MoS Rapid Response Transcript – Sarah Friar

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People have missed just actually getting back together. And this is the moment where I think community really matters.

Those are all things that should happen even in good times, not just in moments of crisis.

BOB SAFIAN: That was Sarah Friar, the CEO of Next Door, the social network built around local neighborhoods. With the Great Lockdown underway, NextDoor has seen dramatic shifts — and growth — in usage and patterns.

On today's episode of Masters of Scale: Rapid Response, Sarah takes us inside the data and connections that NextDoor is facilitating.

Conversations about help are up more than 250%. For those less selfless, NextDoor has instituted a “Kindness Reminder” to nudge users toward their better selves. Sarah is also seeing small businesses using the NextDoor platform to poll and test new ideas that can help them emerge stronger once the lockdown eases.

This is Bob Safian, editor at large at Masters of Scale. For this episode, Reid is handling the interview. I’m sure you’ll enjoy it.

Let’s listen in.

REID HOFFMAN: I’m here in our now, shelter in place, classic of interviewing remotely, even though we're both in the Bay Area, with Sarah Friar of Nextdoor. I have been looking forward to this for months. Great to see you Sarah.

FRIAR: Thank you, Reid. I've been looking forward to it for months too. Really appreciate being asked.
HOFFMAN: No, it's our delight and honor. And one of the things that I love about doing these interviews, even with people I know well like you, is I still learn new things. For example, I hadn't really tracked that you had gone to Oxford and that we were co-graduates of Oxford University.

FRIAR: That's amazing. I actually did not realize that either.

HOFFMAN: What were the formative experiences of your childhood, and how did that begin making you think about community and the ways that you think about it?

FRIAR: So I grew up in Northern Ireland. I grew up in a pretty tough time. I am a child of the '70s and '80s, so The Troubles were at their worst. I actually grew up on a border town, so that was particularly tough. In fact, my local town, Strabane had the dubious honor, I think for about three decades, of being the most bombed town of its size in all of Western Europe, and that included during the Bosnian Serbian crisis, which is not necessarily the sort of medal that you want to win in life.

But, what happened — I grew up in a little village, just right outside that town. And I think what was important now as I think about the arc of my life is I grew up with two parents who were incredibly community-minded. So my dad was the personnel manager for the local mill. The local mill was the sole employer. It literally employed the whole village. The village existed because of the mill. And so my dad knew everyone and he crossed the faux boundaries because you actually had to employ the mix. And so my dad was very much part of the whole community.

My mom was the local nurse. Same thing, religion does not come to bear if you're having a baby and you need the midwife, my mom to show up, or if your mom has had a heart attack, and you need my mom to come apply CPR.

And so I really now respect in hindsight how much they drilled that sense of community into my brother and I. And I think it's why both of us in some ways have ended up in very kind of community-minded jobs. In his case, he's actually a frontline ICU doctor right now running a ward in Scotland dealing with COVID-19. And I feel like I've come home to Nextdoor because of a lot of that community underpinning from growing up.

HOFFMAN: Let's start with the product side of the pandemic. What have been some of the really key learnings, key uses for the Nextdoor community, the Nextdoor product, about how it can actually make a big difference for individuals' pandemic responses? And what are the things that you've learned about like, "Okay, and these are the things we need to now do more"?

FRIAR: So we did have a plan. I mean, we didn't plan for a pandemic, but we have a plan around crisis. And I think that's first of all, rule number one, every leader you should
do some tabletop exercises and just start to think through what you do. And so for us it was clear. We actually are live in Italy so our first kind of eye into it was seeing what was going on in Italy, France, Spain. And I sit on the Walmart board, so I'd actually seen a lot of what was going on in Wuhan as well.

So week one was safety of our employees, but especially safety of members of the neighbors. I feel like I talked to a lot of CEOs in those first couple of weeks, and a lot of the conversation was about this work from home, safety of employees. And I was like, "I care about that deeply, but my head of people is dealing with that because right now the business needs to think about how Nextdoor can think about the safety of communities."

So for us, it was getting the right information front and center, so we did a lot of work really bolstering that public agency platform. As you know, as Governor Newsome sent us to shelter in place here in California, he talked about the partnership with Nextdoor, Governor Cuomo, Governor Raimondo in Rhode Island, Mayor Khan in London, the NHS, the French Ministry of Health, the Catalan government – all of them are on the platform making sure that the most accurate real time information is always available at the top of the newsfeed in a roll up. And that was not something we had done. So we literally did a 48 hour total push, code red, to make sure that information would be really front and center to help keep people safe.

The next phase was really about help, because immediately we could see our engagement jumped something like 80% on just a week over week basis. We could see just "help". Conversations about help are up 262%. In Sweden, it's up 30x. And so we were seeing more people wanting to give help, I would say, in those first couple of weeks.

Everyone suddenly felt like, "Oh, what can I do?" Like, "I can go get groceries for you, I can go get a prescription picked up for you." There was a lot of offers of help. I think there's a lot of pride in people asking for help and so we launched two products. We launched Help Map and we had been alpha testing our Groups product. It was kind of just in the slog of iteration and we just said, "Okay enough, rip the bandaid off. We're just going to launch it."

So, you know, a bigger risk, but I think actually in times of crisis your customers give you a little bit more latitude for things that might not be perfect as well. Like, if they know it's coming from a good heart, there'll be more forgiving, I think, of products that might be a little kind of raggedy on the edge. But Help Map, Help Groups.

So week two is really, I would call it the week of help. Week three and four has actually been much more about businesses. And then I actually would say now week five, six that we're in, I'm trying to tilt the organization from current crisis mode to be much more about back together mode. Like what are the new emergent themes? How will things be
different? How might they be the same? And how can we make sure? Like, what are the newer creative ways that we can really think about how communities pulled together?

HOFFMAN: So, lots of different threads here. Did you get an early lens? Because one of the things about these new network properties and all of those, did you get an early lens about how big the pandemic was going to be? And what are the things to try to make sure you're funneling accurate information, getting people to, as it were, understanding, "Oh my God, we're in this crisis. Here's a good way we can link arms."

FRIAR: Yeah. So, we definitely do get an early lens as long as we know to go look for it. And so if I go back and look at our platform, we probably started to see a real pickup and engagement, here in the U.S., happen right at the end of February. And then very quickly you see it really start to skyrocket the week of March 3rd. What was interesting is what the conversations were and we can slice the data by, literally, down to a neighborhood level, but we can definitely see New York probably lagging Bay Area, actually, very far out in front or even California.

You can see in the beginning it was about hand sanitizer, toilet paper, restaurants. Now you start to see even a much more than gradated form of conversation happen. So, things like, wanting to spread more joy, people talking about local businesses. Now they're kind of shifting to those being laid off. Homeschooling of kids has really started to pop up. And then I think most, most recently people kind of actually recognizing they're in their own bubble, kind of worried about themselves or even their community. But let's talk about the people in at-risk roles.

And then even when you get into that, if you slice that, it begins with people on the front line that are obviously at risk that deserve so much of our kindness and help and admiration. As I said, my brother is one of those working in an ICU as we speak. But then you start to see them talking about some of the unsung heroes. So, the mailman or the mail woman, the grocery store employees, the local police department, fire department, right? People who have to go to work so that our lives can somewhat stay normal. Like, “We can still get food” and so on.

And so even that sort of granularity of information gets really interesting. And, frankly, I think we're learning how to mine our platform better to understand these trends. That's why I'm kind of pushing the team to think about the back together motion and now get ahead. I feel like we were a little bit more in real time, not behind but in real time, because our platform didn't allow us to be behind on anything. But how do we now actually get to be in front of? And so as you think about things like local businesses, what are the conversations that are starting to arise, right? What's the first sort of local businesses that people want to get open if and when shelter in place is not a thing. Is it getting your haircut?
There's a lot of mundane stuff that's still really important locally. How are people going to feel about walking back into a restaurant? What would make it feel okay to walk back into a restaurant? I just saw a real estate agent do a terrific poll last week about doing virtual home viewing: What would you prefer to do? Would you rather have a 3D virtual tour? Would you be willing to do a house tour if everyone wore masks and gloves and we only allowed one person in the house at a time or one group at a time? Really asking the right questions to think about at a very tactical level how they're going to get their business back on its feet again.

**HOFFMAN:** Those sound like a great set of questions. Is there any surprising signals so far on those? Like, which businesses would people most want to see and may actually be in the 11 different countries that Nextdoor is in, there may also be a little bit of a test. What sold out in which countries?

**FRIAR:** I think what's surprising me so far, in terms of the things that people are missing, you are kind of brought back to, in some ways, what feels like mundane. Like the haircut, the local mani pedi, right? People have kind of missed just actually getting back together. People are thinking a lot about exercise and I realize that people have their exercise tribes, right? They were going to that Pilates class or they were going to that hardcore whatever class and they just miss the people. Not because, per se, in the class, because you can do a lot of that virtually, but they miss just going for the cup of coffee afterwards.

And this is the moment where I think, again, community really matters. Like one of the people that I've spent a bunch of time with over the last couple of years is Helen Russel of Equator Coffee here in the Bay area. And Helen talks about her stores, not as coffee shops, but as community meeting places.

We use “jobs to be done,” Clayton Christensen's framework, at Nextdoor, but it's really good to often think about what's the actual job you're being employed for where you might think it's coffee but it might actually be human connection. And so there are things like that that I think people can't wait to get back to, but the key will be what will make them comfortable in quote-unquote getting back together, in that scenario. Is it that the Pilates class, instead of being 20 people, is now only 10, and I know that I'm going to be spaced at a good distance apart? Is it that I'm only going to work out with a mask on. I think there's a lot of questions like that, you know, we have to get into.

The other thing is the creativity of neighbors. So, we just went through Easter and we saw a lot of, like, one of my favorites has been the teddy bear hunts. So, people putting teddy bears in the windows. This is happening in Australia. It's happening in my local community. So that when someone's out with their kids on a walk, you've got something to go kind of point at, to go find. It's like the treasure hunt in the neighborhood. And I
HOFFMAN: Say a little bit about the kind of the surprise and delight moments from the Nextdoor community, and you could even talk about you moderate your own San Francisco Nextdoor group and you attend Nextdoor meetups.

SANDMAN: There is just so much positivity. Right now in terms of Covid-19, we see things like conversations about help are up 262% just in the last month, people completely leaning in. In my own neighborhood I've seen a help group form that now is over 500 people and the leader of the group has taken the time to actually even just match you.

So I am matched to a very lovely woman Elizabeth, I won't say her surname, who's in her sixties. She felt really bad about asking for help. But she has a pulmonary issue and she's on immunosuppressant drugs. So this is someone who could not leave the house at all right now. And so she talked a lot about just how it hurt her almost to have to ask for help and yet she needs it. So I've picked up prescriptions for her, I've gone to get some bagels for her. And so I think there's this kind of getting to know people. And that goes back to if you think about Nextdoor, our purpose is to cultivate a kinder world where everyone has a neighborhood to rely on. But at the mission level, it's about utility that then drives to affinity. So I have provided utility to Elizabeth, but it's creating this sense of affinity that I know is going to last long after the current kind of crisis that we're living through.

A donut store down in Southern California where John's wife got ill and the neighbors noticed that she wasn't showing up to work. They wanted to do a GoFundMe. He was too proud. He's like, "No, thank you." And so they actually organized a campaign in the neighborhood where people would go buy out all the donuts by 7:00 AM so that he could go home to his wife while keeping his business intact.

We've had someone donate a liver. I am not kidding you. But we see it all. And as I go around the world, I think one of the things that I loved in my first year at Nextdoor is I set myself a goal of going to every country. We're in 11 countries and just sitting down with real people in Sydney or in Toronto or in Paris, in Amsterdam.

And I think the great thing, if there's something great to say about a pandemic, is that I no longer feel like I'm evangelizing this to people. It's just people get it, the power of proximity, the need for our neighbors to be our front line of support. It's no longer something that we have to shy away from. We no longer get kind of the snarkville of like, "But aren't your neighbors kind of kooks at the same time?" I'm like, "Maybe, but they might go get you that thing that will save your life. So you should put up with all the
kookiness they have and just get on with the fact that they're there for you right now in your time of need."

HOFFMAN: Let's talk a little bit about Nextdoor, the organization, during the pandemic, during COVID. Obviously it was kind of a tsunami for the world and learning and organizations. If you were to call your younger self, what would you say, "Hey, do more of this and do less of this," as Nextdoor, the organization, steered into the pandemic.

FRIAR: Sure. So, I think leading in a crisis, for me, is about two things: empathy and transparency. Some of the things we've instigated at Nextdoor actually make it somewhat easier to do work from home or working remotely. So we write everything down. We have embraced the Amazon way. I love my memos because, you know, I'm an ex-research analyst, but I actually think what that does is it cuts out ambiguity. I think with slideware and lots of conversation that doesn't get memorialized, there's just a ton of miscommunication that can happen and a lot of revision of history. And so we began that practice the minute I walked in the door. We also have cut our organization into what we call pillars. So for me, I really want us to orient around the work. We have an engineering organization, a design organization, they actually really report around this idea of a pillar. So member experience is a pillar for us. Neighborhood vitality is a pillar for us.

And so every Monday we stand up in those pillars. So, each pillar does an hour long meeting. They have their roadmaps that they're working to and it's completely cross-functional. So, the engineers that work in that, the designers, the data scientists, the comms team, right? The whole way, the whole full stack that's working on that particular pillar comes together.

And then on Friday we stand down with our all-hands. And frankly, this is where the pandemic has given us a feature, not a bug. The all-hands, I actually think, is now more of a level playing field because, regardless of where you are in the world, everyone is just a box on a computer. You have to do a lot of work to make it stay engaging, but it's a really good way to stand up and stand down through the week. And then we can use a lot of our memo formats to keep people coming along, even though they're not bumping into each other right in the corridor all the time. So, I think that that has been huge for us, both the way we have organizationally structured and the way that we work.

And it's transparency, right? When people are afraid or people are nervous, the worst thing is they feel something has been hidden from them. And so I'm probably transparent to a fault. I really love to overcommunicate. And so that has also, I think, helped during this time.
The transition I'd make to empathy is empathy for me is keeping our customers front and center at all costs. So, when we're in the office, one of the first things I did was actually just put up a bunch of pictures of our customers all around the world. Who doesn't want to see happy neighbors? But it was almost like we'd lost the spirit. I'm like, "Gosh we're like the neighborhood hub. We're all about the neighborhood." And yet you could walk into this office and you wouldn't know who you were working for. That's a total mess. So now, as we work apart, it's how do we keep those stories really front and center.

The other thing that I think is incredibly important from an organizational standpoint is that as you really lead with empathy, that you are causing them to think outside their bubble and just remind them of the stories you get the privilege of hearing through the week.

Bringing the story about my brother working in a ward and what it's like when you have 18 patients and two of them potentially not going to make it through the night. These are the moments that I think give you great perspective and remind you, "Wow, we have a lot going for us now." So when times are tougher, they allow people to breathe a little, too, and celebrate that, "Okay, we're all in this together. But there's also a lot of good here that I can find even in the midst of a pandemic."

HOFFMAN: How much do you see on the Nextdoor side? I have this belief about human nature, that crises tend to kind of sort you into two camps, right? It's kind of like if you wanted to be really simplistic hero and villain or kind of like sometimes crisis in a relationship causes you to get closer or further apart. How much have you seen this combination of hero and villain reactions in crisis?

FRIAR: For sure. We see both happening. But I think as neighborhoods have come together, so as they've kind of realized this power of proximity and this power of weak ties, Mark Granovetter talks about, there's almost been a little bit of community, everyone rising to the same challenge. And it goes back to trusted interactions and it being done in a very kind of bright light, clear, everyone's in the open and clear. Because your name is attached to everything you do on Nextdoor, it is actually really hard to be a complete asshole because your community will very quickly call you out on it. And there's this tremendous norming that happens where when people do good it is so magnified, right? People dive in to say, "You're amazing. This is fantastic." There's such a reciprocity on the kindness front. That's what I've really enjoyed seeing.

Now we do do things with technology to nudge that. So we have something called the kindness reminder, which we launched a year ago and was really about when we could see people writing something that we know is going to get moderated, right? Someone is going to report that content. We actually worked with a bunch of academics to slow people down. So we want to bring you from this brain, the dinosaur brain, back up front into your frontal lobe to really try to slow you down out of your biases. And we found
when we launched that something like 25% of all of content got rewritten. And actually the kindness reminder's getting triggered less often at the moment.

So I think platforms actually have a really strong role to play on the kind of angels and demons where you started from of crisis does tend to bring this into stronger relief. But as platforms, I think we can nudge people towards the good. Partially in how we're just set up to begin with. But then also during a little bit more of that nudging, right? We flipped kindness reminder into something around if you're posting around coronavirus specifically, you get a health reminder that says please make sure that this is sourced to a source that is credible. So, again, it's also a little nudge to people to maybe think twice about that thing they're about to tell their whole neighborhood to actually know if it's true. And so I think those are the moments where platforms at our scale can make a big difference when you're willing to lean into that.

On the local business front, you know, weeks three and four for us were all about local business. So, what Nextdoor brings is instant distribution. And what I mean by that is, you know, when I talked to Patricia, my local hair salon person, she was very proud of the Instagram page she created, it looked beautiful. I'm like, "Great. Patricia, how many followers do you have?" She's like, "32." I'm like, "Okay, not so great. Because it turns out you're doing a whole lot of work for nothing." I'm like, "Why don't you just port that on to Nextdoor and I will give you 10,000 people who actually live around you, who can walk into your salon and get the amazing color, the amazing cut whatever it is you're offering." And instant distribution is the big thing for businesses.

As we saw COVID-19 unfold, we thought about gift cards, right? Not always a great outcome, but if you need cash, it's a good way to bring some cash in right now. It could be the difference between life or death. Clearly take out options, take away options, whether you were doing pickup, whether you're doing actual delivery, letting people know that you are open for that sort of business. And also letting people know how you are protecting them. People are nervous about picking up food and they want to know that you've taken the right precautions. Fundraising, right? There's a good and bad way to do this. We wanted to make sure, though, if businesses had created a funding campaign, they could put that in front of neighbors.

And then the final thing that we have unlocked, which is a big step for us, is business posting. So today if you're a neighborhood favorite you can not post into Nextdoor feed. And we've kind of gone gently on this one because the fear has always been does it become too commercial? So, you actually lose this whole spirit of the community and user generated content. But I actually think that you define a neighborhood much more broadly than just residents. And that in this time we see residents really wanting to help the local business.
I have such a vested interest in knowing that the coffee shop I love is going to be there on the other side or that you know, that female, for me, like female-driven business that I love more than anything, I want them to survive. And so I think people are very open to hearing from their local businesses.

And the other piece is getting authentic local business advice back out to local businesses. So, I get a little peeved at the talking heads. I think a lot of people love to talk about small businesses and they've never owned one, never started one, never run one. They just happened to buy from them but that does not make you an expert. And so how do we get, you know, Helen Russell from Equator Coffee, Bobby Stuckey from Frasca, Dan Simons from Finding Farmers if you know that restaurant in DC, these are people, they are local business owners, but they've done it to some scale. They are having to react to maybe 40 restaurants, not just one, but they're also not, you know, the head of Yum! Brands who's got a very different business issue on his hands.

I think that authenticity, again, is a very deep vein that runs through Nextdoor. It runs through the people that we hire, the way we talk about our platform and our members. And now really deep on the business and public agency side.

HOFFMAN: And what would you say in terms of the pandemic, kind of triage, emergency response? What would be the top resonating way for the small businesses?

FRIAR: On the small business side, it's like claim your business page. It's free. And make sure that you are able to get that instant distribution to all your neighbors. And then, from a neighbor perspective, I would just say, get back in. Support those businesses. Right? If you go on Nextdoor, you can see a full list of all the businesses offering gift cards, take out, delivery, pickup. We have it all really well kind of aggregated at this point. And so, lean in. Now is not the time to lean away.

I'll tell you, this is kind of probably a silly thing, but I really actually do love my hairstylist because she's a female-run business, she's Brazilian, she's an immigrant. And I was like, what can I do? She's like, I don't want gift cards. They're really bad for my business because, at some point, you have to pay the piper. And I was like, okay, I will buy shampoo and conditioner. Send me a box of each. If you need shampoo or conditioner, come to me. But like that was her way. Like she's proud. She understands business, but that will give her a little bit of cash flow.

And I think, if every neighbor does just things that you're able to do, that's how you create change in a very, very grassroots, ground up way that is not the trillion dollar stimulus bill, but is actually getting the money to the people that need it right now.

HOFFMAN: Yes, exactly. All right. Well, Sarah, as always, it's a delight, and honor, and a pleasure to be talking with you. Thank you for joining us.
FRIAR: Thanks, Reid.