

David Corns Transcript

David: I think consumers appreciate when you're doing something original. No one sits at home waiting to be advertised to. So, if you do something unique, it feels like it gets the buzz and the attention.

Matt: To thrive in a rapidly evolving landscape, brands must move at an ever-increasing pace. I'm Matt Britton, founder and CEO of Suzy. Join me and key industry leaders as we dive deep into the shifting consumer trends within their industry, why it matters now, and how you can keep up. Welcome to the The Speed of Culture. Today, we're thrilled to welcome David Corns, Chief Marketing Officer at Opendoor. David oversees an expansive team responsible for marketing communications, at one of the most innovative companies in the real estate sector. David, so great to see you. Thanks so much for joining today.

David: Thanks for having me back.

Matt: Absolutely. So I was looking at your background and you've spent the majority of your career up until now within Madison Avenue and some of the most prolific ad agencies out there. I saw particularly that you were working at Crispin Porter during its heyday in the early 2000s. Tell me about your experience there and how working at an agency like that really at the top of its game kind of shaped you for the CMO role that you're in today.

David: Crispin was probably, I'd describe it as one of the most foundational moments of my career. Not only the people I got to work with and learn from and collaborate with but also some of the brands I worked on. It also helped me learn how to build teams because I was an employee in the UK and we were building out Crispin Europe for Burger King, which was the client at the time. The success in the UK led me, I then move to the Miami office and spend time in the Boulder office. But I would say Crispin was almost like a PR agency that did advertising. Everything we did was in service of getting in the news cycle. So all of the creative concepting started with what's the headline we want to get? And then we worked back from there. And I think I use that day in and day out now. And I think from being at Crispin, I've kind of taken that forward into the CMO role of like, how do you get more than you're paying for by frankly being more audacious with what you're saying and how you're going to market?

Matt: Yeah, although now nearly 20 years later, not to date either of us, because I worked with Crispin on Victoria's Secret Pink business back then, in that same period. But the world has changed because it used to be if you needed buzz, especially in a pre-Facebook world, you needed the traditional media, or at least industry media to cover you. And now I find that a little bit less important. I find PR in general a little less important. How do you think the notion of buzz and virality, so to speak, has been redefined in today's age?

David: Yeah, I think we used to say in that period, you needed to play to play rather than pay to play. If you played, it got picked up, it got shared. I think creativity always wins. So if you find a way to be creative with the new toolset and the new toolbox you have to work with, you can cut through and get some buzz. I'll give you an example. In February, we got over \$7 million worth of pre-PR impressions from doing something unexpected, which was we knew our audience was big into football, and was watching the Super Bowl. And so we decided, how do

we get attention during this time? Well, the reality is, if you sell with Opendoor, it's so simple, certain, and fast, that you could do it during halftime, which meant there was an authentic way of us to insert ourselves into the game to say, rather than watching Usher, you could sell your house to us. It's that simple. And so during halftime and the last Super Bowl, we cut live to a real consumer's phone and they did a house tour. And in the next break, sold a house to us in less time than it took Usher to perform. And because the idea was audacious, it got additional press. Also, it was \$7 million for a 30-second spot nationally. In this macroeconomic climate in real estate, that would not have been a good use of money. So we did it only in Atlanta. And Atlanta was the hardest place to sell in at the time.

Matt: You did the promotion only in Atlanta. It wasn't shown to people nationally.

David: Exactly. It just played in Atlanta. But the buildup to it, because it was audacious, got a lot of PR. The fact we did it got a lot of PR. And our national aided awareness lifted by 8% after doing that. So I think I always used to say, I can make you a video. I can't guarantee it goes viral. But I think if you are creative and strategic with how you go to market, I think consumers appreciate when you're doing something original. No one sat at home waiting to be advertised to. So if you do something unique, it feels like it gets the buzz and it gets the attention.

Matt: Right. And I mean, normally, I think what brands used to do is essentially they would reinforce that unique selling proposition in the case of Opendoor, which we'll get into is you can transact quickly. They would just tell you you can do that. And they'd cram that message down your throat with a 30-second spot. And instead, what you're doing is you're showing them you can do it. And you're doing it in the form of engaging content. So you're getting that same unique selling proposition across, but you're doing so in a way that's sort of built for the way that consumers essentially consume content today.

David: Exactly. And there are a couple more examples too. We realized last year, given mortgage rates, if you look at 2022, the first half of 2022, it was the hottest housing market on record. Mortgage rates were 2-3%. Second half of 2022, it was the coolest housing market in about four years.

Matt: It was the biggest increase in interest rates we've seen in modern history.

David: Exactly. It went from 2% rates to 7% rates rapidly, which slowed the entire market down. So last year, looking at who is selling right now, it became clear to us that 55 plus can sell. They've got equity in their home, and they're usually moving to downsize because their kids have gone to college, or they went to college years ago or left the house, and they've been putting it off. So with that idea in mind, we went to UCLA and built a massive bird's, empty bird's nest. And it had a sign that said, it's okay for you to leave the nest too. So that was an event in the moment. It got 80,000 impressions on the day. But of course, we sent a camera crew there, and we talked to real parents during parent visitation day, about the emotions of moving and changing house now the kids have left. And so great content that can then be packaged up and shared both on TV, on social, you name it. So we're always looking for ways to essentially kind of hack into culture. I think the other thing is real estate is such a traditional category. The business hasn't changed in a hundred years of how you interact with real estate. And so that gives us a lot of opportunity to kind of have fun in the space and have attention come our way, which for a brand that is ascending, it's key because the higher the aided awareness, the more people that know of Opendoor, the more people that will use us.

Matt: So let's zoom out for a second for our audience who may have heard of Opendoor, but don't quite know what the company does and tell us from the CMO's mouth himself, what Opendoor is, what makes the company different and where it's going here in 2024.

David: So open door essentially brings certainty, simplicity, and speed to real estate. So 100-year-old category, is unchanged, full of hassle, stress, costs, and long timelines. What we do, is you enter your address into our site, and you get an instant offer on your home. After answering a few questions and sharing some pictures, you get a final offer on your home. What used to take months of stress and hassle is now done in days. So that's on the sell side. On the buy side, if you're buying a home from Opendoor, there are a few benefits. One, you can self-tour a home. Walk up with your cell phone and through our app, open the door, and tour the house yourself. If you like the house, there's essentially a buy it now button. No haggle price. Press a button, the house is reserved for you. And if something changes in your life and you need to move neighborhoods, we have a 90-day return policy, meaning you can return the house within 90 days and get your money back. Just like returning a pair of jeans to a retail store.

Matt: Now, I'd imagine if you're on the sell side, the trade-off for you getting the certainty and speed is perhaps you're not maximizing your outcome in terms of a sale price. What are those dynamics like for the seller?

David: It varies in seasonality, but essentially we offer a price on the home and it's up to the consumer if they choose to take it. It gives them joy. And in many cases, many consumers are extremely happy with the process and the offer. We have an 80% NPS score, Net Promoter Score, meaning consumers that use Opendoor are happy with the premium service they get for the offer they receive on their house and therefore share that with friends and family. And so the business continues to grow.

Matt: Yeah, because on both sides of the transaction, it's just not a fun experience. I mean, I often question why. In this day and age, does somebody who's buying a home and getting a mortgage for that matter need to fill out so many forms when ultimately it should be able to be decided by an underwriter with a couple of data points? And then all the fees that are involved and all the back and forth, it just doesn't seem like it has to take that long. It has to be so laborious. And it seems very much like it's just a legacy industry that has not evolved with the times.

David: Exactly. Selling your house is up there with one of the most stressful things, as well as dealing with divorce and death in your family. One of the top five most stressful things. And that was one of the things that drew me to Opendoor is I felt like most categories had been transformed by digital. And yes, there are some digital brands in real estate, but the actual transaction of taking something complex and making it simple just hadn't happened. You could do it by buying and selling cars. You could do it with hotels. You could do it with travel. But something so core to our lives provides shelter. It's a home. We need places to live. That remains complicated and stressful, and it just doesn't need to be.

Matt: Yeah. So you had mentioned, David, earlier, just the macroeconomic factors and how they impact your messaging and the business opportunity. So obviously, we are in a period of relatively prolonged higher interest rates. Nobody knows what's going to happen. It's come down a little bit, but it's still much higher than what we've seen in quite some time. How does

this environment impact Opendoor's business? Does it create more demand on one side or the other of the equation? And does that impact your product roadmap and your messaging at all moving forward?

David: This macro is a really good time to show certainty. Uncertainty people look for certainty. And the fact that we can give you essentially an offer in minutes that can then be finalized in days after some simple questions provide great certainty in the unknown. I mean, I'm not an economist, but many economists have said they don't expect interest rates to go down as low as 2% and 3% again. So I think the reality is people will get used to that interest rate. And, when you look historically, 6%, 7% is still relatively low.

Matt: Yeah. We're in the mid to high teens in the 80s, right?

David: Exactly. And I think even in a tough macroeconomic climate, we can grow. The pie might be smaller because fewer people are moving or slower to move. But our ability to grow our share of that still increases. Because the reality is people move because they have a life transition. They're having a baby. They're getting married and want to move in together. They have a dog and need a bigger yard. The kids have gone to college. Life will continue to happen and people will continue to need to progress in life. An Opendoor is there for them to make that currently stressful process of selling to progress in life simple and certain.

Matt: We'll be right back with *The Speed of Culture* after a few words from our sponsors. So I'm curious to hear from you. I mean, you're the CMO of a brand that's publicly traded company and obviously is very much reinventing the space and the category. It's not like you're working at Coca-Cola and left from Pepsi, where you're still selling carbonated beverages. This is a completely new business model that comes with a lot of opportunities and a lot of risks as well. What's it like being the CMO of a company like Opendoor? What does your normal day look like and how are you interacting with the various other stakeholders within the organization?

David: Yeah, well, I joined Opendoor in 2022, which was a year like no other. I got to see the first half of the year, the hottest market. I got to see in the second half of the year, interest rates going up at a rate we've never seen before. So that, for a first year, was both terrifying and exhilarating, but allowed us to kind of pressure check what it is, the hypothesis I had for what the company needed, which was great product, great people, but there wasn't yet a brand or understanding of what Opendoor is. So we took it as an opportunity to step back. We created a purpose, which is powering life's progress one move at a time. Our mission is to transform the US real estate industry, which is a \$2.3 trillion a year industry. And then we took that to market by taking what we had, which was a brilliant performance marketing org, and building a a full funnel and brand marketing org. And we saw almost immediately when we were telling these stories of life transitions, our first campaign, Be Open, was all about that. We saw a 10% increase in offers versus business as usual, and we saw awareness moving up pretty rapidly. So that actually gave us the confidence to kind of continue on that path of both brand building and delivering performance. So as you say, working with other stakeholders in the organization, one of the most fulfilling things in doing that was building a team that could bring some science to our art. So working with the Chief Data Officer, we built a marketing sciences org. So I essentially knew every attribution model is broken. So you're just going to find which is least broken. Our attribution model was definitely biased towards lower funnel, last touch attribution. So with thae two very different teams, marketing, which was a team that was building up its brand marketing capabilities, and our analytics team, we together with

stakeholders built this organization to say, help us understand what's working, what isn't, and see opportunities on the horizon that we might not see. And through that, we've been able to test hypotheses. We've been able to forecast if we make certain decisions, how we expect them to perform. And that just continues with every wave and every day we're marketing, the data and the ability to predict and forecast continues to get better and better and better.

Matt: Speaking of better data, what role do you think AI is going to play really on both sides of the equation to allow, I guess, the seller to have a better understanding of the market dynamics before they proceed? Obviously, allow your company to more competitively price offers to people that are selling their homes. How does that entire dynamic work? And then just to be clear, you're also a seller of those homes, too. You're on both sides of the marketplace. So I would imagine AI plays a big role there as well in terms of identifying prospects.

David: Absolutely. AI has been part of our pricing model and our algorithm since 2014. So it continues to grow and evolve. And we kind of see it as a co-pilot rather than an author. And so we're using it in a way that is helping us deliver an even better product to consumers. I mean, the future of AI everyone's talking about it. We've had the industrial age, the Internet age, and now we have the AI revolution. And I don't think any of us can foresee the seismic change that's going to have to culture, society, and business. But I think as far as being able to match consumers to homes and sellers and buyers together, the potentials absolutely huge. We're using AI in marketing now. We're starting to use it in forecasting. We're starting to use it in our predictive modeling, we're using it in how we visualize and go to market. I've been talking to a lot of people about how you use it in research. Through AI now, you can essentially feed the consumer feedback from multiple research channels into AI, make your consumer and essentially ask that AI model to give feedback on products, marketing campaigns, you name it. And right now, we're running about three tests at any one time on our digital product to ensure we're constantly approving, iterating, and...

Matt: The user experience and things of that nature.

David: Absolutely. Yeah.

Matt: And also, I think AI and the work we've done at Suzy, we've uncovered ways to just make one-to-one sort of contextual messaging and content much more impactful. We've talked for so long about making things relevant, yet everybody gets the same email newsletter. But I think I look at your business, and you want to establish that lifetime relationship with a customer. I'm sure loyalty is huge in terms of they've sold a house through Opendoor, and then you want them to sell their next house or buy their next house through Opendoor, so you have them. So I would imagine that's another huge opportunity in terms of mining your customer data, unpacking the content that matters to them most, and continuing to build that customer loyalty.

David: Absolutely. I mean, one thing on AI that I keep thinking about is, just like the internet started as a search engine and then evolved into serving you the answer, AI, we're kind of using as a search engine now. We're asking questions and getting responses. Over time, AI is going to know, hey, Matt, I know the neighborhoods you want to live in. I've found a house for you. I've searched and got the best mortgage for you. Say yes, and it's done. Like it'll end up being in service to you. And I think the potential of that is just huge.

Matt: Or I know that you just had another child and the square footage per human in your house is not big enough anymore. So it's probably time to move. I also know that you got a raise or you have extra money to spend or whatever it may be. So maybe you can afford this. And I think a lot of people are concerned with privacy, but those same people would have said that consumers never would have purchased anything online with their credit card in the year 2002. So I think ultimately convenience tends to trump privacy over time, because I think a lot of these privacy fears usually don't manifest to consumer harm. Sometimes they do. But I think most people look at their lives and say, the one thing I need more of this time, and if something can save me time, I'm willing to feed data into the system, maybe sacrifice some privacy for the sake of me having a more convenient, efficient life and spending my time. And I think the same is probably true with AI.

David: Yeah, we take privacy very seriously. But I think to your point, the larger point is like something arrives at culture and it takes time for society to get used to it. And over time, people get more and more comfortable with things. I was using ChatGPT to type in and get answers. I'm now talking to it. It's having conversations with me. And there's a point where I go, that's enough. You forget you're not talking to another human because it is so real now. But going back to your point about loyalty, it's really interesting with a brand like Opendoor and a business like ours, because unlike if we were a candy bar or a car, a candy bar loyalty could be weekly. The car could be every three years. People generally sell their house every seven to 10 years. So the gap between when you're in the market and when you're next in the market is large. But every 60 seconds, a homeowner asks for an offer from Opendoor. And with an 80% NPS score, that allows us to kind of keep this loyalty going so people have good experiences. And if you are looking for an offer now, but you're not ready to move, we're also updating offers. So we will reconnect with consumers and say, hey, your offer's changed. And that's how we're working it through right now. But again, to your point about AI, who knows where it could go in the not-too-distant future?

Matt: Yeah. I mean, we were talking before the onset of the POTS that we both have small children, and I think. What's going to be really fascinating to see moving forward is just how this generation, the first generation of kids who grew up with AI in the household is going to look completely differently at relationships, at education, at what it means to prepare for a career. I mean, I'm a Gen X or like yourself, likely who did not grow up in the internet and the household, or maybe the internet was first coming in the household when we were growing up. And then you have millennials who grew up with the internet and Gen Z to grew up with a mobile device. But this is a whole different paradigm that we're dealing with. And I think as a parent, as an educator, as an employer, it's just going to be fascinating to see how this all evolves.

David: Yeah, because the unintended consequence, I think, is the ability to make decisions. I'm reading a report about kids asking Alexa what to wear each day. And on the one hand, that's kind of fun and interesting. But on the other is, if we're at a point where society is defaulting all decisions to AI, it's going to be problematic. But one of the things I noticed even during COVID-19 was how a younger generation is even talking to Alexa. I remember I got to a point with my kids where I was like, please say please and thank you to Alexa. This is ridiculous because... She's not real. But equally, it's important to keep some social skills alive when interacting, because those things then bleed into human connection and conversation. So again, it's like the Industrial Revolution, Internet Revolution, now the AI revolution. We could talk

again in five years, and I think both of us will be surprised about how much has changed just because of AI.

Matt: We might not even have to talk. Maybe our avatars will do the talking for us, and we could be at the beach somewhere, right?

David: Yeah, I'm better.

Matt: Yeah. It reminds me of that famous episode of *The Office*, where Michael Scott, who's played by Steve Carell and Dwight, were in a car, and the navigation system was telling them to ride their car into the lake. And Steve Carell's character is saying, no, it has to be right. The machine's always right. And kind of lost the ability, your point, to make decisions. And I think that was prescient in a way, in terms of where we are today, where people definitely are becoming more and more reliant on this technology for better. For worse. And I think you've identified one of the opportunities and risks within this new era.

David: I always say creativity always wins and there's a new set of tools to be creative with. I also think there's something great about it used to be that academic success was how reading or writing or regurgitating information. Well, the reality is you don't need to know how to regurgitate information. It's all available to you and can come to you at any time, which, I think, puts more onus on creativity strategy and innovative thinking. So when I look at the kind of glass half full with AI, like actually this could lead to even more innovation and even more positivity in society because the focus has to go there because all the information is available to us in an instant. And soon it'll just be given to us because we're curious and thinking about it. So it's an amazing time to be alive.

Matt: Yeah, the question becomes, and I want to shift gears and wrap up here, but it's like, when is the education system going to evolve based upon that? Today kids get rewarded for memorizing stuff and regurgitating it. And in many instances, whether they truly understand it or not, that drives their ability to get high test scores. Even with the standard eye testing, get them in the college. And I agree with you 100%. That's not really what drives success moving forward in this new world.

David: I couldn't agree more. I mean, it's like the school systems are set up. From the industrial age, it was like getting everyone to learn the same things to move into factories. And it hasn't evolved and changed a great deal. And there's colleges and teachers, obviously, with applications now to see if people are using chat GPT in writing their essays. And again, I'm with you, Matt. My question is, like, why are you forcing them to work in an old way and making sure they're not using modern technology when we should actually be encouraging innovation for what's ahead? And again, it's incredible to me how slow some of these changes in education are happening.

Matt: It's almost like the real estate industry, right?

David: Exactly. You know, they need an open door for education.

Matt: Absolutely. So shifting as we wrap up here, David, it's been a great conversation. I'm super appreciative of you taking the time. Thank you. Thank you. Look back at your career. And obviously, you've worked at some of the most prolific Mass Avenue advertising agencies. And

now you're at a really exciting, prominent startup in the real estate industry. What were some of the things that you think you've done right throughout your career? Some areas that you focused on that have really helped you propel as a professional to one day end up in the CMO seat?

David: I think a lot of it is being authentic to yourself, knowing these are my strengths, these are my weaknesses. I would say, which seems counterintuitive, don't spend a lot of time on your weaknesses. I think going back to the educational, being outdated, as we just talked about, I think there's a lot of focus on improve your weaknesses. My sense is like, know your strengths and continue to strengthen them. Know your weaknesses and build teams to cover your blind spots. And then the other thing, which is another Crispin thing, is like the best idea is boss. Work for an idea. Work for what is thought rather than a hierarchy of people. And then build a culture where everyone can bring ideas. And I like to build small, accountable teams because I find with small, accountable teams, you can run faster, you can make decisions faster. And there's this pride of ownership. And I think that's the kind of leadership that comes with it. So if I look back at where I've worked, I think every agency and every company has kind of taught me something new that has led from taking an opportunity to move to the US when I hadn't before. I hadn't even been to the US when I took a job at Carmichael Lynch. TVWA, I think, was about brands becoming famous and inspirational leadership. Jonathan Mildenhall was the MD when I was at TVWA London. David Perell and I started shooting for TV. So the whole team started working together. And please, if anyone's not though, if we could just move at all times and much, much closer in size to不行, really, then that way I would follow. Jonny and it's five-second Super Bowl. All of those things together, it's not a straight path to CMO, but it's naturally when you wrap it all up together, it's like the natural next step is go build a brand from scratch and be directly connected to how marketing is driving the business forward. And that's been the most fulfilling part, seeing how it's impacting every day.

Matt: Fantastic. And to wrap up here, David, is there a quote or mantra that you like to live by that you think probably sums up your career and professional strategy?

David: I love to say it's far harder to simplify than complicate.

Matt: Isn't that the truth? They say simplicity is the ultimate sophistication and I agree with that wholeheartedly. Well, David, thank you so much for joining today. It's been amazing hearing about your journey and I can't wait to see what's next for you and Opendoor here in this wild market that we're in. So thanks for taking the time.

David: Thanks for having me, Matt.

Matt: On behalf of Suzy, I'd be keen. Thanks again to David Corns, CMO of Opendoor for joining us today. Be sure to subscribe, rate, and review the Speed of Culture podcast on your favorite podcast platform. Till next time, see you soon, everyone. Take care. The Speed of Culture podcast is brought to you by Suzy as part of the The Adweek Podcast Network Podcast Network and Acast Creator Network. You can listen and subscribe to all of The Adweek Podcast Network's podcasts by visiting [The Adweek Podcast Network.com](https://www.theadweekpodcastnetwork.com) slash podcasts. To find out more about Suzy, head to [Suzy.com](https://www.suzy.com). And make sure to search for The Speed of Culture podcast at Apple Podcasts, Spotify, and Google Podcasts, or anywhere else podcasts are found. Click follow so you don't miss out on any future episodes. On behalf of the team here at Suzy, thanks for listening.

