

Nextdoor lays off 25% of its full-time staff as neighborhood social network works to cut costs

November 8 2023



A Nextdoor sign is shown in a window at an office in San Francisco, May 11, 2016. Nextdoor is laying off 25% of its full-time staff as the neighborhood-focused social network company works to cut costs. The job eliminations are part of a larger cost reduction plan that aims to slash Nextdoor's current personnel expenses by up to \$60 million annually, according to a third-quarter financial report from the company. Credit: AP Photo/Jeff Chiu, File

Nextdoor is laying off 25% of its full-time staff as the neighborhood-focused social network company cuts costs with its losses widening.

The job eliminations are part of a larger cost reduction plan that aims to slash Nextdoor's current personnel expenses by up to \$60 million annually, the company said in a third-quarter financial report published Tuesday.

At the end of 2022, Nextdoor had 704 employees, according to an annual securities filing. A spokesperson for the San Francisco company confirmed to The Associated Press that almost 200 employees will be impacted by the job cuts announced Tuesday.

"This reduction in our team is the hardest decision we have had to make at Nextdoor" CEO Sarah Friar said in a prepared statement. "While our [opportunity](#) and belief in the transformative power of community remains unwavering, and our business is financially strong with a healthy balance sheet, we must follow through on our commitment to our shareholders. This means right sizing our business and aligning our team and other expenses with our near term revenue expectations."

Friar expects that the [job cuts](#) will position the company to break even on quarterly free cash flow by the end of 2025.

The company this week reported quarterly losses of \$38 million—greater than the \$35 million it lost during the same period last year. Revenue rose 4% to \$56 million. Weekly active users also increased 6% year-over-year to 40.4 million.

There have been layoffs across multiple industries in the [tech sector](#), finance, hospitality, [newspapers](#) and some higher education jobs.

Nextdoor also announced the resignation of the company's Chief Financial Officer, Mike Doyle, effective Tuesday. Matt Anderson, Nextdoor's current head of finance and strategy, is taking his place.

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