is required if one the above variables clearly impacts the valets' ability to speedily return vehicles.

The last factor that needs to be considered when determining a tip amount is the overall quality of service. This cannot be as strictly defined as the first two factors. The problem with defining the quality of service is that each person has his or her own definition of good service. Not to mention, service can take many forms depending on the situation. However, there are certain things to look for when interacting with the valet that are marks of genuine good service. The valet should always open and close the driver's side door on both the pick-up and return. Furthermore, all available valets should assist any passengers with their respective doors as well.

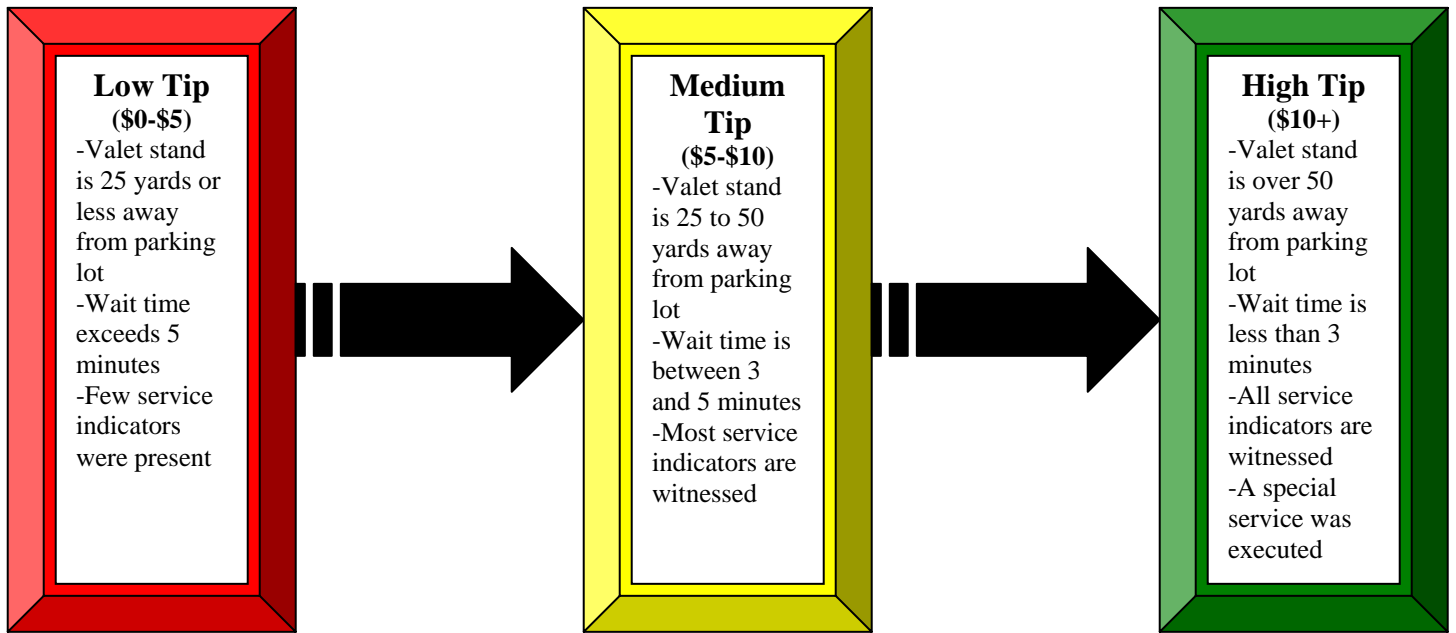
The valet should offer an umbrella during inclement weather and ensure that all windows are rolled up before parking. The valet should have the headlights on for the passenger upon return when poor visibility demands extra lighting. Of course, the valet should be kind, courteous, and, above all, respectful. The car should be in the exact form when returned as when it was dropped-off. This means seating positions should not be adjusted if possible. If only a few of these service indicators are met, then a low tip can be appropriately given. If most are met, then a medium tip is warranted. If all of these indicators are performed, a high tip is well deserved and appreciated. In addition to these indicators, a high tip should always be given if the valet executes a special request for the guest. There are many types of requests but popular ones include: asking to be parked up front; requesting a special parking space; having the valet carry goods from the vehicle; asking for the valet to run an errand (forgotten gifts are a popular one); and requesting the car to be tidied up a bit. Although these are just a few of the possible requests, the golden rule is that a high tip is greatly appreciated when the valet is asked to do anything outside his or her assumed duties.

After each factor is analyzed and an appropriate tip range is determined, the final tip must be calculated. This calculation is quite simple. From the tip range that has been figured out for each factor, the final tip is calculated when the average is taken of these three. For example, say the valet returns the car in under three minutes with most of the service marks present, but the valet stand is only 25 yards away from the parking lot. In this case, each tip range comes into play. A high tip could be considered appropriate because of the speedy delivery. Furthermore, a medium tip might be appropriate because most of the service indicators were present. Lastly, a low tip could be given as a result of the distance between the podium and parking lot. Despite these varying ranges, the most appropriate tip in this instance would be one falling in the

medium range. Similarly, if two factors suggest a medium tip, but one factor suggests a low tip, the most fitting tip would be one in the medium range. This average can be determined for any combo of suggested ranges. This system of final tip calculation guarantees the most accurate tip is given.

Tipping in general can be quite confusing at times. Due to the overwhelming number of service industries, it is often hard to establish guidelines for all of them. Often this confusion can lead to an awkward situation and/or frustration. The valet industry sees a lot of this awkwardness due to lack of proper tipping models. However, with this system in place, every situation can be analyzed and assigned an appropriate tip amount. This minimizes awkwardness and contempt on the part of the valet. Not to mention, knowing how to properly tip projects the image of refinement and sophistication. Being a refined and sophisticated person is valued within society, and with this system the person being served will never find themselves being viewed as anything less.

Figure 1: The Valet Tipping System



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