

*Gui Costin*

# How to Win More Deals with Effective Cold Email Techniques

WITH GUI COSTIN

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**Sales Made Easy Podcast**

**HARRY SPAIGHT:** Are you looking to improve your sales without resorting to pushy tactics? Welcome to Sales Made Easy, the podcast that helps you to achieve better sales results and gain long-lasting clients through relational selling. Let's get right into it.

What is the good word? Welcome to the Sales Made Easy podcast. Today, with me, is Gui Costin. And for those of you who don't know, Gui is the CEO and founder of Dakota, a company in investment services that's helped clients raise more than \$40 billion since its launch. But Gui's story goes beyond numbers. He's an innovator who is transforming what it means to build a successful workplace culture in the world of finance. Gui, welcome to the Sales Made Easy podcast. What's the good word?

**GUI COSTIN:** Thanks so much for having me on.

**HARRY SPAIGHT:** All right, it's great. So, you and I were talking a little bit about outbound. I think a lot of small businesses struggle with the whole concept of outbound. But what would you say about the value of doing outbound in this day and era where there is so much noise out there?

**GUI COSTIN:** I just think it's so critical to do outbound and to do it via cold email. But importantly, we only do cold outreach to book meetings in cities. So, we reach out to our target customer and try to book a meeting in their city. And I think the key there is that if we didn't do that, we really wouldn't have enough leads. We have to do the cold outreach to book a meeting to get... and build a relationship and tell our story.

**HARRY SPAIGHT:** Yeah, absolutely. And I think when you approach it as the way you're doing it, there is that. And then there is what is often

referred to as spammy emails. How would you differentiate between the two?

**GUI COSTIN:** So, you definitely cannot send mass emails. They have to be one-off emails. That's really, really important. And number two, you have to have three criteria. Because I think where people fall down on the cold outreach is they don't know what email to send. So first off, your subject line is most important. It should say meeting request, date and time. And then you should only have one to two sentences max on who you are, what you do, and why they should care to take a meeting. Don't go more than two sentences, one, ideally. Then lastly, you need to have a clear call to action. Can you meet May 4 at 3 o'clock, question mark. It can't be, can you find some time for me next week? Can you suggest a few times, et cetera. It has to be that clear call to action.

**HARRY SPAIGHT:** Yeah, absolutely. I love it. The whole thing about email too is that we're getting spammed. Sometimes, you open up an email, and it's nine miles long. I like the fact that this is so concise, a couple sentences about who you are, and then the reason for the meeting with a specific call to action. So, there's no mystery there. Do people respond and say this isn't for me? Or do they just respond with yes, typically?

**GUI COSTIN:** No, there's probably... you get a one out of... if you send 25 emails, you're probably getting one, if you're lucky, or two. But you have to be doing that consistently every single day. And that builds out full days. So, you have to be very consistent, 25 to 30 emails a day, expecting to get between one and three booked meetings.

**HARRY SPAIGHT:** OK. What about the cold outbound phone calls? Are you doing any of that? Or is this mostly just email?

**GUI COSTIN:** Yeah, it's mostly just email. It's a little bit harder cold calling because most people are on their cell phones. And that's just a little bit harder.

**HARRY SPAIGHT:** Yeah, but you have outbound reps that are doing this. And you're not just using automation, is that what I'm understanding?

**GUI COSTIN:** Yes, exactly.

**HARRY SPAIGHT:** And what is the value of that versus purely automation, would you say?

**GUI COSTIN:** Just because you're suggesting a 9 o'clock or 11 o'clock or 1... You know what I mean? You're picking a time. And then people are like, hey, I can't do 9:00. But I could do 11:00. Or I could do 3:00. So, there is that interaction effect that you need to be able to schedule the meeting.

**HARRY SPAIGHT:** Yeah. So, these thoughts that are coming to my mind is how long did it take to fine tune this to where it became a system or a process that this is the way we do it?

**GUI COSTIN:** Yeah, it took a number of years to really get it down through trial and error. But we always had the cold outreach because our original business, founded in 2006, which is going strong today, is an investment sales business. And that business, we've always done cold outreach. So, we've had that in our DNA. And then we just applied it to our second business, our software business that launched in 2019.

**HARRY SPAIGHT:** Yeah, I love it. So, can you tell me a little bit about your business today and what it is that you're doing?

**GUI COSTIN:** Sure, so our core competency is we're salespeople in the investment business. And investment firms hire us to raise capital for their investment strategies. And then we took the database that we built over the course of about 15 years. And we commercialized it in 2019. And now, we allow access for other investment firms to be able to subscribe to our database.

**HARRY SPAIGHT:** Excellent, so databases are not inexpensive. I mean, every... when I've looked at databases over the years, it could be tens of thousands of dollars over the course of a few years. So, some are... they're all set up a little bit differently. But if you look at an annual subscription these days, what some are \$7,000 to \$10,000, \$12,000. And you look at over the course of a few years, this can be very expensive. It's an investment. I'm not saying it's not worth it. But it's an investment. That type of selling, I've got to believe, is relational... a relational sale, is that versus more transactional? Can you tell me a little bit about that?

**GUI COSTIN:** Yes, it's not transactional. It's recurring revenue. We're trying to add value to our customers every single day by providing them really high-quality data. So, they can make sales calls. And then we also listen really well. So, if someone has a comment, they want to make a change, they want to do anything, add more data, we're very accommodative. So, we've always had a white glove approach to customer success and client service. So, they can call us basically anytime during the day, email, phone, text. And they can get someone on the phone and answer a question.

**HARRY SPAIGHT:** Yes, great support. One of the things I read about you is that you view your team as 1A and your client as 1B. And I think I understand that. But to me, that says something along the lines that you're really viewing the relationships, but you got to take care of your people above all else. It's that the way I'm looking at that? Or what's your thought?

**GUI COSTIN:** Yes, I think it's the job of a leader to make the workplace environment as good as you can possibly make it, and really taking care of your teammates, helping them. We have a really hard charging culture. But we do it with kindness. And so, we don't do any of your normal corporate behind the scenes conference room discussion, stuff like that. It's very much just focus on the customer, focus on each of us doing our jobs, helping one another, being a really good teammate, using your words wisely. And so, we don't have any passive-aggressive behavior, or any jokes, or teasing, or anything like that. It's all on the up and up. And we really just try to treat everyone with a great amount of respect.

**HARRY SPAIGHT:** So, I gotta ask about just the spirit of competition. Some love competition in sales. Others, maybe they hide it a little bit. But does that work in an organization like that as the way you described? Or what's your thought?

**GUI COSTIN:** Yeah, I mean, I think competition is everything. I mean, I think you need to work as a team. But you need to see how you stack up against your teammates, if you will. And so, all of our salespeople have... we have a leaderboard. And they get compensated based upon the number of meetings that they set up on a weekly basis. And there's a leaderboard. And it shows. And no one wants to be at the bottom of

the leaderboard. So, it's a really good thing to keep people motivated. And we generally hire ex-athletes, mainly lacrosse players on the team.

**HARRY SPAIGHT:** Yeah, and so that competitive spirit there is... gets people fired up, what about the way... like so celebrating wins and so forth, so bringing that sports mindset in, is there are a lot of celebration of small wins? Or do you just wait until the end of the month? Or how does that work to keep people inspired?

**GUI COSTIN:** Yeah, we're always acknowledging the performances of the salespeople, every day, basically. There's not really awards or anything like that. Because to me, making a president's circle or something like that was never really our style. We're just always complimenting the team. The team works really, really hard. It's a really impressive group of people. And it's across the board, I mean, it really in order to build these businesses, it takes a team. So, it's not just one person.

**HARRY SPAIGHT:** Now, do you stem from the sale... or the sales background yourself, would you say? You were in B2B back in the day or some kind of sales like that?

**GUI COSTIN:** I've always been in sales, since day one.

**HARRY SPAIGHT:** What was your first sales job?

**GUI COSTIN:** So, the first sales job that was legit was when I was 26. And I was a real estate broker in San Francisco for five years representing Starbucks. And I'd go find them their locations. And so that's working with landlords, selling them on taking one of your tenants that you represent. And that was a great way to cut my teeth. And then

from there, I got into the fundraising business in 1997-98. And I've been in the fundraising business ever since.

**HARRY SPAIGHT:** What would be... when you say cutting your teeth, what would be a couple of takeaways, if you can go back that far in time, from your days selling commercial real estate?

**GUI COSTIN:** It just was being highly, highly organized and very focused on information relating to a particular location. So having great attention to detail, very thorough, being able to anticipate questions that they were going to have about a particular location. That's really the critical component of it. So being prepared, being thoughtful, and being thorough.

**HARRY SPAIGHT:** Great traits. A lot of salespeople struggle with what you just said. Some of them are all over the map. They've got great personalities and use their personality to gain sales. But the structure, focus, being very thorough, good follow-up, some struggle with that. What would you suggest for people like that?

**GUI COSTIN:** Yeah, that, I mean, that's more important than having a great relationship. You really have to have those details hammered out, where you're reliable. You're thinking through everything ahead of time. You're anticipating questions that people are going to have. You have really good follow-up. And you basically stick on people, if you will. And your response time has to be, I call it the nanosecond. I mean, have to be able to respond very, very rapidly to any needs of your customer.

**HARRY SPAIGHT:** Wow, what does that mean in real time, would you say? So, if an email—

**GUI COSTIN:** Kind of within five minutes. I mean, if you've ever tried to go demo software, you type into the form that you want to demo the software, and they end up not getting back to you for days or weeks or something. We have a five-minute response time.

**HARRY SPAIGHT:** Yeah, OK, so in this sense, then as soon as someone shows interest, you have to be all over that. It's not like going to your website, filling out a form, and then a week later, someone's getting an email and say, hey, thanks for filling out this form. And they're like, well, what form was that?

**GUI COSTIN:** Exactly.

**HARRY SPAIGHT:** Oh, yeah, yeah. Talk to me.

**GUI COSTIN:** Yeah, so I think it's really important, and we've made it a priority at Dakota, to be as responsive as you possibly can be. And it's just... five minutes is kind of our deal. But you watch other software, because we try to demo other software, and it's just very, very difficult to demo those software.

**HARRY SPAIGHT:** So, in this strategy, I come from a background where we didn't do demonstrations unless we really uncovered what the need was. Can you explain why the demo is so important early on, versus knowing what the need is in your industry? Or do you feel like everyone has a need?

**GUI COSTIN:** Everyone has the need because we're calling on fundraisers. And they need data to set up meetings. So, everyone has the need. That's really, really critical. So yeah, we don't need a qualifier, if you will, because we already know fundraisers need data. And then

you need to get them on a demo. So, you can get feedback on what they see. So, then you can make adjustments to your platform.

**HARRY SPAIGHT:** So, everyone has a need that you're calling on. So, my guess is you want to be calling on your ideal client profile. Is that correct?

**GUI COSTIN:** Yes, exactly.

**HARRY SPAIGHT:** So again, another big challenge, people in sales frequently find people that are nice, friendly, willing to listen, but will never buy. What's your approach on that?

**GUI COSTIN:** Yeah, I mean, I think that really comes down to the salesperson. And want to be politely persistent. But we also look for the quick no. That's what I really like a lot is I like the quick no. So just getting the answer out there quickly. And if they're not going to buy it, just move on to the next person.

**HARRY SPAIGHT:** Yeah, so in this sense, so I've been... in my relationship selling and getting to know people, it's different. On this, you really are going through the percentages, right? You have to show people the product. If you just walk me through this, you show people the product, if it's a no today, what happens to that particular prospect?

**GUI COSTIN:** Well, we basically qualify them and ask them why it's not a fit for them right now. And then based upon that, while they make adjustments to the product, or we'll just keep them in our database, and we'll have a task to follow up in six months because the timing just might not be right. And so, our team really relies on tasks in the database in order to alert them to when they should be following up.

**HARRY SPAIGHT:** Yeah, so would you have... I mean, off the top of your head, I know, it's probably not right there. But the number of times a person needs to be contacted in your business before you get a meeting or before you get a demo, maybe?

**GUI COSTIN:** I mean, it's probably two to three.

**HARRY SPAIGHT:** That's not very many all things considered. So that's... why do you think it's so low?

**GUI COSTIN:** Well, I just think that there's always a need to raise capital for an investment firm. And so, if you have really good data, and they need that, and there's always pressures to raise money, we're supplying a solution to help them solve that problem.

**HARRY SPAIGHT:** Yeah, awesome. Do you have a success story that comes to mind or anything that you want to share on how that works?

**GUI COSTIN:** Well, for instance, we ended up selling a subscription to a real estate firm. He didn't have any luck with the competitive database he was using. So, he subscribed to ours. And within the first week, he'd already booked two meetings of two family offices. So, it's kind of just like that, where they go in, they're able to do cold outreach, introduce themselves, and boom, they get a meeting.

**HARRY SPAIGHT:** And is it just because the data is better? I mean, is it that simple?

**GUI COSTIN:** It's that simple. Yeah, because listen, data goes out of date very, very quickly. People change jobs. And you have to be all over the data.

**HARRY SPAIGHT:** So how do you guys... I mean, I'm not asking you about your trade secrets, but how do you let others about this where they can say, because there are obviously some big names out there, how do you compete against the big names, if people don't necessarily know you? How does that work?

**GUI COSTIN:** It's been six years. But it's really, really important. Word of mouth is a big deal after six years. And then just having much more accurate and complete data makes a big difference. And since we're owned... founder-owned and led by the CEO, I take it personally if data is not accurate or up to date. And so, we just make sure everything we do is accurate and up to date. And when you're dealing with really large organizations, they're not always watching extreme details. And you really need to watch the extreme details in order to serve your customers. And that's how we compete. We are just really focused on the details. And the details are accuracy.

**HARRY SPAIGHT:** Yeah, great stuff. Anything else as far as your business is concerned? And I know you've written a book about Millennials Are Not Aliens. What prompted you to write that? Something along... do I have the title right?

**GUI COSTIN:** Yeah, so, Millennials Are Not Aliens. And that was the first book five years ago. And the goal there was to educate people on how to sell to millennials. And then what ended up happening is COVID hit. And we all moved to video and Zoom. And that's effectively... you just needed to create a lot of video. That's one of my biggest

recommendations because millennials, when they look for something, they go into YouTube. So that would be number one. The number two book, we just launched February 3. And anybody who would like a copy, email me, [gui@dakota.com](mailto:gui@dakota.com). And I'll send you one. It's a book on sales. So, it's called The Dakota Way, Our Four Core Principles of Investment Sales. And we go through exactly what you should be following to become a world class fundraiser.

**HARRY SPAIGHT:** That's great stuff. We'll definitely put that in the show notes. One last thing I wanted to bring up was you ask the difficult questions on a sales call. So that there is no mystery as far as what the follow-up is, because I think a lot of people struggle with this. And I think where I read it, it said something along the lines that this... it may feel cringey at first, something along those lines. But can you talk a little bit about that, why that's important is asking these types of questions?

**GUI COSTIN:** I just think when you're in a meeting, that you should get a sense of where you stand with that prospect. And being able just to ask the tough question to get a real answer from them, so you know your exact status. And you don't have to wait afterwards, an email, and they ghost you and back and forth. Is, just be very polite, and friendly, and just say, do you think there's an opportunity for us to work together? And I can take no for an answer. If the answer is no, that's not a problem. But what I don't want to do is I don't want to leave this meeting, go back and forth, and everything. And I know you're getting hundreds of emails a day. So, I'd just love your opinion on what you think about our product.

**HARRY SPAIGHT:** Nice. So soft approach, but it's a defined question, right?

**GUI COSTIN:** 100%.

**HARRY SPAIGHT:** Yeah, I love it. And then in the sense that this is a real challenge for many in sales is because they're not asking that type of question. And the follow-up, being in sales leadership, I'm like, well, what's the follow-up here? It's like, well, they said email them in a couple of weeks. It's like, well you and 800 other people are doing the same thing. Do you think your email is going to stand out? Was this you figured this out over time as well? Or is this something you learned early on.

**GUI COSTIN:** Yeah, sometimes it's a school of hard knocks on this one. Because then you end up just wasting a lot of time. And then if you do it like that, you don't waste a lot of time. People are straight with you, generally. It doesn't always work out perfectly. But it's highly recommended that you do that.

**HARRY SPAIGHT:** Yeah, I mean, I've got to believe there are times where people just have a hard time saying no. I mean, it's not the case where they just say, well, I don't want to say no because I don't want to hurt your feelings. There are people like that. So how does someone weed out that versus someone who is really—

**GUI COSTIN:** You're saying someone who might just be a little apprehensive about asking the tough question?

**HARRY SPAIGHT:** So, the question... so maybe the question is asked, but the potential the prospect is saying, well, I'm not sure, and they're giving you evasive answers? How do you dig a little bit deeper, or do you, on that?

**GUI COSTIN:** Yeah, I think you just have to be careful because if they're well, I don't know. And then you just have to... just back off, OK, cool. You know what I mean? I'll keep you on the mailing list or –

**HARRY SPAIGHT:** Nice, yeah, yeah, I love that approach because I think I've read something, again, in some of your content about manipulation or something along those lines where you're really trying to twist people's arms into saying yes. Doesn't seem like that's your approach at all.

**GUI COSTIN:** No, not at all. No, you can't. No, because you want to build a long-term relationship. You want to build trust. And you can't build trust doing that.

**HARRY SPAIGHT:** Yeah, high ticket items. I mean, I can see it as some... I mean, not that I agree with it. But someone who's only going to talk to someone once and make a decision here, buy my book for \$29 or something is a whole lot different than selling something for thousands and tens of thousands of dollars over the course of months or years, excuse me, where you have to have that relationship. Do they trust your guys, your gals, and doing the arm-twisting manipulation is certainly not going to get that. Any final thoughts that you have here?

**GUI COSTIN:** No, just I really enjoyed being on the podcast. Thanks for all the great questions. And like I said, cold outreach does work if you do it the way I described in the beginning. It really is effective, but it takes discipline.

**HARRY SPAIGHT:** Yeah, and if you need data, this is the guy.

**GUI COSTIN:** That's right. [Dakota.com](http://Dakota.com), you can find me. Dakota.com. And if you want to the book, [gui@dakota.com](mailto:gui@dakota.com), and I'll send you a signed copy of the book.

**HARRY SPAIGHT:** Awesome, I love it. I want a copy.

**GUI COSTIN:** All right, we'll send you one.

**HARRY SPAIGHT:** OK, great stuff. Thanks, Gui. I appreciate your professionalism and great responses.

**GUI COSTIN:** OK, thank you. Have a great day.

**HARRY SPAIGHT:** OK.

**GUI COSTIN:** Thanks. See ya.

**HARRY SPAIGHT:** You bet.

**GUI COSTIN:** All right.

**HARRY SPAIGHT:** Thanks for listening to Sales Made Easy. If you enjoyed today's episode, please subscribe and share it with your friends. Also, you're invited to join the Facebook group Sales Training Selling with Dignity. Serve first, the selling will follow.