

Masters of Scale Episode Transcript – Sarah Friar

The Empathy Flywheel, w/Nextdoor CEO Sarah Friar

[Click here to listen to the full Masters of Scale episode featuring Sarah Friar.](#)

REID HOFFMAN: For today's show, we're talking with Sarah Friar, the CEO of Nextdoor, who's built a reputation in Silicon Valley as both a skilled operator and a beloved leader. But we'll start the show – as we often do – by hearing from another person who's renowned in their field.

DR. ROBERT ROSENKRANZ: I might not be Mark Zuckerberg, I might not be Sheldon Adelson, I might not be Tom Brady, all right. I'm Robert Rosenkranz, I'm a dentist in Park Slope, and I love my patients. I love what I do.

HOFFMAN: Robert Rosenkranz is a dentist in Brooklyn, New York. A dentist who loves his patients so much he sees 80 of them every day. That means he's in the office almost 14 hours, six days a week.

ROSENKRANZ: Okay. A little less on Sunday. Otherwise my wife would leave me. But six days, we're looking like max hours. Max capacity.

HOFFMAN: You know the drill on this show. Working long hours isn't unusual. What sets Robert's dental practice apart is that his patients keep multiplying. Not because the good people of Park Slope have particularly bad teeth, but because they just love visiting Robert.

ROSENKRANZ: One of my very good friends says to me, "Whenever you see someone, they think you're their best friend. When you talk to them, they feel like you're their best friend." I said, "That's what I want."

I take that, and I bring it to work, and I bring it to strangers, and it becomes infectious.

HOFFMAN: It's this extreme empathy that has kept the patients coming back and telling their friends about it ever since Dr. Rosenkranz opened his practice in 2006 as a one-man outfit. And then grew it to a 14-hours-a-day operation.

ROSENKRANZ: I've done no marketing. I do no advertising. I always thought that, you infect one person, one infects two, two infects four, and it just goes viral. And that's what I did with my business.

HOFFMAN: And Robert's business isn't just for people who look and sound like him. When you step into his waiting room, you see a reflection of the diverse Brooklyn neighborhood he's a part of.

ROSENKRANZ: It's funny, someone said to me, "Dr. Rosenkranz, when I come into your office, I feel like it's a Benetton commercial." It's so diverse.

I have Jewish hygienists, I have Muslim hygienists, I have Christian hygienists, I have Greek Orthodox hygienists, I have Asian hygienists, I have African-American hygienists, and we're all one.

HOFFMAN: Robert never invested in advertising or marketing. But he did invest in making a person-to-person connection with each and every patient. And their connection to him – a connection so strong, they actually look forward to their next dental appointment – inspires them to tell their friends, one by one by one.

And that's a perfect example of why I believe you should first be human. Building one-to-one connections with your customers isn't fast – and it isn't easy – but it can drive you to scale and more importantly, keep you there.

[THEME MUSIC]

HOFFMAN: I'm Reid Hoffman, co-founder of LinkedIn, partner at Greylock, and your host. And I believe you should first be human. Building one-to-one connections with your customers isn't fast – and it isn't easy – but it can drive you to scale and, more importantly, keep you there.

If you are of a certain age, you may remember the children's book "What Do People Do All Day?" by Richard Scarry. It's packed with intricate images of cartoon animals going about their work in the bustling community of Busy Town.

There's an air of unreality about everything. But it isn't just the bears delivering mail or the worms dressed in suits. It's the way everyone is smiling, interacting, and working together.

And ironically, these imaginary animals are illustrating an adage that I often repeat to founders. First, be human.

Because in the race to scale, it's easy to overlook the value of one-on-one, human-to-human connections. Especially the ones that happen in real-life, on a local level. These kinds of connections can't scale as fast as other kinds of growth. But they're strong – and they last. And this fuels growth in a different way.

I wanted to speak to Sarah Friar about this, because – as the CEO of Nextdoor – she's building a kind of social network that most people in Silicon Valley view as impossibly hard. And as Nextdoor grows, it's overturning a number of truisms about scale.

Most online social networks let you connect with anyone anywhere in the world, but Nextdoor limits your network to your actual, physical neighborhood. For its users, Nextdoor is the

equivalent of a vibrant town square. A place where people gather, share recommendations, and help each other out.

In the small village in Northern Ireland where Sarah grew up, her family home served much the same purpose. It was the height of the conflict in Northern Ireland known as “the Troubles.” The country was violently divided, and Sarah’s village was at the center.

FRIAR: 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, not necessarily the sort of medal that you want to win in life.

I grew up in a little village just right outside that town 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. 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.

HOFFMAN: Sarah’s parents were just two people in a community of hundreds – a community that seemed intractably divided. But Sarah’s kitchen table offered a vantage point for seeing the outsize impact that small, human-scale connections can have on reaching across boundaries.

FRIAR: We would often sit down to dinner, and there'd be a knock at the back door, and the key would be like, which was it? Was it a medical problem or was it the other full gamut of social problems people have? It could have been someone short of money, someone who needed a job, someone going through domestic violence. We kind of saw it all sitting in our kitchen.

It's an amazing way to be brought up with that deep sense of integrity about why community matters, and it really protected our village from a lot of the trauma of the Troubles which were going on all around us.

HOFFMAN: Those conversations around the Friar family kitchen table are the kind of one-on-one human connections that hold communities – and companies – together. Intractable problems often arise when these conversations fall away. And this is why you need to keep coming back to the metaphorical kitchen table.

Sarah left that close-knit community to attend university – and she took a route that I found particularly surprising.

HOFFMAN: 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. Not just obviously in the discussion, which is always true, but also in some of the pre-brief, like for example, I hadn't really tracked that we were co-graduates of Oxford University.

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

HOFFMAN: Now, what surprised me is you're the only person I've ever seen who did [Metallurgy, Economics, and Management](#).

SIRI VOICE: Metallurgy: The science and technology of metals.

HOFFMAN: What made you choose this major?

FRIAR: Yeah, MEM. So there's a couple of things. One, I definitely have always been a total science freak. Loved sciences of all sorts. Growing up in a small community, what you find is if you're good in school, you are therefore on a path to do one of two things. Everybody wants you to become a lawyer or an accountant. I'm not sure why those two jobs are the thing. But I wanted to do something different.

HOFFMAN: It's not unusual for guests on this show to have worked their way up from the bottom. But in this respect, Sarah went extra deep.

HOFFMAN: One of the new things I also learned about you, which is that you then went down to work on a mine, which was like, what? So what led you to going down to working in a mine?

FRIAR: It interested me a lot because gold mining is incredibly environmentally damaging because arsenic is the chemical used. And so anything that you can do to minimize the use of arsenic has really strong positive environmental outcomes.

My tutor in Oxford had been working on a process, called [the BLOX](#) process, of how to extract gold out of sulfide ores. You could use literally about a 10th of the arsenic requirement.

But it was amazing because I got to see an actual lab process turned into an actual real-life scale process. This whole podcast is Masters of Scale. And that was a masters of scale moment.

HOFFMAN: Sarah's college internship was literally a gold mine. And that experience also set Sarah apart at her first job, with the consulting firm McKinsey.

FRIAR: There weren't that many BA's joining McKinsey that had worked on a mine. And it turned out South Africa, our main client base were financials or mining companies.

HOFFMAN: In the mid-'90s, Sarah joined McKinsey's South Africa office. There was something familiar about being in this fractured society that was just starting down a long, hard road of reconciliation.

FRIAR: This was a country that had just opened up from an apartheid era. Mandela had just risen to power. It was being transformed in wonderful ways, but also a huge amount of just social and societal change.

The mandate from the government was to see Black people at the top of these companies, and they had never been given a chance to learn how to be senior leaders, senior executives. And so we were trying to create a rocketship boost to up-and-comers, all overlaid actually with an AIDS crisis.

HOFFMAN: It was a time of sweeping changes across South African society. The end of apartheid and the rise of AIDS. And although Sarah's work focused on the business of the mining industry, the human component never left her sights.

FRIAR: One of my most powerful moments is we would have stickies up on a board of people, people's names on it. We would have, "Jake is doing really well. He can get promoted in this next cycle." And you'd come to work, and you'd be like, "Jake's sticky fell off the board. Where did the sticky go?" And you'd be looking around the room, and the answer would be: He just diagnosed HIV positive. He's not going to be around. It's really incredible. But all of that work kept bringing me back to the people that underpin these big business problems.

HOFFMAN: Those chilling gaps on the Post-it wall were a reminder of the deep channel of human concerns that flow through every business. When times are good, this channel keeps you buoyant. But when times are tough – like during a crisis – you can be dragged under if you don't remember the principle: First, be human. This is where every solution starts.

From McKinsey, Sarah got her MBA at Stanford and took a position at Goldman Sachs.

FRIAR: Goldman was a lot more about a place where I felt I could continue to learn. I'd always been intrigued by finance.

HOFFMAN: And during that time, Sarah became fixed on a singular goal.

FRIAR: I'm super driven. I want to succeed. I want to win. Not at all costs, but I definitely never have hidden that. And at Goldman, that pinnacle was making partner.

HOFFMAN: In 2011, on a foggy morning in San Francisco, she was on the cusp of achieving that goal. It was the day every two years when Goldman announced new partners. The head office called to tell Sarah: maybe next time.

FRIAR: It was a moment of like, "Whoa, I failed at something."

HOFFMAN: And yet, one of the places where I think is particularly an amazing part of your journey was that what some people would think of as a failure moment on the partner track, you converted into a rocketship moment.

FRIAR: The person I credit with the pivot moment was my husband, who said it so clearly that morning as he walked me around the Goldman Sachs building. He just said, "They have freed you. It's freedom." I was kind of looking at him through the tears like, "What do you mean?" He's like, "You don't owe them anything. If you want to stay and do this, I totally support you. But if you want to go do something else..."

And then he kind of blurted out, "I've never actually felt like you're super interested in stocks, so it's weird that you're a stock analyst." I'm like, "You're totally right. I don't want to just make money. It's not who I am."

I mean, it is definitely those hindsight moments of your greatest learning is in that moment of what feels like abject failure.

[AD BREAK]

HOFFMAN: Before the break, Sarah was recovering from what she saw as her failure at Goldman Sachs. But in hindsight, this freed her to move closer to her actual passion. As a stock analyst, Sarah was far removed from the one-on-one human connections with customers that drive her the most. So she left Goldman to join the tech company Salesforce, and then Square, as CFO. She became known in Silicon Valley as a talented operator for fast-scaling companies.

Then, Nextdoor came knocking. Its mission spoke to her.

FRIAR: It's community. It's what I've always been passionate about. It's a thing I'm good at. And I think it's what the world needs.

HOFFMAN: Nextdoor appealed to Sarah because of its unique approach to connecting people.

NEXTDOOR SONG:

Next door is built from neighbors. The real ones on your block.
Get news, service, and favors, and community talk.
Recommendations are optimal because they're proximal.
Micro networks foster Grassroots faster when we're really there.

It's got a reminder for us to be kinder.
All the nasty comments reduced by thirty percent.
Rephrase your words in your palm, and we all will get along.
Come and take a walk to where the neighbors share the score.

And join us next door.

HOFFMAN: Instead of choosing your own connections, users are automatically connected with the people in their physical neighborhoods.

FRIAR: So of course neighbors are the residents, the people that live around you, but they are also the local business. They're the local fire department, the local police department, the library, the school.

HOFFMAN: On Nextdoor, you can see and respond to posts from all of these local people and groups. What you can't do is connect with people outside of your neighborhood. Your network is bound by your physical location. Move out of the area, and you move networks too.

Sarah took over as CEO from Nextdoor's co-founder [Nirav Tolia](#) in December 2018. The company had grown steadily since its launch in 2011, and had a valuation of \$1 billion.

But to scale it further would be no small task. Because of the way Nextdoor is set up, it can't rely on the compound growth that propels open social networks to rapid scale. It's something Sarah and I talked about – even before she took the role.

FRIAR: You actually said it to me, "It is incredibly hard to build these micro social networks." We have 260,000 neighborhoods on Nextdoor. One in five, actually now getting very close to one in four, households in the United States is on the platform. But that's done actually without the benefit of really significant network effects. Because if your neighborhood's strong, that's awesome, but it doesn't really help me. And so it's really hard to build a scale.

HOFFMAN: I remember saying that to Sarah. And I still think it's incredibly hard to build a micro social network – because the dynamics are so different.

HOFFMAN: The most traditional kind of network effect situation is where it's one big hypercube, one big network. Even though not everyone wants to talk to everybody, your participation increases super-linearly based on the overall size of the network. The classic ones are like fax machines or telephones. Even though you're not going to call everyone, you're not going to fax everyone – the random spots of addressability are really important. And becomes self-reinforcing that everyone wants to be part of the

same big network because otherwise this long tail of unique cases doesn't really happen.

HOFFMAN: But on Nextdoor, the big network doesn't really matter to users.

HOFFMAN: If I'm in Nextdoor's Menlo Park neighborhood, the fact that it has a New York neighborhood doesn't mean anything direct to me in terms of participation.

Now what it does mean is it's kind of a different factor of network effects. It doesn't go as quickly into compounding growth the way that you saw Facebook or LinkedIn or the instant messenger clients, Snap and WhatsApp. Nextdoor hasn't grown as fast. On the other hand, it also still provides a pretty unique space for a business because actually, in fact, the same thing that makes something difficult to grow can also be the "difficult for someone else to build."

So the fact that you have 260,000 micro networks, because by the way each network does matter. Say there was a Nextdoor neighborhood that's really active and I'm going to try to start the friendly neighborhood competitor, you're like, "We're all actually all using Nextdoor already."

HOFFMAN: And so one of the keys to scaling a micro-network is loyalty. And on a human level, loyalty is built through trust. Nextdoor knew that early on.

FRIAR: Trust was very much architected from day one. And that was important to me, because as I looked at other social platforms, it's hard to go back and re-architect trust. And the fact that we had taken the time to verify neighbors from the get-go.

HOFFMAN: Nextdoor requires that people use their home addresses and real names. And I think this insistence on real identity is really important. It's an approach that I championed during the early days of LinkedIn.

HOFFMAN: And one of the other things that is an interesting thing about Nextdoor that I get a lot of credit for at LinkedIn, and I'm hoping it comes into Nextdoor as well, is that people have started appreciating LinkedIn as a clean, well-lit place. Because unlike the free-for-all, that... allow some pretty cesspool areas on the internet, when you do these real identities like, "Look, we validate that you're an actual real human being who lives at this address," you get a much more clean, well-lit place.

FRIAR: You're right. I love the clean, well-lit place because that's exactly how we think about Nextdoor. 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. There's such a reciprocity on the kindness front.

HOFFMAN: Sarah's right. The fact that users are actual neighbors using their real names goes a long way toward keeping Nextdoor well-lit. It's much easier to start a flame war with someone on the other side of the planet than it is with someone you could bump into when you're taking out the trash.

But when Sarah got to Nextdoor, she found the company wasn't celebrating the positive moments of humanity that were so vital to its success. And she knew that being human first – having that one-on-one connection with their users – would be key in staying on the path to growth. For Sarah, this starts with empathy.

FRIAR: It was almost like we'd lost the spirit. I'm like, "Gosh we're 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 miss.

Empathy for me is keeping our customers front and center at all costs. So 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?

Our comms team is fantastic at that, but just to all of our teams, I want to make sure they're always leading with a customer story, a customer insight. Can we get a customer to call in? Let's talk to people.

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.

HOFFMAN: I love this first move Sarah made when she joined Nextdoor. Not just because it plays straight to our theory: First, be human. But also because it immediately helped reinforce Nextdoor's particular strength.

Every single thing you do in a company can build – or degrade – the relationship between the people you serve and the people on your team. Small simple things like visual reminders keep empathy high and human-to-human connections strong on Sarah's team.

Sarah also took steps to keep things human for Nextdoor's users. She and her team developed "kindness reminders" – prompts that pop up in the app if someone appears to be drafting a negative message.

FRIAR: 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 when we launched that, something like 25% of all content got rewritten. And actually the kindness reminder is getting triggered less often at the moment.

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 have a very strong set of community guidelines. In the last year or so, we've leaned more heavily into the fact that we are a moderated platform and we have an expectation on how people will behave.

HOFFMAN: Sarah and I first spoke in April of 2020. And these community guidelines were put to the test later that year – in the wake of the murder of George Floyd.

FRIAR: Right after George Floyd's killing, we could see a huge burst of energy on our platform, which is not surprising, because Nextdoor reflects what's going on in the world and going on... you know, in the U.S., it looks like the U.S. We were seeing a lot of people wanting to talk about [Black Lives Matter](#), in particular.

HOFFMAN: That tragic event sparked prolonged protests over racial injustice – and heated conversations on the national and local level. These were important, difficult conversations that needed to take place. So when Sarah learned that conversations around Black Lives Matter were being closed down by Nextdoor moderators, it was clear to her that something had gone very wrong.

FRIAR: So one of the ways we moderate is through local leads. So first those posts were often becoming very uncivil, quite fast. And one thing a lead does, per our community guidelines, is when a post is becoming uncivil, they will remove that post. And second, a lot of leads felt that Black Lives Matter was a national issue, and so they felt it wasn't appropriate for a local platform. And again, it's one of our community guidelines. So frankly, our leads felt they were doing the job that we had prescribed to them per our guidelines.

HOFFMAN: Sarah and her team moved quickly to reach out to those community leads, and make it clear that Black Lives Matter posts needed to stay.

FRIAR: We felt Black Lives Matter was a local conversation, had a lot of local applicability. And so that's really what started to change for us. We put notes out to our leads just saying, "Hey, if it's Black Lives Matter, but it has a local context, it should stay in the feed," and leads largely agreed. And then we've continued to do more work.

HOFFMAN: That episode also surfaced another systemic challenge. Many of Nextdoor's users reported a lack of diversity in their community moderators.

FRIAR: So often they felt like their community was very diverse, but our leads were not super diverse. Because often, they were the first member who founded the neighborhood. So we've done a couple of things. One, we have launched something called "community reviewers." And I have been, honestly, I'm so believing of the strength of humanity because of the number of people that have put their hands up and said, "I want to be a community reviewer." It's a tough job, in some way, to moderate what's going on on a platform. But thank God for those people.

And then the second thing we know is that our newer members, we have more newer members doing this role now. They tend to be much more diverse. They tend to reflect the neighborhood as a whole much better. So we know we're now getting more diversity of opinion as well. So, certainly, it's a journey, right? It's like security, you're never done. The fraudsters are always trying to stay one step ahead. And, I think, in the case of a community platform, there's always the new thing that people will really find a way to be divisive about.

HOFFMAN: The secret to scaling well is to be human, from the start. My friend [Caterina Fake](#) has a great way of describing this.

In the early days of Flickr, the photo-sharing platform she co-founded, she made a point of greeting each and every new user... personally.

CATERINA FAKE: Flickr was an online community, and not social media. And all of us participated in it. And we were engaged in the conversation. Whatever values, whatever the mores are of the platform, of the community – "We say this, and we don't say that." We have a custom of greeting people here.

You're building a civilization. You are the person who actually everybody is taking the lead from.

HOFFMAN: These early interactions set the tone for everything that followed – and made human-to-human connection the core of the way Flickr worked.

FAKE: In the very beginning of Flickr, each of us, you know – we were a team of five or six people – were posting an average of 50 times a day in communication with our user base. It was kind of like a remarkable amount of communication directly with the users.

If you do that, and you do it well, it will carry through. And then 500 people will be behaving the same way. And then 5,000 people will be behaving that same way. And then eventually 500,000 people will be behaving that same way.

HOFFMAN: You can hear Caterina’s full story – which has a lot of resonance with this episode – at mastersofscale.com/community. And you can hear more of Caterina on our sister podcast [Should This Exist?](#)

At Nextdoor, Sarah shares Caterina’s focus on strengthening human-to-human connection in each individual neighborhood.

FRIAR: 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.

HOFFMAN: It’s a phrase worth repeating: “Utility that then drives to affinity.” This, at its root, is what every founder, designer, and product innovator is driving for: people use your product or service because it fulfills a need. In using it, they find something that resonates with them. And this is when they start to love your product.

For Nextdoor, one of their fundamental challenges has been making the case to users – and investors – that people still need local, physical, one-on-one connections in a global, digital world. This is intuitively true to Sarah, and perhaps becoming more clear to the rest of us through the COVID-19 pandemic.

In a crisis, you need your neighbors. And Sarah has countless stories of what she calls the “town square” effect. Your need for your neighbors drives the utility of Nextdoor’s platform. The utility of the platform allows neighbors to help each other. And that drives a compounding loop of more utility and more affinity.

Sarah has countless examples of this effect in action on Nextdoor.

FRIAR: Oh my gosh, we've seen literally an amazing story. 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 a.m. so that he could go home to his wife while keeping his business intact.

HOFFMAN: This utility to affinity loop is one that anyone can tap into – you don’t need a social network, or an inflated donut budget.

It also makes Nextdoor a unique proposition for local businesses. Nextdoor was built to serve individuals in a neighborhood. But Sarah believes its future lies in embracing everyone who relies on hyper-local, human-to-human connections. It isn’t just the neighbors themselves. It’s the neighborhood donut shops. And hair salons. And libraries. And governments.

FRIAR: I think it's a great business that needs to be unleashed, and we're still figuring that out. There's gold under the floorboards because there's so much you can do with the aggregation of all of these neighbors and all of these local businesses and all of the public agencies. There's a tremendous business opportunity that will fund the flywheel to keep having impact.

HOFFMAN: The human-to-human connections that Sarah made top priority when she joined Nextdoor – that's the gold under the floorboards. Not just the connections between individuals, but the connections with local businesses.

FRIAR: Over 20 million businesses have received positive recommendations on Nextdoor and it's a really interesting action the way it happens. I ask you Reid, "Who's a great plumber?" or "Where do you get your hair cut?" And you respond in the positive. It's not really human behavior to have your first answer be, "Bob's Hair Salon sucks." It's just not a human answer.

And so we have largely created this very positive place for local businesses, but frankly, we had not really told them it existed. And so a huge part of our work in the last year-plus has been, how do we really open up this aperture for local businesses?

HOFFMAN: Getting in front of local businesses could drive Nextdoor's growth. It all rests on showing them the unique value of a social network focused on one-to-one, local human connections. Sarah and her team have been reaching out to make a personal connection with local businesses – and show them just how valuable one-on-one connections with their customers can be.

FRIAR: 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, "Thirty two."

I'm like, "Okay, not so great." "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."

HOFFMAN: Sarah is wary of going too fast too soon. But the coronavirus pandemic is changing the way she thinks about engaging local businesses on Nextdoor.

FRIAR: 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, like a 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.

HOFFMAN: This is a key part of Nextdoor's strength – that vested interests become shared across the local community. And if you can give your users a vested interest in your business succeeding, you can raise each other higher.

Building this trust and keeping users at the center has seen Nextdoor come into its own in the time of Covid.

FRIAR: 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. She's like, "Look, I am a totally-with-it 60-year-old."

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. Frankly, I think she just wants to have a conversation.

HOFFMAN: But these conversations aren't just conversations. These one-on-one connections ultimately drive everything in our companies and communities. And in a crisis, you see that more clearly than ever.

FRIAR: 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 kook-ness they have and just get on with the fact that they're there for you right now in your time of need."

HOFFMAN: There's nothing kooky about believing in the power of proximity, community, and working together.

FRIAR: Certainly growing up in Northern Ireland, the recognition that you could only get to a peaceful outcome in the end when people were willing to recognize that every part of the community had to be at the table, right?

And so I do think a lot about that, in a Nextdoor context, is how do we get people around the table, initially virtually? But frankly, a huge push of Nextdoor is how do you then get people to connect in real life? Because I think that's really where humanity really starts to come to bear.

HOFFMAN: I'm Reid Hoffman. Thank you for listening.