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RESEARCH ARTICLE

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The impact of face-to-face street fundraising on organizational reputation

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Although many stakeholders perceive face-to-face street fundraising as unpleasant, nonprofit managers encourage it as a way to attract donors. To understand the long-term effects of this fundraising method, we used a mixed-methods experimental design to investigate how face-to-face street fundraising affects organizational reputation and stakeholder support intentions in comparison with letter fundraising. The findings reveal that face-to-face street fundraising has a significant negative influence on the stakeholders' perceptions of an organization. Further, qualitative data show that the negative perception originates primarily from perceived pressure, distrust, and obtrusion, which are triggered by face-to-face street fundraising. Our study thus reveals long-term reputational consequences that nonprofit organizations should consider before deciding on fundraising methods.

1 | INTRODUCTION

With the increasing resource competition in the nonprofit sector, financial viability is one of the greatest challenges of nonprofit organizations (Sarstedt & Schloderer, 2010). To attract private donors, nonprofit organizations need to apply sophisticated and innovative methods for fundraising. One lucrative way to successfully leverage private donations involves relationship fundraising, which includes the intent to build a special bond between organizations and stakeholders (Burnett, 2002; Waters, 2009). To create a relationship, many organizations contact potential donors directly in face-to-face campaigns on the street. Face-to-face street fundraising holds the opportunity to develop supportive relationships using direct communication with an organizational representative to enhance individual giving intentions and their perceptions of the organization (Andreoni & Rao, 2011; Helm, 2007). Moreover, it provides access to a new, relatively young target group and has the potential to guarantee regular income streams by encouraging individuals to sign up for long-term memberships (Jay, 2001).

As face-to-face street fundraising becomes increasingly important for the nonprofit sector, the scholarly discussion about the consequences of this fundraising method is growing (e.g., Bennett, 2018; Humalisto & Moilanen, 2019). Although several authors highlight the potential personal interaction with organizational representatives can have for the fundraising efforts of nonprofit organizations (e.g., Andreoni & Rao, 2011), others have a critical view on face-to-face street fundraising. Studies show, for example, that this method can lead to a high rate of dissatisfied donors, complaints, and even disengagement (Bennett, 2013; Sargeant, Hudson, & Wilson, 2012; Sargeant & Jay, 2004), which may negatively affect the organization's reputation. However, reputation, that is, accumulated perceptions external stakeholders have of an organization (Rindova, Williamson, Petkova, & Sever, 2005), is considered to be one of the most important intangible assets for organizations (Fombrun, 1996). Various studies have confirmed the positive impact of reputation on the willingness of stakeholders to provide organizations with resources (e.g., Sarstedt & Schloderer, 2010). A positive reputation can be built through face-to-face communication between the organization and its stakeholders (Chun, Da Silva, Davies, & Roper, 2005; Helm, 2007), which would imply that face-to-face street fundraising can be a reasonable method for organizations to enhance their stakeholders'

This research is part of an open source project. The vignettes, survey questions, data, and research protocol (in R) are available in an online appendix: <https://osf.io/z894x/> (Waldner & Willems, 2020).

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perceptions. Nevertheless, this method is often perceived as intrusive and unattractive for donors (Neitzsch, 2012).

It seems paradoxical that face-to-face street fundraising is regarded as a promising development in fundraising by nonprofit leaders (Burnett, 2002; Jay, 2001; Sargeant & Jay, 2004), whereas many donors perceive organizations that apply this method as untrustworthy (Neitzsch, 2012). To advance knowledge about the long-term effects of face-to-face street fundraising on the reputational capital of nonprofit organizations, it is necessary to investigate the relationship between face-to-face street fundraising and reputation. Hence our research is motivated by the following two questions: (a) What is the effect of face-to-face street fundraising on the reputation of a nonprofit organization and (b) why? This way, we aim to improve our understanding of the impact that face-to-face street fundraising has on the reputation of nonprofit organizations, as opposed to the more traditional method of letter fundraising.

We use a mixed-methods experimental design through which we (a) assess the reputation of a nonprofit organization and (b) analyze the statements of stakeholders that provide detailed insights on the fundraising-related factors that influence the perception of a nonprofit organization. This way, we make at least three important contributions to nonprofit management research. First, we identify fundraising as a valuable tool to form organizational reputation. Through investigating the respondents' perceptions of different fundraising methods, we show that organizations can enhance their reputation by actively deciding for or against certain methods (Rindova et al., 2005; Sargeant, Ford, & Hudson, 2008). Second, we advance the knowledge of building reputation through direct communication. Although personal interaction with stakeholders is considered as a way of enhancing reputation (Chun et al., 2005), our findings show that in the context of street fundraising, face-to-face communication may cause a reputational loss. Third, we contribute to the literature on relationship fundraising by looking at the reputational consequences of fundraising methods. In particular, we advance the understanding of high-quality relationships with donors by showing that face-to-face street fundraising may explain reluctant donation behavior (Sargeant & Woodliffe, 2007; Waters, 2009, 2011). The results of our study are highly relevant for scholars and practitioners, as the potential negative effects of this fundraising method on organizational reputation militate against the goals of an effective donor recruitment.

2 | LITERATURE REVIEW

Face-to-face street fundraising is considered to be "one of the most exciting, dramatic, and visible developments in fundraising" (Jay, 2001, p. 86). The process of face-to-face street fundraising involves a team of well-trained, agency-based solicitors approaching pedestrians in public areas and persuading them to sign up for a long-term membership with a particular charitable organization (Jay, 2001). Nonprofit organizations try to interact directly with individual donors by means of face-to-face street fundraising not only to raise money but also to develop a trust-based, long-term relationship (Burnett, 2002;

Sargeant, 2001; Waters, 2011). Engaging in solid relationships with donors is beneficial for nonprofits, as it increases the chances of survival, given the heightening competition for stakeholder support (Burnett, 2002).

Nonprofit leaders perceive face-to-face street fundraising to be particularly beneficial for several reasons. First, it encourages new donors to commit to regular donations, which enhances the organization's planning reliability (Jay, 2001). Second, encouraged by young and dynamic solicitors, who appear to be very committed to the cause and present the organization in a positive light (Jay, 2001), face-to-face street fundraising addresses young people as a new audience (Sargeant & Jay, 2004; Wittenberg & FitzHerbert, 2015). Third, the direct communication between the donor and the receiver, that is, a representative of the organization, increases altruistic behavior by what Payne, Scharf, and Smith (2017) call "power of the personal". On one hand, personal contact intensifies empathy and consequently exposes the intentions of the donors, as shown in a dictator game experiment by Andreoni and Rao (2011). On the other hand, donors have a better opinion about the quality of a relationship when there is a direct dialogue between the parties. Waters (2009, 2011) found that regular donors have a higher perception of an organization and their relationship with it if they attribute high levels of trust, commitment, satisfaction, and control mutuality to the organization. As open and positive communication can leverage these factors, face-to-face street fundraising has great potential to initiate high-quality relationships (Waters, 2011). In return, a previous relationship with the organization can also enhance the fundraising success, considering that street-recruited donors are less likely to lapse if they thought about giving to the particular charity before (Nathan & Hallam, 2009).

Nevertheless, face-to-face street fundraising has a marked tendency to evoke negative attitudes among pedestrians, a topic that has received recent attention in both academic and nonacademic literatures (Bennett, 2018). Although the efficiency of face-to-face street fundraising seems to improve over time through better campaign management (Fleming & Tappin, 2009), a series of studies highlight the high number of lapses of street recruits (Bennett, 2013; Sargeant et al., 2012; Sargeant & Jay, 2004). There is a general agreement that solicitors frequently overlook the donor's personality. However, Nathan and Hallam (2009) argue that lapsing is not a personality issue but a behavioral consequence, meaning that the donor's attitudes or beliefs do not support his/her donation behavior (any more). Accordingly, personal circumstances or characteristics, like the tendency to overspend, missing public commitment (Bennett, 2013), or general dissatisfaction with the recruitment process (Sargeant & Jay, 2004), may just be used as excuse, and the real reason to stop giving lies somewhere else. Moreover, signing a membership contract on the street is more likely to lead to "no-shows," that is, people who cancel their membership before the first payment is due (Fleming & Tappin, 2009). Hence, although street recruits agree to donate at first, their intentions may change due to negative feelings that arise during the fundraising process. Indeed, recent fundraising reports show that fundraising techniques can be a main cause of complaints against charities (e.g., European Fundraising Association, 2016; Frost & Sullivan Pty Ltd, 2017; Fundraising

Regulator [FR], 2018). The FR shows many complaints are directed towards face-to-face methods (including door-to-door, street, and private site fundraising). The findings of Sargeant et al. (2012) confirm that face-to-face fundraising incites a large number of complaints from donors. The authors argue that 1 out of 600 people who gave donations after being approached on the street communicated their concerns, disregarding (a) street recruits who are dissatisfied but do not actively complain and (b) pedestrians who did not become donors but who feel uncomfortable about being approached on the street. As both of these groups are likely to harbor a negative attitude about the solicitation process, the real number of people who perceives an organization negatively due to face-to-face street fundraising might be substantially higher. Although reports show that compared with other methods, street fundraising provokes only a small to moderate number of complaints (FR, 2018); this method leads to donors having little expectations of the organization's service delivery (Sargeant & Jay, 2004). People who complain about street fundraising are particularly unhappy with the fundraisers' behaviors and appearances (FR, 2018). Because personalized and service-oriented treatment is an important trigger for donations (Bennett & Barkensjo, 2005; Sargeant, 2001), the absence of service orientation in face-to-face street fundraisers may provoke negative attitudes (Bennett, 2013; Sargeant, 2001).

The way in which stakeholders perceive an organization is extremely important for nonprofit organizations. Asymmetry of information between nonprofit organizations and donors is particularly high, as stakeholders face difficulties in assessing the organization's true effectiveness (Haski-Leventhal & Foot, 2016; Willems & Waldner, 2019). Hence, donors frequently draw upon organizational reputation as a proxy for a reassurance of the company's effectiveness in future (Willems, Jegers, & Faulk, 2016). This can be explained by signaling theory, which states that organizations decide what they communicate to avoid potential risks caused by asymmetric information, whereas stakeholders decide how they interpret this (Connelly, Certo, Ireland, & Reutzel, 2011). By communicating in a way that increases positive perceptions among stakeholders, an organization can actively establish a solid positive reputation, particularly when organizations aim at building a relationship with their donors. The positive influence of a nonprofit organization's reputation on stakeholders' support has been confirmed in various contexts, such as monetary, in-kind, and timely donations (e.g., Meijer, 2009; Mews & Boenigk, 2013; Sarstedt & Schloderer, 2010). Hence positive organizational reputation is considered fundamental for making fundraising efforts successful (Sargeant & Woodliffe, 2007), whereas negative reputation may cause a decline in individual support (Mews & Boenigk, 2013).

In this context, face-to-face street fundraising is perceived rather negatively, with fundraisers being insulted as "chuggers" (a derogatory portmanteau of the words "charity" and "mugger"), that is, people who approach pedestrians on the street to get donations for a nonprofit organization (Bennett, 2018; Neitzsch, 2012). Missing professionalism of these street fundraisers has led to critical voices regarding unethical behavior in the past couple of years (Ward, 2018). Dean and Wood (2017) found that particularly missing knowledge, the intentional provision of misinformation, and invasive approaches of chuggers cause

negative feelings among potential donors, which may lead them to question whether these organizations are acting responsibly and can be trusted. Neitzsch (2012, p. 15) confirms that "the partially aggressive and dubious behavior of some fundraisers has brought a bad image to the whole sector." Considering the impact of direct communication between nonprofit representatives and stakeholders with respect to both the quality of the relationship (Bennett & Barkensjo, 2005) and the organization's reputation (Chun et al., 2005), it seems likely that face-to-face street fundraising will have a strong influence on the donors' perceptions of and behavior towards an organization. In other words, we assume that the negative image of face-to-face street fundraising can lead to a negative impact on the organization's reputation as well as its stakeholders' support intentions. Therefore, our hypotheses are the following:

Hypothesis 1 *Face-to-face street fundraising has a negative effect on the reputation of a nonprofit organization.*

Hypothesis 2 *Face-to-face street fundraising has a negative effect on stakeholders' support intentions.*

3 | METHOD AND RESULTS

We conducted a mixed-methods experiment to investigate the effects of face-to-face street fundraising on organizational reputation and stakeholders' support intentions. The quantitative data enabled us to investigate the statistical correlations between the fundraising method and the stakeholders' attitudes, whereas the qualitative data helped us to understand better why individuals have a certain perception of an organization.

3.1 | Sample and procedure

The experiment was conducted with an online questionnaire (Qualtrics Surveys) and distributed with convenience sampling, targeting mainly students and young professionals, who are the main audience of face-to-face street fundraising (e.g., Sargeant & Jay, 2004). While ensuring transparency and alignment with the ethical standards of Hamburg University, we informed the participants that participation was voluntary and anonymous. In total, 210 respondents started to answer the questionnaire and 125 completed it. The average age was 31.90 years ($SD = 11.68$; minimum = 19 and maximum = 69), with 56.8% women, 48.0% students, and 37.6% employees, and with 73.6% holding at least a bachelor's degree. Descriptive statistics are displayed in Tables S1 and S2.

3.2 | Research design and variables

The experiment started with an introductory text of two paragraphs (see Figure S3). In the first paragraph, we provided a short description of a fictional human aid organization named "Donors of Hope." We

used a fictional organization to avoid different effects due to previous knowledge (Willems, Waldner, & Vogel, 2019) and provided the same description to every respondent. In the second paragraph, which contained the experimental treatment information, we described the fundraising method that was used to attract donating members, that is, donors that sign up for a long-term membership with regular donations. The respondents were randomly assigned to either face-to-face street fundraising (Group A, $n = 65$) or letter fundraising (Group B, $n = 60$). We chose to compare face-to-face street fundraising with the more traditional method of letter fundraising for two reasons. First, both fundraising methods enable a personalized communication channel between solicitor and potential donor; and second, both methods are frequently applied to attract new donors (e.g., Urban-Engels, 2008).

To measure the different effects of fundraising methods on the reputation of an organization (Hypothesis 1), the respondents were asked to answer six questions from the reputation measurement scale developed by Sarstedt and Schloderer (2010) with a 7-point Likert scale ranging from *very unlikely* (−3) to *very likely* (+3). Internal consistency among the six items was high (Cronbach's $\alpha = .838$). In addition, we asked the respondents to rate their overall impression of the organization on a 5-point scale from *very negative* (−2) to *very positive* (2).

The respondents were asked to rate their willingness of becoming a donating member (*yes/no*) and their willingness to volunteer, again on a 7-point Likert scale ranging from *very unlikely* (−3) to *very likely* (3), to measure the different effects of fundraising methods on stakeholders' support intentions (Hypothesis 2).

In a manipulation check question, we asked for responses to the fundraising method applied by the organization (the answer options were as follows: "personal communication in pedestrian zones," "telephone calls," and "personalized letters"). Only three people did not correctly remember the treatment information, which suggests that the majority of respondents had read the information thoroughly.

3.3 | Quantitative analysis

The results of the hypotheses tests are reported in Table 1. For Hypothesis 1, the analysis of variance test shows a significant

difference in the perceived reputation between the two groups, with the respondents from Group A (mean = 0.17, $SD = 1.04$) evaluating the organization to be considerably less reputable than the Group B respondents (mean = 0.66, $SD = 1.06$; and F value = 6.63, $p = .01$). The density plots of both treatment groups are displayed in Figure 1. In addition, for the second reputation measure (overall impression), the difference between both groups is significant (F value = 6.49, $p = 0.01$). These results confirm Hypothesis 1.

For Hypothesis 2, the analysis of variance test shows that the respondents from Group A were significantly less likely to volunteer (mean = −2.11, $SD = 1.20$) than the respondents from Group B (mean = −0.95, $SD = 1.63$; and F value = 20.65, $p < .001$). The results for the stakeholders' intentions to become donating members, on the basis of the *yes/no* question, are not significant ($\chi^2 = 0.48$, $df = 1$, p value = 0.48). Hence, Hypothesis 2 is only partially supported.

3.4 | Qualitative analysis

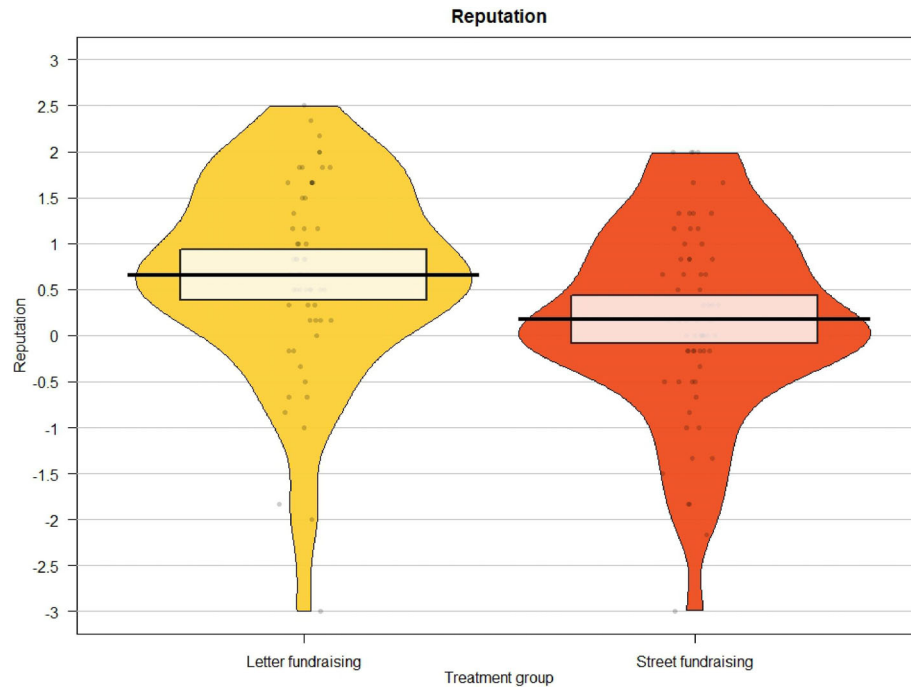
We asked the respondents to explain their judgment to gain detailed insights on why face-to-face street fundraising has a negative effect on the pedestrians' perception of a nonprofit organization. We received 72 valid answers and analyzed them by following a systematic three-step coding scheme (Gioia, Corley, & Hamilton, 2013, see Figure S1). First, we derived first-order concepts from the responses, which we distilled into second-order themes as a second step. In the third step, triangulation among researchers and the use of literature enabled us to formulate three aggregate dimensions, that is, the factors that the respondents consider when assessing organizational reputation, which we called "communication strategy" (i.e., perception of communication as informative, transparent, and/or honest), "organizational strategy" (i.e., perception of organizational goals, activities, and structure), and "fundraising strategy" (i.e., perception of the fundraising method).

We found the following difference between the answers of the respondents from Group A and Group B; although both groups evaluated the organization relatively evenly based on its communication strategy, their judgment differed considerably with regard to its fundraising and organizational strategy. Concretely, respondents who received letter fundraising as treatment drew mostly on the

TABLE 1 Analysis of variance tests for continuous variables and χ^2 test for categorical variable

Treatment group	Face-to-face street fundraising ($n = 65$)		Letter fundraising ($n = 60$)		ANOVA test	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	<i>F</i>	<i>p</i>
Reputation	0.17	1.04	0.66	1.06	6.63	.011
Overall Impression	−0.08	0.83	0.28	0.74	6.49	.012
Volunteer Intention	−2.11	1.20	−0.95	1.63	20.65	<.001
					χ^2 test	
	Yes	No	Yes	No	χ^2	<i>p</i>
Membership Intention	12.3%	87.7%	16.7%	83.3%	0.48	.48

Abbreviations: *SD* = standard deviation; *M* = means.

FIGURE 1 Density plots

organization's goals, activities, and structure for evaluation; for example, as elaborated through the following statement:

Considering that Donors of Hope engages in a sustainable development as it helps people to help themselves and introduces concrete local projects to its donating members, I have a positive perception of the NGO.

In contrast, the respondents who received the face-to-face street fundraising treatment focused on the fundraising strategy when being asked to explain their judgment, as, for example, expressed through the following statement:

Recruiting donating members on the street often seems unserious and is frequently irritating. The 'recruiters' are just trained to recruit the donating members quickly and efficiently for a project they are often not even supporting themselves, which is little persuading. A strategy of blindsiding, talking at a bad conscience and often simple information.

Additionally, to enhance our understanding of why face-to-face street fundraising sheds a negative light on an organization, we further analyzed the statements of respondents from Group A by following the same coding approach (Gioia et al., 2013; see Figure S2). In this way, we found three explanations given by participants for the negative image of face-to-face street fundraising, that is, perceived pressure, untrustworthy appearance, and questionable intentions. The first explanation is perceived pressure that relates to both time-related and emotional pressure put on pedestrians. Many respondents complained about the lack of time to reflect on a donation decision

and to gather independent information about the organization. Similarly, many respondents felt an emotional pressure executed by face-to-face street fundraisers by raising guilt or moral accusations. The second explanation why face-to-face street fundraising is disliked is the appearance of fundraisers as unprofessional, untrustworthy, and intrusive. The third explanation is the questionable intention of an organization and fundraisers, as it is unclear to many pedestrians whether the fundraisers are actually committed to the cause or just trained to "rip them off" (quote from one respondent).

4 | DISCUSSION

The purpose of this study was to understand the potential long-term effects of face-to-face street fundraising on the reputation of a nonprofit organization. By experimenting with quantitative and qualitative data, we were able to generate differentiated findings, which show that respondents evaluate a nonprofit organization that recruits members on the street significantly less positively than a nonprofit organization that recruits members via letter fundraising. When asked to explain their evaluation, the respondents confirmed that face-to-face street fundraising influences their perception of an organization in a negative way. In particular, they claimed that face-to-face street fundraising causes emotional and time-related pressure, distrust and obtuseness, and raises questions regarding the fundraisers' intentions.

4.1 | Theoretical implications

Our findings contribute to the research field of nonprofit management, particularly the recent literature streams of organizational

reputation and fundraising methods. First, we advance knowledge about nonprofits' reputation management by revealing that different fundraising methods can lead to diverse perceptions of an organization. Considering the rising competition for resources in the nonprofit sector and the need for organizations to stand out, reputation can help donors differentiate one organization from another (Rindova et al., 2005). By choosing to actively engage in (or avoid) certain fundraising methods that influence reputation, organizations are able to raise awareness and stakeholder support (Sargeant et al., 2008). Our findings show clear differences in the reputation of organizations that engage in face-to-face street fundraising versus those that apply letter fundraising. It is for further investigation to find out whether the negative effects of face-to-face street fundraising may be moderated by additional information, for example, through media attention or spillover effects from funding partners (e.g., Jones, Cantrell, & Lindsey, 2018; Willems et al., 2019).

Second, our results highlight the notion that personal interactions with the representatives of an organization may have a strong influence on reputation (Bennett, 2018; Chun et al., 2005; Helm, 2007). Our study shows that young people often perceive face-to-face fundraisers as intrusive, unprofessional, and apathetic. Interactions with such fundraisers evoke negative feelings, which seem to reflect on the perception of the organization as a whole and result in negative reputation ratings. Nevertheless, the choice of fundraising methods is likely to be a trade-off decision, as nonprofit organizations have to keep their costs in mind and therefore opt for the most effective and efficient method available. This way, our findings confirm what Humalisto and Moilanen (2019) recently called "the paradox of successful fundraising", referring to the challenge nonprofit organizations faces when trying to pursue their long-term goals while focusing on short-term efficiency in fundraising.

Third, we add to the fundraising literature by challenging the idea that face-to-face fundraising helps to engage in long-term relationships with stakeholders (Sargeant, 2001). Previous literature has suggested that personal contact and open communication are supposed to increase the donors' empathy and trust toward the organization and therefore attract regular donations (e.g., Andreoni & Rao, 2011; Waters, 2009, 2011). However, our findings contradict this assumption. In line with previous criticism of face-to-face street fundraising (e.g., Bennett, 2013, 2018; Bennett & Barkensjo, 2005; Dean & Wood, 2017; Sargeant et al., 2012), we observed a diminution in the respondents' perceptions of an organization as well as their willingness to engage voluntarily. In fact, if an organization applies face-to-face street fundraising, many pedestrians seem to base their evaluation of the organization on the fundraising method rather than on organizational characteristics, at least when limited information is provided. This is interesting, as it appears that just the idea of face-to-face street fundraising triggers negative feelings. As a result, the negative reputation caused by face-to-face street fundraising may not only prevent people from donating in the first place but also provide a new explanation for the high probability of disengagement after having signed up for a membership on the street (e.g., Sargeant et al., 2008; Sargeant & Jay, 2004), in particular in the case of "no-shows"

(Fleming & Tappin, 2009). However, we acknowledge that the perceptions pedestrians have of organizations also depend on how the recruits are approached. Humalisto and Moilanen (2019) recently found that for a successful face-to-face street fundraising strategy, public expectations have to be taken into account, for example, by designing straightforward campaigns that consider the brevity of the interaction. Such mechanisms might also help to avoid a negative perception of the fundraiser or the soliciting organization.

4.2 | Practical implications

Our findings show that young people have a significantly more negative perception of face-to-face street fundraising in comparison with letter fundraising. Organizations should take a potential decrease of their reputation into account when evaluating whether they should invest in face-to-face street fundraising. Donors have clear expectations of fundraising behavior (Sargeant et al., 2008), which have to be met for organizations to get positive perceptions. For example, as stakeholders consider it highly important that the resources they provide to an organization are used efficiently (Konrath & Handy, 2018), organizations can avoid a negative reputation by ensuring transparency and open communication with respect to organizational goals, needs, and effectiveness (Waters, 2009). Direct dialogues between organizational representatives and pedestrians on the street can be an advantageous way to achieve this. However, the focus of these conversations has to be the exchange of information rather than a one-sided intent to "talk people into donating" (as stated by one respondent). Creating a possibility for stakeholders to interact with organizational representatives personally and gather additional information about goals and activities may enhance the organization's reputation (Helm, 2007). In addition, offering a personal exchange as a service might even decrease the probability of donors' membership lapsing (e.g., Bennett, 2013; Bennett & Barkensjo, 2005) and contribute to a healthy long-term relationship.

4.3 | Limitations and further research

Our experiment has several limitations, which also reveal important paths that can be explored through further research. First, as we chose to investigate the reputation of a fictional organization, our manipulation disregarded the contextual factors that influence stakeholders and which real organizations have to consider. Sargeant and Woodliffe (2007) found, for example, that the fundraiser's gender, age, and image strongly influence donors' giving intentions. Sarstedt and Schloderer (2010) revealed that the reputation of nonprofit organizations is influenced by the organization's performance, social responsibility, attractiveness, and product quality. As contextual factors might directly influence or mediate effects on organizational reputation and stakeholder support, they should receive more attention in future research projects. Second, as our experimental design aimed at ensuring that reputational differences can be traced back to the fundraising

method. Therefore, the respondents had limited time and information to evaluate the organization, reflecting a street fundraising context, in which pedestrians are also required to make a fast decision. Hence, our design serves well to assess the reputation of an organization at a certain point in time. However, in reality, organizational reputation evolves over time, and stakeholders have the possibility of reflecting on their judgments (Rindova et al., 2005). Further research should aim at investigating whether the reputational loss persists over the long term. Third, our sample comprises mainly of young, educated people. This is consistent with our research focus, as previous studies show that young people are the main target audience of face-to-face street fundraisers (Sargeant & Jay, 2004) and that organizations benefit from building trust among predefined target groups (Alhidari, Veludo-de-Oliveira, Yousafzai, & Yani-de-Soriano, 2018). However, as this sample is not representative of the total population, future research with a larger and more diverse sample could verify our findings.

5 | CONCLUSION

This study aimed at investigating how face-to-face street fundraising influences the reputation of a nonprofit organization. The findings of our mixed methods experiment show that the reputation of an organization that applies face-to-face street fundraising is significantly less positive, and stakeholders are less likely to support it, as compared with an organization that applies letter fundraising. The respondents confirmed that their negative perception of this fundraising method influences their overall attitude about the organization, which is rooted in the emotional and time-related pressure, the untrustworthy and intrusive appearance, and the presumably questionable intentions of the fundraisers. As such, our study has relevant theoretical and practical implications, showing as it does that nonprofit organizations have to be aware of a reputational loss caused by face-to-face street fundraising.

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SUPPORTING INFORMATION

Additional supporting information may be found online in the Supporting Information section at the end of this article.

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