Pointing Fingers and Holding Hands: Effects of Collaborative and Confrontational NPO Approaches on Households’ Consumption and Donation Decisions

Nicholas Arnold*

May 26th, 2021

Abstract

Nonprofit organizations (NPOs) seek to influence corporate responsibility practices by pursuing either collaborative or confrontational approaches towards companies. In doing so, they frequently attempt to influence households’ perceptions of companies, and by extension their consumption decisions. To what extent NPOs adopting varying approaches toward companies are successful in affecting households’ perceptions and decisions, however, remains under-examined. Furthermore, how these approaches impact households’ donation decisions to NPOs, remains a largely open question. In this contribution, we investigate these issues by means of an online experiment. The results indicate that both confrontational and collaborative approaches by NPOs toward companies exert a significant effect on households’ evaluations of companies, as well as on their stated consumption decisions, with confrontational approaches exerting stronger effects. Concerning households’ donation decisions to NPOs, no clear preferences emerge. Both confrontational and collaborative NPO approaches toward companies thus represent accepted approaches, and have the potential to affect corporate responsibility indirectly via households’ consumption decisions.

Keywords: corporate responsibility; legitimacy; nonprofit-business collaboration; nonprofit-business confrontation; willingness to purchase; willingness to donate

* Center for Philanthropy Studies, University of Basel, n.arnold@unibas.ch