No Pressure, Just a Tip

How Preselected Defaults Shape Tipping Behavior and Self-Perception

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Abstract

As digital payment systems become the norm, tipping behavior is increasingly shaped by interface design rather than social interaction. This study investigates how preselected default options in digital tipping interfaces influence both consumer behavior and psychological responses. Grounded in theories of decision-making effort, perceived manipulation, self-perception and generosity, the research examines whether preselected defaults merely reduce cognitive effort or also compromise users' sense of autonomy. A between-subjects survey experiment was conducted within a Swedish context, where participants were randomly assigned to one of five conditions: four with preselected tip amounts (5%, 10%, 15%, or 20%) and one control group with no preselection. The results indicate that preselection increases acceptance of the default option, particularly at low to moderate levels (5%, 10%, and 15%). However, this increased acceptance does not consistently lead to higher average tip amounts. Moreover, the presence of a preselection elevated perceptions of manipulation, which in turn reduced tipping. Perceived ease of decision-making did not account for this relationship. Additionally, participants who accepted a preselected default reported higher self-perceived generosity compared to those who opted out to a lower suggestion. These findings highlight a tradeoff between short term behavioral influence and long term consumer perceptions. The study contributes to the literature on tipping behavior and digital nudging by demonstrating that interface design can effectively steer user behavior, but may also compromise individual autonomy. It further suggests that generosity-related self-perceptions can be influenced even when the decision is externally guided.

Key words: tipping behavior, defaults, nudging, interface design, perceived manipulation, decision-making effort, self-perceived generosity

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1. Introduction

1.1 Background

Tipping is one of the most intriguing anomalies in economic behavior. Every day, individuals around the world voluntarily pay more than they are required to for a service, despite having no legal obligation. So why does this behavior persist? While it is commonly assumed that tipping functions as a reward for service quality, empirical research finds that the relationship between service quality and tip amount is weak (Azar, 2020; Conlin et al., 2003). More strikingly, customers often choose to tip even when they are not intending to encounter the same service provider again (Conlin et al., 2003). From a traditional economic perspective, this behavior appears irrational: it yields no strategic benefit, involves no formal enforcement and lacks any contractual basis. Yet tipping remains widespread and largely unquestioned.

The persistence of tipping despite apparent lack of rationality points to the importance of psychological and social drivers. Concepts such as fairness, reciprocity, and conformity have been found to play a central role in shaping consumer behavior (Azar, 2020; Conlin et al., 2003). For service providers and behavioral economists, this opens up an intriguing question: if tipping is shaped by social norms and cognitive cues, can this behavior be influenced to make people tip more?

This question becomes increasingly relevant in the rise of digital payments. As tipping moves from cash to digital interfaces, managers gain new tools to guide customer behavior. Consequently, a growing body of research has explored how the design of these interfaces can nudge tipping decisions. For example, displaying higher suggested tip amounts has been shown to increase customers' tip amounts (Haggag & Paci, 2014; Hoover, 2021; Zarribian, 2019). Such nudges work by subtly reshaping social expectations or anchoring customers to a high range of acceptable options (Haggag & Paci 2014).

However, limited attention has been given to the specific effects of preselected tip suggestions, where a particular amount is not only shown but also pre-checked or highlighted, requiring the customer to actively opt out to choose a different amount. This differs from previous research on tipping defaults, which has typically focused on displaying suggested amounts without preselection. The distinction matters: while a visible range of

options encourages active deliberation about how much to tip, a preselected default reframes the decision task from evaluating *how much to tip* to considering *whether to alter the suggested amount.* This shift in framing can change the cognitive process, potentially increasing compliance by reducing decision effort. Defaults that require active opt-out have been shown to significantly influence behavior in other domains, such as organ donation and retirement savings (Johnson & Goldstein, 2003; Madrian & Shea, 2001). Yet, little research has explored whether preselection has a similar impact on tipping behavior, particularly in cultural contexts like Sweden, where tipping is neither a strong social norm nor a critical source of income for service workers.

Finally, most tipping research has concentrated on the United States, where tipping is a strong social norm and a major source of income for service workers. In this context, tip amounts are closely tied to individual performance (Lynn et al., 1993). In contrast, tipping in Sweden is less common and more modest, often around 10 percent in restaurants (Visit Sweden, n.d.). Swedish service workers receive regulated wages, and tipping is not essential to their income. As Lynn et al. (1993) note, tipping practices are culturally sensitive, and findings from U.S.-based studies may not be generalizable to a Swedish context.

1.2 Purpose and Research Questions

The purpose of this study is to investigate how preselected tip amounts on digital payment terminals affect customers' tipping behavior, including whether they accept or reject the default, how much they tip, and how they perceive the decision in terms of ease, manipulation, and their own generosity.

The development of the hypotheses draws upon established findings in the literature concerning default effects (e.g., Johnson & Golstein, 2003), ease of decision-making (e.g., Deck & Jahedi, 2015), perceived manipulation (e.g., Warren et al., 2021), self-perception theory (e.g., Bem, 1972) and generosity (e.g., Azar, 2004). These relationships are empirically tested through a survey experiment designed to capture how participants respond to different tipping scenarios involving digital defaults. The aim is to gain a deeper understanding of how such interface design elements influence both tipping behavior and customer attitudes.

The research questions are presented below:

1. How does the presence of a preselected tip amount on a digital payment terminal influence customers' tipping behavior, both in terms of their decision to accept the suggested amount and the final tip they choose to give?

2. Does perceiving a preselected tip as manipulative or helpful influence how much customers tip?

3. Does opting out of a preselected suggestion to a lower tip affect how generous customers perceive themselves to be?

1.3 Contributions

This study contributes to the growing literature on digital tipping by examining how preselected tip defaults influence customer tipping behavior. By isolating design effects from service quality, it explores to which extent tipping outcomes can be shaped through subtle changes in the user experience without changing the underlying service.

This study offers practical insights for restaurant owners, showing that tipping behavior can be influenced through simple design changes in digital payment systems. By using preselected tip options, restaurants may be able to increase tips without changing the delivery of service. The results also highlight how customers respond to these defaults, helping managers use them in ways that enhance tipping without negatively affecting the customer experience.

1.4 Delimitations

This study is limited to a Swedish context. The decision to focus on a single national context was made to ensure internal consistency and control for cultural variation in tipping norms and payment behavior. However, this focus means that the findings may not be generalizable to countries where tipping customs, social expectations, or attitudes toward digital payment systems differ.

The study also relies on a survey-based experimental design, which allows for control over variables and manipulation of tipping defaults in a simulated environment. This approach was chosen to isolate psychological mechanisms and minimize external interference. However, the absence of real financial consequences and social interactions was a deliberate tradeoff for experimental control and does not fully reflect tipping behavior in real-world settings. Furthermore, the study specifically focuses on tipping in a restaurant dinner context, and the findings may not extend to other settings.

1.5 Structural Overview

The remainder of this thesis is structured as follows. Section 2 provides the theoretical background and reviews relevant literature to contextualize the research gap. Section 3 outlines the development of the research hypotheses based on insights drawn from the literature. Section 4 provides some clarification of the preselection treatment. Section 5 details the research methodology, including the design and implementation of the survey experiment. Section 6 reports the empirical findings of the study. Section 7 provides a critical analysis of these findings in relation to existing literature and theoretical perspectives, summarizes the main contributions, outlines practical implications, and suggests directions for future research. Section 8 concludes the report findings.

2. Conceptual Background

2.1 Tipping as a Behavioral Phenomenon

Tipping is a widespread yet complex social behavior, especially common in service-oriented industries such as hospitality and dining (Azar, 2007; Lynn, 2016). From a classical economic perspective, tipping can appear irrational as it involves voluntary spending without direct return (Azar, 2007). Nonetheless, tipping has become a social norm in many societies (Lynn, 2006). Lynn (2016) identifies four motivations for tipping, which are summarized in Table 1. As outlined by Lynn (2016), these categories underscore the multifaceted nature of tipping, suggesting that it is driven not only by evaluations of service quality but also by deeper emotional, normative, and moral considerations.

Table 1. Motivations for Tipping (Lynn, 2016).

Motivation	**Explanation**
Service/Esteem Motives	People tip to gain better service, social approval, or be remembered.
Altruistic Motives	People tip to help servers financially, make them happy, or offset low wages.
Duty Motives	People tip because they feel socially obligated to do so.
Reciprocity Motives	People tip to repay servers fairly for the service they provided.

These motivations demonstrate that tipping is not just a financial transaction, but a socially influenced behavior shaped by emotions, social relationships, and cultural expectations. Consequently, tipping decisions are not solely the product of rational calculation, but are also responsive to situational and contextual cues that arise during the service interaction (Lynn, 2016).

Empirical research demonstrates that tipping behavior varies systematically across contexts. For instance, tipping is more likely to occur under conditions such as:

- Dining during evening hours (Davis, 1998),
- Being a part of a larger group (Conlin et al., 2003),
- Experiencing physical touch from the service provider (Stephen & Zweigenhaft, 1986),
- Paying by credit card (Feinberg, 1986),
- Receiving a higher bill amount (Lynn et al., 2003).

These findings support the notion that tipping is sensitive not only to individual intentions but to environment and social influences.

In recent years, the rise of digital payment platforms has added a new layer of complexity to tipping behavior. Consumers are increasingly confronted with defaults on digital interfaces, particularly in point-of-sale systems such as tablets or card readers. These interfaces not only facilitate transactions but also act as behavioral nudges, subtly shaping consumer decisions through design features (Haggag & Paci, 2014). As tipping becomes more digitally mediated, it becomes critical to understand how interface design interacts with established social norms and psychological mechanisms. These themes are explored in the following section.

2.2 Theoretical Foundations of Digital Tipping Influence

To understand how digital tipping defaults influence consumer behavior, this section highlights four psychological mechanisms grounded in behavioral economics and cognitive psychology: (1) default effects, which demonstrate the power of preselected options to steer decisions (e.g., Johnson & Goldstein, 2003), (2) decision-making effort and cognitive load, where limited cognitive resources increase reliance on defaults (e.g., Deck & Jahedi, 2015), (3) perceived manipulation, referring to how individuals may view defaults as controlling or strategic (e.g., Zarribian, 2019), and (4) self-perception related to generosity, where tipping behavior reinforces how individuals view themselves in terms of generosity (e.g., Azar, 2004).

2.2.1 The Power of Defaults

Defaults are a powerful tool for shaping consumer behavior, as people often accept preselected options due to reduced effort and the perception that they reflect recommended choices (Madrian & Shea, 2001; Johnson & Goldstein, 2003; Haggag & Paci, 2014).

In tipping context, default suggestions have been shown to significantly influence the amount tipped. For example, Zarribian (2019) found that higher default percentages on digital payment screens served as anchors, increasing average tip amounts in a restaurant setting. Similarly, Haggag and Paci (2014) observed that taxi passengers tipped more when presented with higher default options in a point of sale payment interface. Hoover (2021) extended this line of research by showing that modifying the default tip percentages in New York taxis from 15, 20, 25 percent to 20, 25, 30 percent significantly raised overall tip levels, even when customers had the option to freely enter the tip amount. These studies highlight that the magnitude of defaults can meaningfully shape consumers' decision of what to tip.

The effectiveness of a preselected default tip may partly be explained by status quo bias (Samuelson & Zeckhauser, 1988), where individuals prefer to maintain the current or suggested state to avoid the mental effort of change. This bias is particularly powerful in the context of tipping, where decisions are often made under time pressure, limited attention, and low involvement (Lynn, 2015). In such settings, there may be a greater chance that the default is passively accepted, especially if it appears socially normative or aligns with expectations of appropriateness.

Additionally, Haggag and Paci (2014) showed that a potential cost of setting defaults too high is that customers are more likely to leave no tip in response to the higher default. This observation, combined with earlier findings on default effectiveness, leads to deeper discussions of two concepts related to defaults; Decision-Making Effort (2.2.2) and Perceived Manipulation (2.2.3).

2.2.2 Decision-Making Effort

The assumption that more choice leads to better outcomes is widespread, but research suggests that an abundance of options can hinder rather than help decision-making. Iyengar and Lepper (2000) show that many choices can be overwhelming, making decisions more difficult, leading to dissatisfaction or inaction. This tendency is further supported by Deck and Jahedi (2015), who show that under cognitive load, individuals are more likely to select

default or readily available choices in economic contexts. Thaler and Sunstein (2008, p. 35, 84) build on this with the concept of the “yeah, whatever” heuristic, a mental shortcut where individuals passively accept the easiest available option to avoid unnecessary cognitive effort. Together, these findings highlight a consistent pattern: when decisions feel demanding, people are drawn toward low-effort options.

These biases are highly relevant in a default context as suggested by Johnson and Goldstein (2003). As defaults present a ready-made choice, the decision-making process is streamlined and simplified which encourages passive acceptance (Johnson & Goldstein, 2003; Madrian & Shea, 2001). In digital tipping interfaces, the task becomes deciding whether to adjust (requiring effort) or accept (an easier, lower-effort alternative) the suggested amount. Meanwhile Johnson and Goldstein (2003) also underline that reduced cognitive effort alone does not guarantee acceptance. Defaults must also be perceived as appropriate. Similarly, Deck and Jahedi (2015) show that people under cognitive load do not blindly follow defaults when they conflict with personal values or expectations. This highlights that defaults function not only as cognitive aids but also as social signals. Their effectiveness depends on being seen as both helpful and reasonable.

2.2.3 Perceived Manipulation

Haggag and Paci (2014) showed that a potential cost of setting defaults too high is that they are perceived as excessive and customers are more likely to leave no tip at all in response to the higher default. This behavior can be explained by reactance theory (Miron & Brehm, 2006), which proposes that individuals seek to restore their sense of autonomy when they feel their freedom of choice has been threatened.

Perceived manipulation can also stem from interface design strategies that nudge decisions without explicit consent. Gray et al. (2018) describe this as “interface interference”, where design elements such as preselected options or visual emphasis influence user choices. These tactics can evoke feelings of coercion, diminishing autonomy and increasing perceptions of manipulation. In digital tipping contexts, preselected defaults may be experienced as “interface interference”, potentially triggering resistance and reducing compliance.

Similarly, Zarribian (2019) found that consumers often react negatively to nudges perceived as overly forceful, particularly when suggested tips exceed social norms. While moderate tip defaults are seen as convenient and socially appropriate, higher defaults tend to be viewed as

coercive or excessive. These perceptions vary by individual factors, including personal tipping habits and sensitivity to social influence. Moreover, exposure to high defaults has been linked to a "whiplash effect" (Zarribian, 2019) which implies that while tip amounts may temporarily increase, customers may also experience negative reactions such as reduced satisfaction, perceived unfairness, and a lower likelihood of returning or recommending the service.

The role of perceived fairness and transparency is further highlighted by Warren et al. (2021), who showed that requesting tips before service delivery leads to lower tips and diminished satisfaction due to perceptions of manipulation. Similarly, Dyussembayeva et al. (2022) found that explicit requests for tips can reduce tipping behavior, as they may be perceived as intrusive and undermine the customer's sense of autonomy. Collectively, these findings underscore that the effectiveness of default tipping mechanisms depends not only on their presence but on their framing and interpretation.

2.2.4 Self-Perception and Generosity

While previous research highlights social signaling as a central motivation for tipping such as the desire to appear generous to others (Lynn, 2016; Parrett, 2006), less attention has been given to whether tipping also shapes individuals' *internal* sense of generosity. This question becomes particularly relevant in contexts where the tipping decision is nudged rather than fully autonomous, a factor Ryan and Deci (2000) emphasize as essential for authentic self-evaluation and psychological well-being.

Self-perception theory suggests that when internal feelings are ambiguous, individuals rely on external cues to understand what they must be thinking or feeling (Bem, 1972). They function as observers of their own behavior, drawing inferences about their feelings based on their actions. Accepting a default option may lead them to interpret the behavior as consistent with positive traits, such as generosity or cooperativeness. In contrast, rejecting a default presented as socially appropriate or desirable may create a sense of discomfort or reduce the perception of alignment with prosocial norms (Azar, 2010).

Azar (2004) offers a theoretical and empirical framework for understanding the persistence of tipping norms. He argues that tipping continues not only due to social conformity but also because individuals gain intrinsic rewards, such as reinforcing a self-image of generosity. If

driven solely by fear of social disapproval, tipping norms would likely erode. Instead, the internal satisfaction derived from tipping helps sustain the practice.

Supporting this perspective, Andreoni's (1990) warm glow theory of giving proposes that individuals derive emotional satisfaction from the act of giving itself, independent of any external reward or outcome. Building on this idea, Koo and Fishbach (2016) found that individuals who engage in behaviors consistent with their self-concept, such as signing a petition or donating blood, are more likely to view themselves as generous and to maintain long-term commitment to the cause. Their findings suggest that even small, externally guided acts of giving can foster a sense of generosity when perceived as personally relevant.

2.3 Research Gap

While previous studies support the strong anchoring effect of tip defaults, this study aims to experimentally test the unique psychological impact of preselected defaults where the consumer must actively opt out to give less. In doing so, it explores not just behavioral compliance, but also perceptions of ease, manipulation, and self-image adding nuance to our understanding of how defaults influence consumer decisions in service contexts.

3. Hypothesis Development

Based on theoretical reasoning presented in the conceptual background, five hypotheses (H1–H5) were developed. Hypotheses H2–H4 are conceptually connected and examine the direct and indirect effects of preselected defaults on tip amounts. These are visually summarized in the conceptual model presented in Figure 1. Hypotheses H1 and H5 are tested separately and are not included in the model, as they investigate different outcomes: the likelihood of default acceptance (H1) and self-perceived generosity (H5).

Figure 1. Hypothesized Mediation Model for H2, H3 and H4

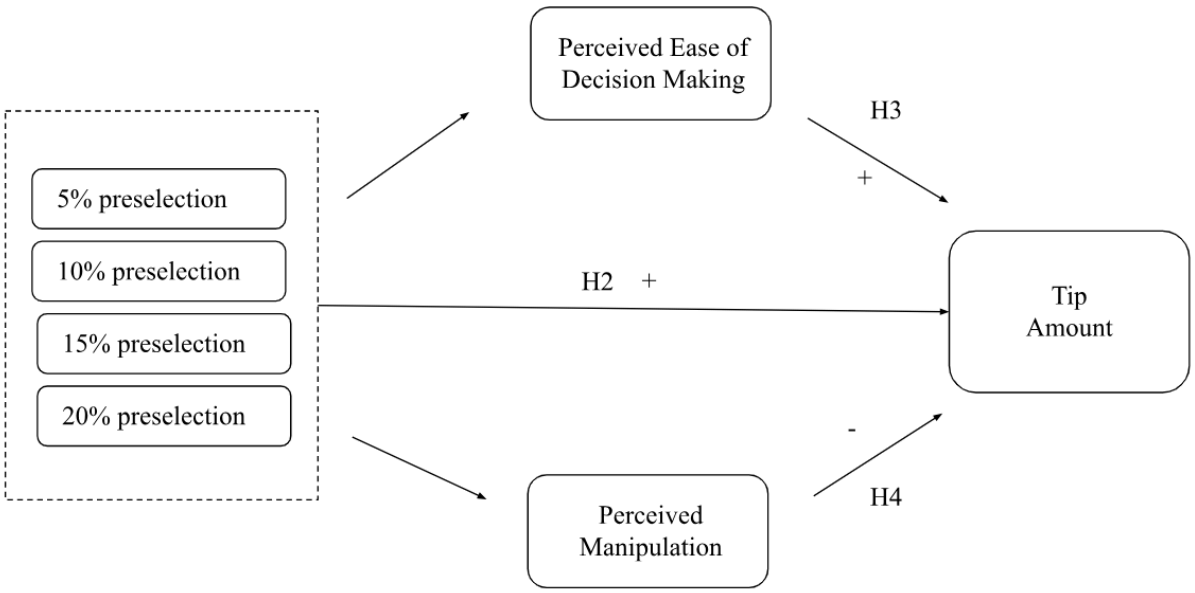


Figure 1 illustrates the expected direct effect of preselection on tip amount (H2), as well as two indirect effects: one through perceived ease of decision-making (H3), and one through perceived manipulation (H4). Note that H2, H3, and H4 are illustrated together for conceptual clarity but are tested separately in the analysis.

3.1 Default Acceptance (H1)

Defaults are effective because they reduce decision effort and imply a recommended choice. Research shows that individuals often stick with preselected options due to their cognitive ease and perceived endorsement (Johnson & Goldstein, 2003; Madrian & Shea, 2001). In tipping contexts, where decisions are made quickly and with limited attention, this effect is amplified (Lynn, 2015). The presence of a default tip shifts the decision from selecting an amount to either accepting or rejecting a preselection, making passive acceptance more likely.

Status quo bias (Samuelson & Zeckhauser, 1988) further reinforces this tendency, as individuals often prefer to maintain the suggested state. This leads to the following hypothesis:

> ***H1:*** *Participants are more likely to choose a tip suggestion when it is preselected as the default option compared to when other tip options are preselected.*

Based on previous research on tipping defaults (Hoover, 2021, Haggag & Paci, 2014; Zarribian, 2019) leads to the expectation of differences in results across tip level suggestions. Specifically, higher default amounts are more likely to prompt participants to opt out and choose a lower tip. H1 will be studied by investigating all default conditions separately.

3.2 Default Effect on Tip Amount (H2)

Beyond increasing acceptance, the second hypothesis considers whether defaults can also result in higher tip amounts. In prior tipping research, higher default percentages have been shown to increase tip amounts, even when users can freely choose another value (Zarribian, 2019; Haggag & Paci, 2014; Hoover, 2021). This anchoring effect, combined with the cognitive ease of retaining the default, can lead individuals to tip more than they otherwise would. Status quo bias and low decision involvement further amplify this behavior in digital tipping environments. As such, the presence of a preselected tip is expected to increase overall tip levels compared to situations where no default is provided. This rationale gives rise to the following hypothesis:

> ***H2****:The presence of a preselected tip amount leads to higher tip amounts compared to when no preselection is provided.*

3.3 Perceived Ease of Decision-making (H3)

Drawing on decision-making theory, defaults have shown to be especially influential when individuals face cognitive load or decision fatigue. Research shows that people tend to rely on low-effort strategies and choose readily available options when decisions feel demanding (Iyengar & Lepper, 2000; Deck & Jahedi, 2015). Thaler and Sunstein (2008) describe this as the “yeah, whatever” heuristic, where individuals accept the easiest option to reduce mental effort. In digital tipping contexts, preselected suggestions serve this role by simplifying the

decision. As Johnson and Goldstein (2003) note, such defaults are more likely to be accepted when perceived as appropriate. When users view them as helpful rather than intrusive, they are more inclined to comply, resulting in higher tips. Based on this, the following hypothesis is proposed:

> ***H3:*** *Preselected tip suggestions increase tip amounts when they are perceived as easing decision-making.*

3.4 Perceived Manipulation (H4)

However, the effectiveness of preselected tip suggestions is highly dependent on user perception. When defaults are seen as manipulative, they can trigger psychological reactance, leading individuals to reject the suggestion or tip less (Haggag & Paci, 2014; Miron & Brehm, 2006). This response reflects a desire to restore autonomy when freedom of choice feels restricted. Gray et al. (2018) describe such design tactics as "interface interference," where preselection is perceived as coercive rather than helpful. In tipping contexts, defaults perceived as excessive or misaligned with social norms can undermine trust and reduce compliance (Zarribian, 2019). This informs a complementary hypothesis:

> ***H4:*** *Preselected tip suggestions decrease tip amounts when they are perceived as manipulative.*

H3 and H4 reflect two distinct mechanisms by which preselection may influence tipping behavior. The relevance of each mechanism depends on how the respondent perceives the default suggestion. When a tip suggestion is viewed as helpful, it is more likely to be accepted; when it is perceived as manipulative, it is more likely to be rejected (illustrated in Figure 1).

3.3 Self-Perceived Generosity (H5)

While the main focus of this study is on tipping behavior, it also aims to explore how tipping decisions affect individuals' self-perception. In particular, it examines whether accepting a preselected tip suggestion influences how generous participants feel after making their choice.

Accepting a default may serve as a behavioral cue that individuals interpret as evidence of their own generosity, even when the decision is externally influenced. This aligns with the view that tipping is sustained by intrinsic rewards such as reinforcing a generous self-image (Azar, 2004) and increasing emotional satisfaction (Andreoni, 1990). Koo and Fishbach (2016) further show that small prosocial acts can strengthen one's identity when perceived as self-relevant. As a result, those who accept a default may perceive themselves as more generous than those who actively choose a lower amount. Based on this reasoning, the following hypothesis is proposed:

> ***H5:*** *Participants who accept the preselected tip will report high levels of self-perceived generosity compared to those who opt-out to a lower suggestion.*

4. Clarification of Preselection Treatment

This study examines five tipping conditions: four with preselected tip amounts (5%, 10%, 15%, and 20%) and one control condition with no preselection. For the purpose of hypothesis testing, the preselected conditions are combined into a single “preselection” variable. This approach enables an evaluation of the overall effect of preselection by comparing participants exposed to any default suggestion with those who received none.

It is acknowledged that the preselection group does not represent a uniform condition. Different default levels may evoke distinct psychological responses and variations in tipping behaviour. This consideration is supported by previous research suggesting that low, moderate, and high defaults can exert differential effects.

The hypotheses are formulated and tested at the general level, comparing the “preselection” condition with the “no preselection” condition, in order to assess the overall impact of default tip suggestions. To provide additional insight, descriptive comparisons between the individual preselection conditions (5%, 10%, 15%, and 20%) are presented in the appendix. These exploratory results are further commented on in the discussion section.

5. Methodology

5.1 Research Method

This study employed a quantitative, experimental design to investigate how preselected tipping defaults influence both behavioral and psychological outcomes. A conclusive, causal approach was used to test H1-H5. This design allows for the identification of cause-and-effect relationships through experimental manipulation (Malhotra, 2019, p. 101).

- H1 studied default acceptance as the dependent variable with preselection level (which option is preselected) as the independent variable.

- H2-H4 studied tip amount as the dependent variable with the presence of a preselection (no preselection) as the independent variable.

- H5 studied self-perceived generosity as the dependent variable with the decision to keep (not keep) the preselection as the independent variable.

The analysis of H3 and H4 examines the potential mediating roles of perceived ease of decision-making and perceived manipulation in the relationship between preselected tips and tip amounts (Figure 1).

5.2 Study Purpose

The purpose of this study is to examine how preselected tipping defaults influence both behavioral and psychological outcomes. It investigates whether such defaults increase tip amounts and whether participants are more likely to select the suggested option when it is presented as the default. In addition, the study explores whether default suggestions affect participants' perceptions in three key areas: ease of decision-making, perceived manipulation, and self perceived generosity. The study aims to examine whether different default levels lead to statistically significant differences across these outcomes.

5.3 Survey Design

To test the proposed hypotheses, a scenario-based online survey was developed to simulate a realistic restaurant tipping situation while maintaining control over extraneous variables, thereby enhancing internal validity.

Although qualitative or mixed-method approaches could have provided richer insights into underlying motivations, such methods were not suited to the study's objective of testing predefined hypotheses using a controlled experimental structure. A quantitative design was therefore deemed most appropriate, given its strength in identifying patterns, isolating effects, and enabling generalization across conditions (Eliasson, 2013, p. 29–30).

The experimental manipulation consisted of five versions of a digital payment interface, each displaying a different preselected tipping suggestion (see Appendix 1). Participants were randomly assigned to one of the five conditions, ensuring that each respondent was exposed to only one tipping scenario. This between-subjects, posttest-only design was selected to eliminate carryover effects and to isolate the impact of each default condition (Malhotra, 2019, p. 247). The survey was designed to enable a manipulation check immediately after the tipping decision, allowing comparison of participants' perceptions of coerciveness and ease of decision-making across different levels. This ensured that the preselect condition was perceived as more coercive, supporting the validity of subsequent psychological measures.

The questionnaire was structured into three sequential sections. The first introduced the study, explained its purpose and ethical considerations, and obtained informed consent. The second presented the experimental tipping scenario and recorded the participant's tipping decision. The final section measured participants' perceptions of the experience, including perceived ease of decision-making, perceived manipulation, and self-perceived generosity. Demographic data were also collected for descriptive purposes. The overall structure of the questionnaire is summarized in Appendix 2 and the full questionnaire can be summarized in Appendix 3.

Before the main study, a pilot test was conducted using a small convenience sample to identify potential issues related to survey wording, flow, and interface clarity. Based on feedback, minor adjustments were made to improve the user experience and to strengthen

content validity, helping to ensure that the questions were interpreted as intended.

5.4 Participants and Data Collection

Data collection was conducted in collaboration with Norstat, a professional data agency that managed the recruitment and digital distribution of the survey via Qualtrics. The survey was launched on April 3rd and remained open until April 12th. The target sample size was 500 participants, distributed evenly across five experimental conditions. This target was determined in consultation with the thesis supervisor to ensure sufficient statistical power. In total, 588 responses were received. To ensure data quality, a control question was included early in the survey to ensure that participants had read the scenario instructions carefully. Only those who answered this item correctly were included in the final analysis, resulting in a final sample of 384 valid observations.

Participants were recruited from Norstat's existing online panel, which includes individuals between approximately 15 and 80 years of age. No demographic quotas were applied, and the sample was drawn using a non-probability convenience sampling method (Malhotra, 2019, p. 363). The final sample captured a broad age range and demographic variation (See 5.7 Data Sample),

All participants provided informed consent and were assured of anonymity and data confidentiality. Participation was entirely voluntary. Random assignment to experimental conditions was implemented through Qualtrics' built-in randomization tool, supporting the internal validity of the study by reducing the likelihood that individual differences influenced group-level outcomes (Malhotra, 2019, p. 243).

5.5 Measures

5.5.1. The Power of Defaults

The influence of default options was measured as a behavioral outcome. Participants were presented with a digital payment interface in which a tip amount was preselected. They could either accept the suggested amount or actively change it.

The measure was informed by Johnson and Goldstein's (2003) and Madrian and Shea's (2001) work, which shows that defaults influence behavior by simplifying decision-making and increasing the likelihood of passive acceptance. Their comparison between presumed consent and explicit consent highlights how preselection reduces the need for active choice and can lead to higher rates of compliance. In this study, the preselected tip functioned in a similar way by presenting a suggestion that participants had to actively opt out if they wished to choose differently.

Since the effect of defaults was captured through directly observed tipping behavior rather than a self-reported or latent construct, no scale-based measurement or reliability analysis was required.

5.5.2. Perceived Ease of Decision-Making

Perceived ease of decision-making (PEODM) was measured using a three-item scale developed for this study. In this context, accepting the preselected tip represented the most cognitively effortless response. To assess this, participants rated how easy, straightforward, and mentally effortless they found the tipping decision. Responses were collected on a five-point Likert scale ranging from strongly disagree to strongly agree. The specific items are presented in Appendix 4. The scale demonstrated strong internal consistency (Cronbach's $\alpha = .852$). The measure was guided by Iyengar and Lepper (2000) work on choice overload.

5.5.3. Perceived Manipulation

Perceived Manipulation (PM) was measured using a three-item scale, conceptually informed by the work of Warren et al. (2021) and Dyussembayeva et al. (2022), who examined consumer reactions to tipping requests in digital service contexts. The construct captures the extent to which participants experienced the tipping prompt as coercive, unfair, or pressuring.

Participants rated their agreement with the items on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree). While the items were designed specifically for this study, they were grounded in themes identified in prior research on digital tipping, particularly relating to perceived pressure and fairness. The specific items used are presented in Appendix 4. The scale demonstrated high internal consistency (Cronbach's $\alpha = .887$), indicating strong reliability for measuring manipulative perceptions within the context of preselected tip suggestions.

5.5.4. Self-Perceived Generosity

Although generosity is often conceptualized as a stable personality trait, emerging research suggests it can also be experienced as an emotional state (Koo & Fishbach, 2016; Andreoni, 1990). Azar's (2004) work on tipping behavior further supports the relevance of measuring generosity as a self-perceived outcome. Accordingly, this study introduces a new variable to evaluate the individuals' self-perception post-decision: *Self-Perceived Generosity* (SPG).

The items were developed specifically for this study and were informed by previous research on generosity and self-related processes, including the work by Koo and Fishbach (2016). To encourage reflective rather than primed responses, the items were presented after the tipping decision. Participants rated their agreement with three statements on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The scale demonstrated strong internal consistency (Cronbach's alpha = 0.870).

5.6 Data Analysis

The analysis was conducted to test the study's hypotheses and explore the relationships between default presence, tipping behavior and psychological responses. Depending on the hypothesis, analyses were performed at the general level, the group level, or both. At the general level, all default conditions were aggregated and compared with the control group (no preselection). The group level involved examining differences among specific default conditions (5%, 10%, 15% and 20%).

To evaluate whether participants were more likely to select the preselected tip (H1), a binary logistic regression was conducted alongside a series of chi-square tests of independence, allowing for comparisons of default acceptance across the five experimental groups.To examine whether the presence of a default influenced tip amount (H2) and self-perceived generosity (H5), independent-samples t-tests were used to compare mean values between the relevant groups. Normality was assumed based on the central limit theorem, as each group contained more than 30 observations (Newbold et al., 2020, p. 258).

H3 and H4 were tested using mediation analyses with the PROCESS macro (Model 4). This method examined the direct effect of the aggregated variable preselection (no preselection) on tipping amount and further at whether PEODM and PM mediated the effect.

5.7 Data Sample

The survey had 381 valid responses to the demographic items. Among these, the gender distribution was relatively balanced, with 50.7 percent identifying as male and 48.8 percent as female. Participants represented a broad age range, with the largest groups falling into the 45-54 age bracket (18.9%), followed by 35-44 (17.8%) and 65 years or older (17.8%). In terms of employment status, the majority reported full-time employment (53.5%), with retired individuals (16.5%) and students (12.9%) comprising the next largest categories.

Reported monthly income varied, with the largest share (27.6%) earning between 35,000 and 49,999 SEK before tax. Overall, the sample was demographically varied, providing a relevant and diverse basis for examining consumer responses to digital tipping defaults.

5.8 Quality of the Research: Reliability and Validity

To ensure validity, all survey items were developed based on established theoretical concepts (see section *5.5 Measures*). A control question was included to confirm participant attention; only those who answered correctly were included in the final sample, enhancing data quality. The questionnaire was structured to maintain focus, with key items on tipping behavior and psychological perceptions placed early, and less demanding demographic questions positioned at the end.

Reliability was assessed using Cronbach's alpha (see Appendix 4), with all multi-item scales demonstrating acceptable internal consistency. Tipping behavior was measured using a single, behaviorally anchored item.

To confirm the robustness of statistical analyses, key assumptions were evaluated. Multicollinearity was tested using condition indices and variance inflation factors (VIFs), all within acceptable limits. Autocorrelation was not a concern, as the data were cross-sectional and independently collected. Heteroscedasticity was assessed through residual plots, with no notable violations observed. These diagnostic checks support the reliability and appropriateness of the analytical procedures used.

6. Empirical Findings

This section presents the results of the hypothesis tests, evaluated using the statistical methods described in the methodology and interpreted in relation to the theoretical framework. The results are reported in sequence, beginning with the manipulation check, followed by hypotheses H1 to H5. Statistical significance was assessed at the five percent level, in line with academic standards (Newbold et al., 2020, p. 359), and significant results are interpreted as supporting the hypotheses.

6.1 Manipulation Check

An independent sample t-test showed that participants in the preselected condition perceived the tipping experience as more coercive ($M = 3.62$) than those in the control group ($M = 3.16$, $t = 3.08$, $p = .002$), confirming the effectiveness of the manipulation. PEODM did not differ significantly between groups ($p = .068$), but was included in the mediation analysis due to its theoretical relevance. Manipulation checks were conducted only for H3 and H4, which examine the psychological mechanisms underlying the tipping default, while H1, H2, and H5 focus on behavioral outcomes and do not require such checks.

6.2 Default Acceptance

H1 predicted that participants would be more likely to select a specific tip amount when that same amount was preselected as a default, compared to when other amounts were preselected.

To test this, a binary logistic regression was conducted with acceptance of the default tip suggestion as the dependent variable and default condition as the independent variable. The model was statistically significant ($\chi^2 = 66.80$, df = 3, $p < .001$), indicating that the likelihood of accepting the default tip varied depending on which percentage was preselected. The 20 percent default condition was used as the reference group. Full results are shown in Table 2.

Table 2. Binary Logistic Regression: Default Acceptance

Reference category: 20% default

Treatment Group	B	SE	Wald chi-square	df	p-value	Exp(B)	Lower CI	Upper CI
5%	3.108	0.627	24.576	1	< .001	22.37	7.57	96.10
10%	3.354	0.643	27.227	1	< .001	28.62	9.32	125.76
15%	3.263	0.634	26.449	1	< .001	26.13	8.68	113.47

Participants in the 5 percent, 10 percent, and 15 percent conditions were significantly more likely to accept the preselected tip amount compared to those in the 20 percent condition. The highest acceptance was observed in the 10 percent condition (B = 28.62), followed by the 15 percent (B = 26.13) and 5 percent (B = 22.37) conditions. All effects were statistically significant at $p < .001$. The model accounted for a meaningful proportion of variance, with a Nagelkerke R squared value of .275.

To further illustrate the pattern, chi square tests were conducted to compare how frequently participants selected each tip amount when it was preselected versus when it was not. These results are presented in Table 3.

Table 3. Chi-Square Results: Default Selection Rates*

Treatment Group	Selected When Default	Selected When Not Default	χ^2 (df)	p-value
5%	44.7% (38 of 85)	12.7% (29 of 228)	35.58 (3)	< .001
10%	50.8% (30 of 59)	13.2% (55 of 241)	23.52 (3)	< .001
15%	48.6% (34 of 70)	6.6% (16 of 230)	69.14 (3)	< .001
20%	3.5% (3 of 86)	0.5% (1 of 214)	4.99 (3)	.173

*A visual overview of the findings from H1 and H2 can be found in Appendix 6.

The results indicate that participants were significantly more likely to select a tip amount when it was preselected compared to when no default was provided, particularly in the 5 percent, 10 percent, and 15 percent conditions ($p < .001$ for all). For example, when 15 percent was preselected, nearly half of participants (48.6%) selected it, compared to only 6.6 percent when it was not. In contrast, the 20 percent default was selected by only 3.5 percent of participants, which did not reach statistical significance compared to the control ($p = .173$).

Overall, the results support H1 for the lower and moderate default values, but not for the highest. H1 is therefore partially supported.

6.3 Default Effect on Tip Amount

H2 proposed that the presence of a preselected tip amount would lead to higher tip amounts compared to when no preselection was provided.

Table 4. Mean Tip Amounts by Group*

Treatment Group	Mean Tip (%)	Mean Tip Amount (SEK)	SD	t	p-value
All Defaults (combined)	6.48%	32.40	1.13	1.852	.066
No preselection	5.61%	28.05	0.91	–	–
5%	4.76%	23.80	0.82	-1.267	.207
10%	6.44%	32.20	0.98	1.035	.302
15%	9.64%	48.20	1.28	4.415	< .001
20%	6.45%	32.25	1.18	1.037	.298

*A visual overview of the findings from H1 and H2 can be found in Appendix 6.

An independent sample t-test compared participants who received any preselected tip suggestion with those in the no-default control group, representing the general-level analysis. Although the mean tip amount was slightly higher in the preselection condition, the difference was not statistically significant ($t = 1.85$, $p = .066$), indicating that preselection alone did not increase tipping overall. In a more detailed group-level analysis of individual default conditions, the 15 percent default led to significantly higher tip amounts compared to the control group ($t = 4.42$, $p < .001$). No significant effects were observed for the 5, 10, or 20 percent defaults. These results are presented in Table 4.

Taken together, the findings do not support H2 at a general level. However, the findings do suggest that a 15 percent default can effectively increase tipping.

6.4 Perceived Ease of Decision-Making

H3 proposed that preselected tip suggestions increase tip amounts when they are perceived as easing decision-making. This was tested at the general level using a mediation analysis with the PROCESS macro (Model 4), summarized in table 5. Group-level analyses of PEODM are provided in Appendix 7.

Table 5. Mediation Analysis: PEODM on Tip Amount

Path	Effect	R^2	F	SE	p	Lower CI	Upper CI
Presel. → PEODM	-0.2412	0.0060	2.2930	0.1593	.1308	-0.5544	0.0720
PEODM → Tip Amount	+0.3723	0.3010	54.1051	0.0419	< .001	+0.2899	+0.4547
Indirect via PEODM	-0.0898	-	-	0.0518	-	-0.2000	0.0066
Direct effect (Presel. → Tip Amount)	+0.3813	0.3010	54.1051	0.1152	.0010	+0.1548	+0.6077

The mediation analysis examined whether the effect of preselected tip suggestions on tip amount was explained by PEODM. The path from preselection to PEODM was negative and not significant (b = -0.2412, p = .131), indicating that preselection did not increase perceived ease. In contrast, PEODM significantly predicted tip amount (b = 0.3723, p < .001), showing that greater ease was associated with higher tipping. The indirect effect via PEODM was not significant (b = -0.0898, CI [-0.2000, 0.0066]). Moreover, the direct effect of preselection on tip amount remained positive and significant (b = 0.3813, p = .001).

Although PEODM was related to tipping, preselection did not increase this perception and therefore did not affect tipping through this mechanism. Therefore, these results do not support H3.

6.5 Perceived Manipulation

H4 hypothesized that preselected tip suggestions would decrease tip amounts when they were perceived as manipulative. The hypothesis was tested at the general-level using a mediation analysis with the PROCESS macro (Model 4). Group-level analyses of perceived manipulation can be found in Appendix 8.

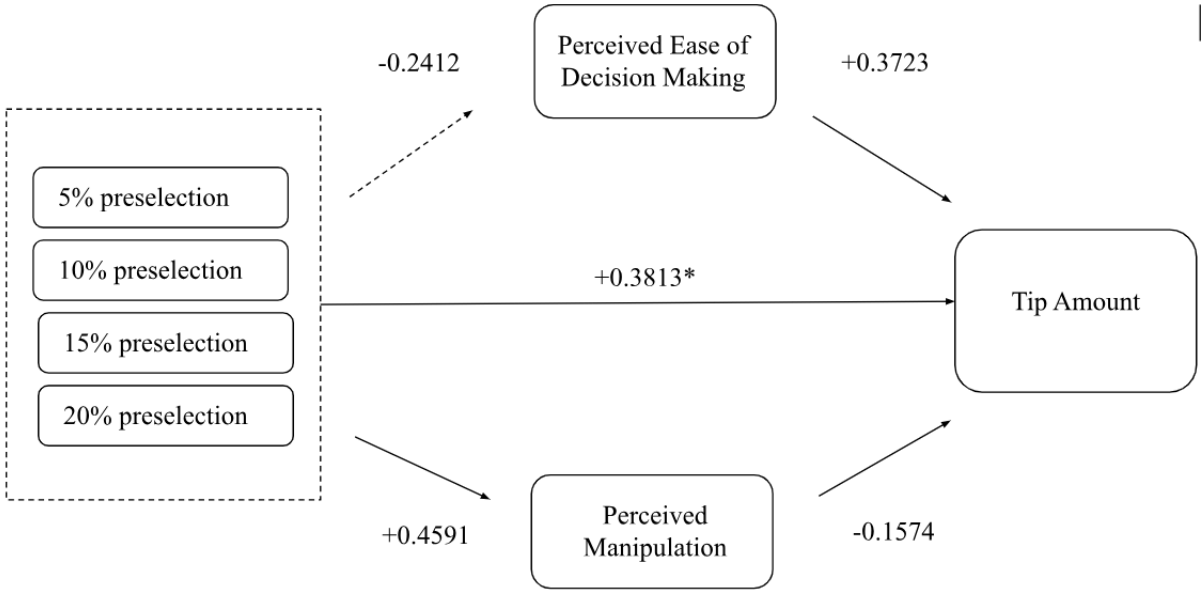
Table 6. Mediation Analysis: PM on Tip Amount

Path	Effect	R^2	F	SE	p	Lower CI	Upper CI
Presel. → PM	+0.4591	0.0244	9.4875	0.1490	.0022	+0.1660	+0.7521
PM → Tip Amount	-0.1574	0.3010	54.1051	0.0448	.0005	-0.2455	-0.0693
Indirect via PM	-0.0723	-	-	0.0335	< .05	-0.1505	-0.0148
Direct effect (Presel. → Tip Amount)	+0.3813	0.3010	54.1051	0.1152	.0010	+0.1548	+0.6077

The mediation analysis tested whether the effect of preselected tip suggestions on tip amount was mediated by PM. The findings show that preselection significantly increased PM (b = 0.4591, p = .002), and PM significantly predicted lower tip amounts (b = -0.1574, p = .001), indicating that greater PM was associated with reduced tipping. The indirect effect via PM was significant (b = -0.0723, p < .05, CI [-0.1505, -0.0148]), providing evidence of a mediation effect. The direct effect of preselection on tip amount remained significant (b = 0.3813, p = .001), indicating that PM partially mediated the relationship between preselection and tipping. Consequently, these findings support H4.

Figure 3 provides a visual summary of the mediation results, showing the tested pathways from Preselected Tip Suggestions to Tip Amount through PEODM and PM.

Figure 3. Visual Representation of Mediation Analysis for H3 and H4



All coefficients represent unstandardized regression estimates (b values).

*Note: This figure presents the results of the mediation analysis used to test H3 and H4. The direct path from preselection to tip amount (b = 0.3813) is statistically significant within this model. However, this should not be interpreted as support for H2, as H2 was tested using a general-level t-test that did not yield statistically significant results (p = .066). The observed direct effect in the mediation model reflects the adjusted influence of preselection after accounting for mediators and may also capture variance from other unmeasured factors.

6.6 Self-Perceived Generosity

H5 suggested that participants who accepted the preselected tip would report higher self-perceived generosity than those who opted out to a lower suggestion.

Table 7. Self-Perceived Generosity per Treatment Group

Treatment Group	Mean Generosity (Accepted)	Mean Generosity (Opted Out)	Mean Difference (MD)	SD	t	p-value
All Defaults (combined)	3.93	2.51	1.42	0.96	10.96	< .001
5%	3.21	2.43	.78	0.99	3.09	.003
10%	4.29	2.51	1.78	0.62	8.09	< .001
15%	4.39	2.72	1.67	0.66	8.43	< .001
20%	4.11	2.44	1.68	1.02	2.35	.021

H5 was tested using five independent t-tests, summarized in Table 6. At the general level, participants who accepted the preselected tip rated themselves significantly higher on the SPG scale than those who selected a lower amount ($MD = 1.42$, $t = 10.96$, $p < .001$). This pattern held consistently across all individual default conditions, as shown in the group-level analysis.

The largest difference in SPG between groups was observed in the 10 percent default condition. Participants who accepted the default reported a mean SPG of 4.29, whereas those who opted out reported a mean of 2.51 ($t = 8.09$, $p < .001$). The highest overall generosity rating occurred in the 15 percent group, where participants who accepted the default reported a mean SPG of 4.39.

These findings demonstrate that accepting the preselected tip is associated with higher self-perceived generosity compared to opting for a lower amount. Hence, H5 is supported.

6.7 Hypotheses Summary

Table 8. Hypotheses Summary

Hypothesis		**Result**	**Comment**
H1	Participants are more likely to choose a tip suggestion when it is preselected as the default option compared to when other tip options are preselected.	Partly Supported	Supported for 5, 10, and 15 percent defaults; not for 20 percent
H2	The presence of a preselected tip amount leads to higher tip amounts compared to when no preselection is provided.	Not Supported	Supported for 15 percent defaults; not for 5, 10, or 20 percent
H3	Preselected tip suggestions increase tip amounts when they are perceived as easing decision-making.	Not Supported	
H4	Preselected tip suggestions decrease tip amounts when they are perceived as manipulative.	Supported	
H5	Participants who accept the preselected tip will report high levels of self-perceived generosity compared to those who opt-out to a lower suggestion.	Supported	

7. Discussion

7.1 Theoretical Contributions

Research Question 1: How does the presence of a preselected tip amount on a digital payment terminal influence customers' tipping behavior, both in terms of their decision to accept the suggested amount and the final tip they choose to give?

The results indicate that preselection increases acceptance of the suggested tip, particularly at low to moderate levels (5%, 10%, and 15%). This supports the established understanding of default effects (Johnson & Goldstein, 2003; Madrian & Shea, 2001), where preselected options increase passive acceptance. However, this increased acceptance does not consistently translate into higher average tip amounts. Only the 15 percent default led to significantly higher tips compared to the control group, suggesting that moderate defaults may offer the optimal balance between effective anchoring and perceived fairness.

In contrast, both the lowest and the highest preselections appeared to have unintended effects. The 5 percent default, despite being frequently accepted, resulted in lower average tip amounts than the no-default condition. This is an example of reverse anchoring that suggests that overly minimal anchors can depress behavior by setting a low reference point. At the other extreme, the 20 percent default triggered strong resistance. It was the least accepted option and participants in this group were most likely to leave no tip at all, echoing prior research by Haggag and Paci (2014) on the backlash against excessively high defaults. This sharp drop in compliance shows that status quo bias only works when the default feels fair and appropriate (Deck and Jahedi, 2015).

Interestingly, although the 20 percent condition was perceived as the most manipulative, its average tip amount did not significantly differ from other groups, except for the 15 percent condition. This points to a dual effect: while some participants opted out in protest, others may have been anchored by the high default and tipped more than they otherwise would have. Notably, more participants in the 20 percent group selected the 15 percent tip than in any other condition where it was not preselected. Despite no dramatic difference in tip amount, the increase of PM in the 20 percent preselection suggests caution in line with findings of "whiplash effects" as noted by Zarribian (2019) where manipulative perceptions have negative spillover effects on satisfaction, willingness to return and loyalty.

Research Question 2: Does perceiving a preselected tip as manipulative or helpful influence how much customers tip?

The study found that preselected tip suggestions did not significantly increase PEODM, indicating a possible ceiling effect in the cognitive relief that interface design can provide. While simplifying choices is generally associated with reduced cognitive load (Iyengar & Lepper, 2000; Johnson & Goldstein, 2003; Thaler & Sunstein, 2008), the findings suggest that this benefit may plateau beyond a certain threshold. In the broader tipping context, the shift from manual tip entry to visible default options has likely reduced decision effort in line with Iyengar and Lepper's (2000) research on choice overload. However, the additional step of preselecting one of these options did not offer further cognitive benefit. It is possible that the interface design in the control condition had already simplified the decision sufficiently, making further interference unnecessary.

This aligns with previous findings which suggest that when added interference from the choice architect is not viewed as helpful, it loses its supportive function and instead increases feelings of PM (Deck & Jahedi, 2015; Johnson & Goldstein, 2003). In this context, although higher PEODM was linked to higher tip amounts, preselection did not enhance this perception. Consequently, PEODM did not account for the effect of preselection on tipping behavior.

In contrast, PM had a significant negative effect on tipping behavior, particularly in the 20 percent default condition. This finding strongly supports reactance theory (Miron and Brehm, 2006), which suggests that individuals resist actions they perceive as threats to their autonomy. Higher defaults were interpreted by participants as coercive, leading to reduced compliance. This pattern also aligns with Gray et al.'s (2018) concept of "interface interference", where perceived intrusiveness in digital design evokes negative user responses. Similarly, prior research by Zarribian (2019) and Warren et al. (2021) has shown that overly assertive tipping prompts are often perceived as manipulative, resulting in user backlash.

Research Question 3: Does opting out of a preselected suggestion to a lower tip affect how generous customers perceive themselves to be?

The results indicate that participants who opted out of a preselected tip and selected a lower amount reported significantly lower levels of SPG compared to those who accepted the default. While it may seem intuitive that individuals who give more feel more generous, the theoretical relevance of this finding lies in the fact that generosity related self-perceptions were externally influenced. This challenges the core assumption of self-determination theory, which posits that autonomy is essential for positive self-evaluation and psychological well-being (Ryan and Deci, 2000).

Interestingly, participants exposed to higher default suggestions perceived them as more manipulative, yet those who accepted the default at high levels still reported higher SPG. This indicates that PM and SPG are not mutually exclusive. Followingly, the findings suggest individuals can recognize the external influence while still deriving a sense of generosity from their actions. This finding opens up space for understanding how externally guided choices can still foster meaningful self-perceptions.

The identified pattern finds theoretical support in self-perception theory (Bem, 1972), where individuals infer their attitudes and traits by observing their own behavior. In this case, accepting a preselected tip, even when prompted by a nudge, served as behavioral evidence of personal generosity. Conversely, participants who rejected the suggested tip had less behavioral justification for feeling generous.

Moreover, these findings also support Azar's (2004) argument that tipping is sustained not just by social norms but by the intrinsic rewards it offers. Accepting a generous default may trigger this internal reward, reinforcing a generous self-image. Similarly, Andreoni's (1990) warm-glow theory suggests that giving can be emotionally satisfying even when externally guided. This is further supported by Koo and Fishbach (2016), who found that small prosocial acts can strengthen generous self-concepts when they align with personal identity.

7.2 Managerial Implications

This study offers practical insights for managers considering preselected tipping defaults in dinner service settings. Results from H1 showed that participants were significantly more likely to select a tip when it was preselected at low to moderate levels (5%, 10%, and 15%). In contrast, the 20 percent default was rarely accepted, indicating that excessively high defaults may trigger resistance rather than compliance.

The 15 percent preselect appears to represent a potential "sweet spot" for managers. At this level, participants tipped significantly more on average (μ = 9.64%) compared to the no-preselect condition (μ = 6.48%), and PM did not differ significantly from the control group. This suggests that a 15 percent preselect may effectively increase tip amounts without undermining the customer experience.

By comparison, the 20 percent default did not result in higher tips but was perceived as significantly more manipulative, highlighting the risk of backfire when defaults are set too high. However, while the 15 percent option performed well, it is worth noting that PM did rise slightly compared to 5 percent and 10 percent, even if not significantly. This suggests that even moderate defaults may carry some risk over time. Therefore, before applying preselected defaults in practice, managers should consider not only short-term revenue effects but also long-term effects. Further research should be conducted to understand how repeated exposure to defaults affects factors such as customers' willingness to return, satisfaction and trust.

Another interesting finding from H1 was that the 5 percent default led to a lower average tip (μ = 4.76%) than the no-default condition (μ = 5.61%). For managers, this highlights the importance of avoiding overly low preselected amounts, which could unintentionally reduce tipping revenue rather than enhance it. This would undermine the idea of preslections from a managerial standpoint.

Lastly, findings from H5 supported that participants who accept the preselected tip will report higher SPG compared to those who opt-out to a lower suggestion. For managers, this presents an opportunity to use interface design to support positive customer experiences. Further research is needed to better understand whether perceived manipulation, ease of decision-making, and generosity influence overall satisfaction and willingness to return, as these are important factors for maintaining long-term customer relationships.

7.3 Limitations and Further Research

Firstly, this study was intentionally designed to isolate the main effects of default presence and default level. While this improved conceptual clarity, it limited the ability to test whether the tip amount moderates psychological responses such as perceived ease, manipulation, or generosity. Future research should explore these interaction effects to better understand how different default characteristics shape user experience.

A second limitation concerns the aggregation of all default levels into a single experimental condition for some analyses. This may have masked meaningful differences in how participants respond to specific tip percentages. For instance, a 15 percent tip was perceived as both more coercive and more helpful than a 5 percent tip. Future studies could use multi-group mediation models to examine these differences in default magnitude influences outcomes.

Thirdly, the results revealed an inconsistency between the mediation and direct effect analyses. While the PROCESS Model 4 indicated a positive direct effect of preselection on tipping amount, this relationship was not supported by the t-test used to evaluate H2. This discrepancy suggests that additional mediating variables, not captured in the current model, may help explain the influence of preselection on tipping behavior. The absence of these mediators represents a limitation and highlights an important direction for future research

Fourth, another limitation of this study is its reliance on a hypothetical, survey-based design and self-reported responses. Participants did not receive actual service, spend their own money, or experience the presence of service staff or social observers. As such, their responses may be shaped by social desirability bias or by subjective interpretations of the scenario, rather than reflecting authentic consumer behavior. Although this methodological constraint allowed for strong experimental control, it limits the validity of the findings. Future research should aim to replicate these results in real-world contexts where tipping decisions involve genuine financial and social consequences, or consider hybrid designs that combine self-reports with observable behavior under more realistic conditions.

Fifth, a limitation pertains to the use of a uniform digital tipping interface. In real-world environments, payment terminals vary considerably in how tip options are presented. Some

request a total amount including tip, others prompt for gratuity separately, and some offer fixed default percentages, whereas others allow full customisation. These interface differences may influence both the interpretation of the tipping prompt and subsequent tipping behavior. As such, the generalisability of the present findings may be restricted to contexts with similar interface structures. In addition, the study was conducted in a Swedish context, which may limit the applicability of the results to cultures with different tipping norms and expectations. Future research should investigate how variations in interface design influence the effects of default-based tipping.

Finally, future studies may consider examining long term outcomes, such as customer satisfaction, loyalty, or willingness to return. Investigating whether perceptions of manipulation or diminished generosity affect post-interaction attitudes would provide valuable insights to further guide managerial implications.

8. Conclusion and Final Remarks

This study examined the influence of preselected tipping defaults in digital payment interfaces on consumer behavior and psychological responses in a Swedish context. The results show that preselected top amounts affect the likelihood of selecting a suggested tip. However, their effect on the final tip amount depends significantly on the level of the default and how it is perceived by the customer.

Participants were more likely to accept a preselected tip when the suggested amount fell within a moderate range, specifically at 5, 10, or 15 percent. Acceptance rates were highest for these defaults, demonstrating that such suggestions can serve as effective nudges. In contrast, the 20 percent default was largely rejected, suggesting the presence of a psychological threshold beyond which consumers resist external influence. This pattern aligns with previous research on the limitations of default effectiveness and supports that excessive suggestions may provoke resistance rather than compliance.

The presence of a preselected default did not consistently result in higher tip amounts. Only the 15 percent default led to a statistically significant increase, whereas lower defaults, such as 5 percent, on average, resulted in lower tips than the no-default condition. Interface perceptions were instrumental; supportive defaults facilitated tipping, while coercive ones reduced compliance. Participants who accepted the default reported higher self-perceived generosity across all conditions, indicating that such acceptance can enhance a generous self-concept, even when externally guided.

Findings show that digital tipping defaults can shape both consumer behavior and self-perception, but their success depends on thoughtful implementation. Defaults perceived as appropriate and aligned with social norms are more likely to increase tip amounts and enhance customer experience. In contrast, those seen as excessive or coercive risk reducing compliance and damaging trust. These findings highlight the importance of balancing persuasive design with respect for consumer autonomy when integrating tipping prompts into digital interfaces.

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AI Disclosure

In the writing of this thesis, ChatGPT was used in a supportive capacity. During the initial stages, it was consulted to assist in generating and refining potential research topics. It was also used throughout the writing process to improve clarity, grammar, and overall readability, with the aim of producing clear and accessible academic language.

During the data analysis phase, ChatGPT provided general guidance in resolving technical issues encountered in SPSS, including the interpretation of error messages and clarification of statistical procedures.

All content produced with the assistance of ChatGPT was carefully reviewed, edited, and verified by the authors. The use of the tool was approached critically, with awareness of its limitations such as the potential for bias, the lack of transparency in how responses are generated, and the possibility of incorrect or fabricated information. All outputs were double-checked to ensure accuracy, relevance, and academic rigor.

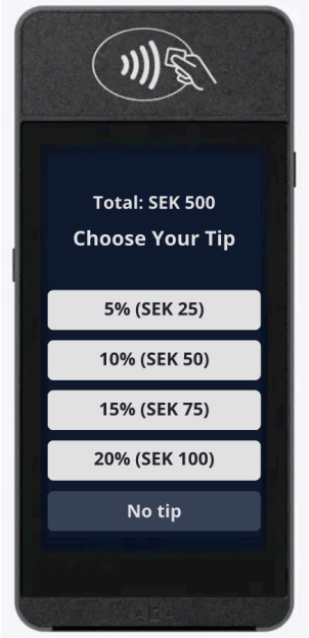
At no point was ChatGPT used to produce original research findings, conduct statistical analysis independently, fabricate data, or replace the author's own analytical work. All conclusions and interpretations presented in this thesis are the result of the author's independent reasoning and judgment.

Appendix

Appendix 1. Tipping Scenario in Qualtrics

Tipping Scenarios: No preselection

At the end of your meal, the bill arrives. The total is 500 SEK, and you have the opportunity to tip, select to tip these default options, or skip tipping altogether.

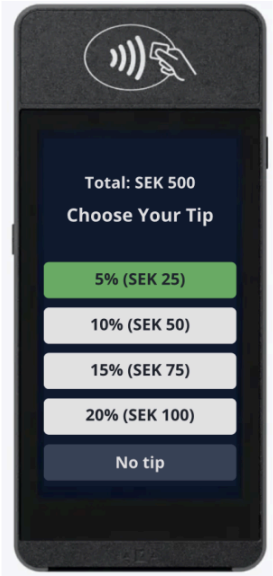


Please select what you would have tipped in this scenario:

- 5%
- 10%
- 15%
- 20%
- No tip

Tipping Scenarios: 5% preselection

At the end of your meal, the bill arrives. The total is 500 SEK, and the digital payment terminal presents you with a pre-selected tip amount of 5% (25 SEK). You can either accept this tip, adjust it to a higher or lower amount, or remove it entirely.

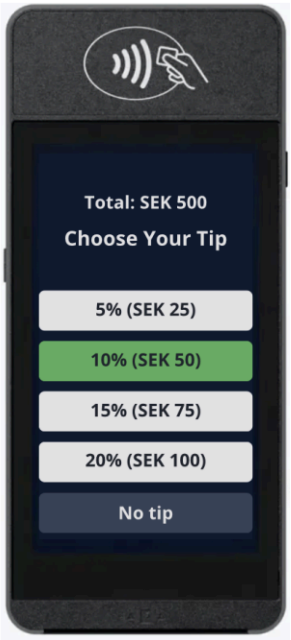


Please select what you would have tipped in this scenario:

- 5%
- 10%
- 15%
- 20%
- No tip

Tipping Scenarios: 10% preselection

At the end of your meal, the bill arrives. The total is 500 SEK, and the digital payment terminal presents you with a pre-selected tip amount of 10% (50 SEK). You can either accept this tip, adjust it to a higher or lower amount, or remove it entirely.

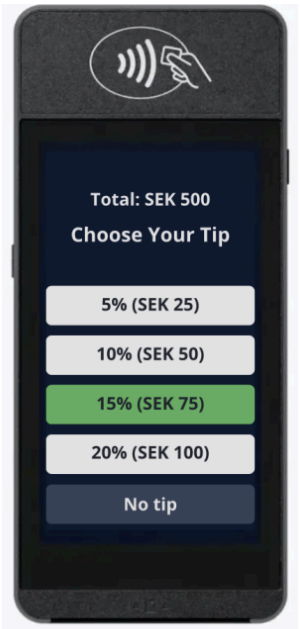


Please select what you would have tipped in this scenario:

- 5%
- 10%
- 15%
- 20%
- No tip

Tipping Scenarios: 15% preselection

At the end of your meal, the bill arrives. The total is 500 SEK, and the digital payment terminal presents you with a pre-selected tip amount of 15% (75 SEK). You can either accept this tip, adjust it to a higher or lower amount, or remove it entirely.

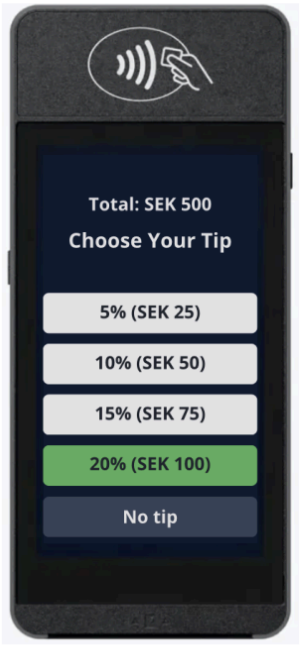


Please select what you would have tipped in this scenario:

- 5%
- 10%
- 15%
- 20%
- No tip

Tipping Scenarios: 20% preselection

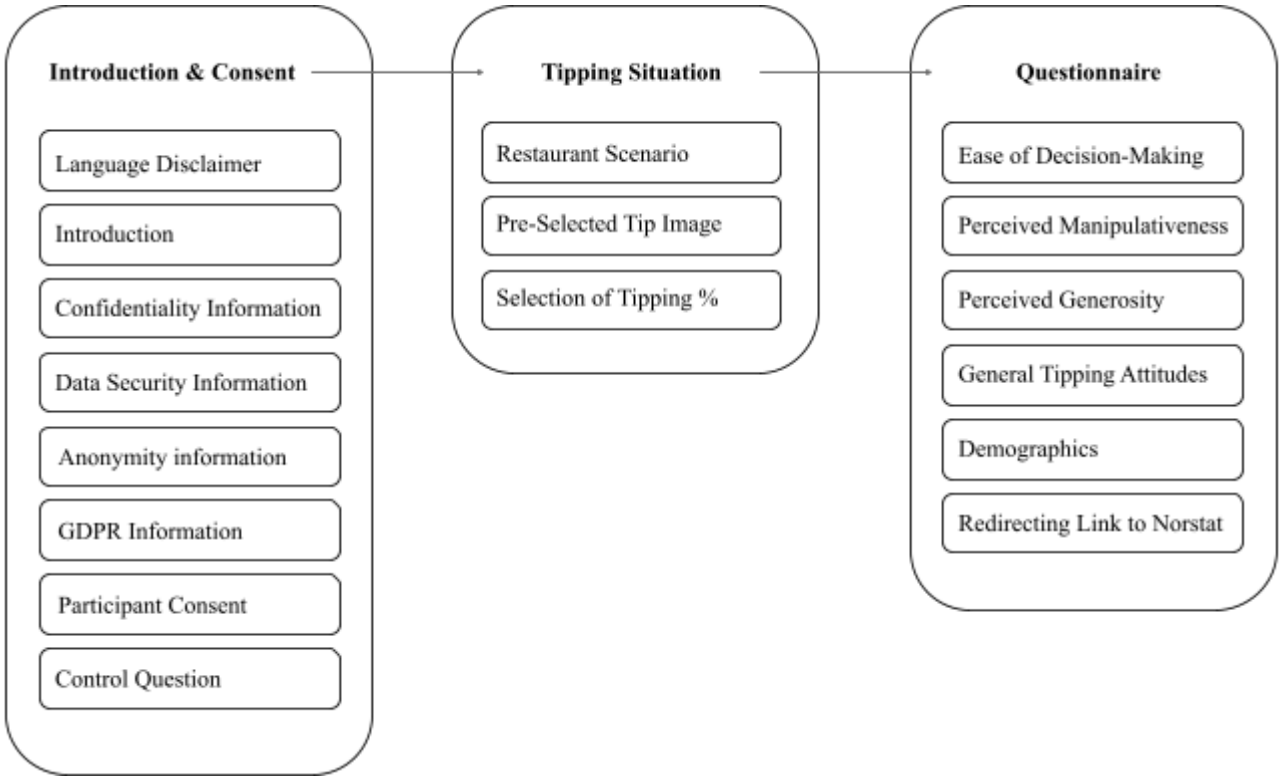
At the end of your meal, the bill arrives. The total is 500 SEK, and the digital payment terminal presents you with a pre-selected tip amount of 20% (100 SEK). You can either accept this tip, adjust it to a higher or lower amount, or remove it entirely.



Please select what you would have tipped in this scenario:

- 5%
- 10%
- 15%
- 20%
- No tip

Appendix 2. Main Components of the Study and Questionnaire Content



Appendix 3. Full Qualtrics Survey

Viktig information: Enkäten är på engelska. Deltagande är frivilligt och du kan när som helst avbryta om du inte vill delta.

Vänligen bekräfta nedan att du är bekväm att svara på engelska:

- ☐ Ja
- ☐ Nej

Om du inte känner dig bekväm med att svara på engelska, kan du avsluta enkäten och återvända till Norstat panelen genom att klicka här. Annars kan du klicka dig vidare för att svara på enkäten.

Thank you for taking the time to complete this survey. This is part of a thesis for the Retail Management program at the Stockholm School of Economics.

Participation is entirely voluntary, and this text outlines key information about your involvement. You may withdraw your consent at any time, and your data will be permanently deleted. The survey will take about 5 minutes and includes 20 quick questions/statements.
Confidentiality: Your responses will be kept strictly confidential and only accessible to supervisors, tutors, and the course management team.

Data Security: All data will be securely stored by SSE and permanently deleted once the project ends.

Anonymity: No personal information that could identify you will be included in the final thesis.

GDPR Rights: To learn more about your data rights, visit: https://www.hhs.se/en/about-us/data-protection/

By continuing, you confirm that you have read the information provided and agree to participate in this study.

Which is your favorite music instrument? Please read the list carefully and select the second option on the list

- ☐ Piano
- ☐ Clarinet
- ☐ Guitar
- ☐ Trumpet

Imagine you are dining at La Belle Bistro, a well-regarded upscale restaurant in your city. The atmosphere is elegant, the staff is professional, and the food is well-prepared. Your server is polite and attentive, refilling your water, checking in at appropriate moments, and serving your food at a pace that feels natural and unhurried. Everything about the experience is smooth and pleasant, but nothing particularly memorable or outstanding stands out about the service.

At the end of your meal, the bill arrives. The total is 500 SEK, and you have the opportunity to tip, select to tip these default options, or skip tipping altogether.

Please select what you would have tipped in this scenario:

- ☐ 5%
- ☐ 10%
- ☐ 15%
- ☐ 20%
- ☐ No tip

Please rate your agreement with the statements below…

It was easy for me to decide how much to tip.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

The way tipping was presented reduced the effort needed to make a decision.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

The tipping experience made the decision feel straightforward.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

Please rate your agreement with the statements below…

I felt that the tipping experience tried to influence/manipulate me in ways I did not appreciate.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

Overall, I felt the tipping process was unfair.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

I felt pressured when deciding how much to tip.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

Please rate your agreement with the statements below…

I see my tipping decision as a reflection of my generosity.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

I consider my tipping decision to be generous.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

My tipping choice makes me feel like a generous person.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

Please rate your agreement with the statements below…

Tipping is a social norm that people are expected to follow.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

Tipping is a fair way to reward good service.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

I believe tipping should be voluntary and not expected.

Strongly disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Strongly agree

What is your age?

- ☐ Under 18 18 - 24
- ☐ 25 - 34
- ☐ 35 - 44
- ☐ 45 - 54
- ☐ 55 - 64

- ☐ 65 or older

What gender do you identify as?

- ☐ Male
- ☐ Female
- ☐ Non-binary / third gender Prefer not to say

What is your current main occupation?

- ☐ Student
- ☐ Employed full-time
- ☐ Employed part-time
- ☐ Unemployed
- ☐ Retired
- ☐ Other

Which of the following best describes your monthly personal income (before tax)?

- ☐ Less than 15,000 SEK
- ☐ 15,000 – 24,999 SEK
- ☐ 25,000 – 34,999 SEK
- ☐ 35,000 – 49,999 SEK
- ☐ 50,000 – 64,999 SEK
- ☐ 65,000 SEK or more
- ☐ Prefer not to say

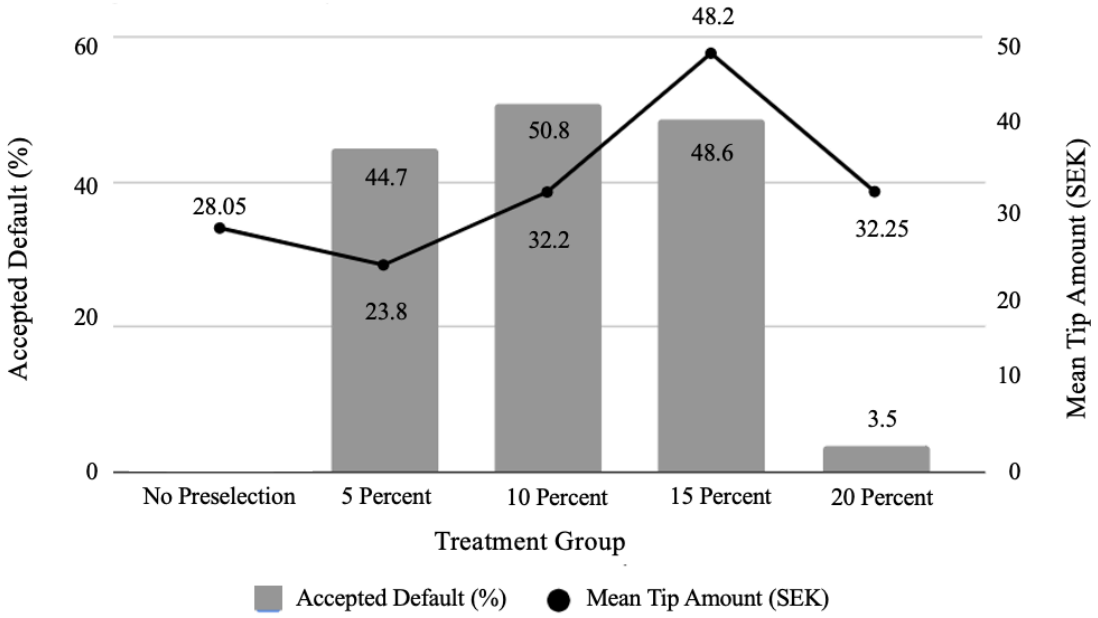
Appendix 4. Questionnaire Items in the Study

Variable	Adopted from…	Measure(s)	Reliability
Power of Defaults	Johnson & Goldstein (2003); Madrian & Shea (2001)	Please select what you would have tipped in this scenario….	Reliability not applicable for single-item measure
Perceived Ease of decision-making	Iyengar and Lepper (2000)	Please rate your agreement with the statements below… …It was easy for me to decide how much to tip. ...The way tipping was presented reduced the effort needed to make a decision. …The tipping experience made the decision feel straightforward.	α = .852
Perceived Manipulation	Warren et al., (2021); Dyussembayeva et al. (2022)	Please rate your agreement with the statements below… …I felt that the tipping experience tried to influence/manipulate me in ways I did not appreciate. …Overall, I felt the tipping process was unfair. …I felt pressured when deciding how much to tip.	α = .887
Self-Perceived Generosity	Koo and Fishbach, (2016)	Please rate your agreement with the statements below… …I see my tipping decision as a reflection of my generosity. …I consider my tipping decision to be generous. …My tipping choice makes me feel like a generous person.	α = .870

Appendix 5. Overview of Tipping Distribution Across Conditions.

Treatment Group	N	0% (%)	5% (%)	10% (%)	15% (%)	20% (%)
No preselection	82	30.5	30.5	36.6	1.2	1.2
5%	85	31.8	44.7	20.0	3.5	—
10%	59	32.2	11.9	50.8	5.1	—
15%	70	24.3	10.0	15.7	48.6	1.4
20%	86	36.0	17.4	31.4	11.6	3.5

Appendix 6. Default Acceptance & Tip Amount by Treatment Group



Appendix 7. Descriptive Statistics - Perceived Ease across Groups

Group	N	Mean	SD	SE	Lower CI	Upper CI
5 Percent	85	3.549	1.341	0.145	3.259	3.883
10 Percent	59	3.5989	1.435	0.187	3.229	3.972
15 Percent	70	3.4429	1.291	0.154	3.137	3.749
20 Percent	85	2.667	0.851	0.092	2.492	2.842
Total	299	3.283	1.352	0.078	3.129	3.437

Appendix 8. Descriptive Statistics - Perceived Manipulation across Groups

Treatment Group	N	Mean	SD	SE	Lower CI	Upper CI
5 Percent	85	3.3176	1.25663	0.13630	3.0466	3.5887
10 Percent	59	3.2316	1.01380	0.13199	2.9674	3.4958
15 Percent	70	3.4810	1.24416	0.14871	3.1843	3.7776
20 Percent	85	4.2980	0.85143	0.09235	4.1144	4.4817
Total	299	3.6176	1.18302	0.06842	3.4830	3.7523