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# Mastering Sales with Data Driven Growth

WITH GUI COSTIN

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**The Ty Brady Way Podcast**

**TY BRADY:** Welcome back to another episode of The Ty Brady Way. Today I have Gui Costin on the show and he's got a fascinating story. So listen up. Stay tuned all the way till the end. So welcome, Gui.

**GUI COSTIN:** Yeah, Ty. Thanks so much for having me.

**TY BRADY:** So I think I told you a little bit about what the show is, about interviewing successful entrepreneurs. And so we're going to start there. So what's your background, and we're going to go through the process of where you started, and where you're at, and where you want to take this.

**GUI COSTIN:** Sure. So I'm 58 years old, started our company, Dakota, in 2006. And we work in the investment industry. We do sales and marketing for investment firms. And we raised over \$25 billion since our founding for about five different firms. And what we did along the way is we built a really good database of investors, institutional investors across the country. And we made the odd decision in 2019 to commercialize that database and turn it into a product, and allow other investment firms to subscribe. And today, we have roughly 1,300 investment firms, about 6,000 fund raisers who use our data to do cold outreach, to try to book meetings with institutional investors to raise capital for their funds. And we have some of the largest investors, global investment firms. And we've hired 65 people and built a really neat business that's growing really nicely.

**TY BRADY:** So when you say the outreach, for people that may not investments, what does that mean when you talk about your audience?

**GUI COSTIN:** Yeah that just means, let's say that if you had a product that was really appealing to CFOs, Fortune 500 companies, and I

supplied you a database of all the CFOs of the Fortune 500. And then you would just email them and try to request a meeting. The investment business is extremely competitive. But there are a lot of allocators out there like foundations, endowments, family offices, pension funds, insurance companies that all have to invest their capital to have it grow. And so we provide that information, publicly available information, all in one place, updated daily. So then people, and then Ty, the real problem that we solve for is, you don't have to go to websites and LinkedIn and all these different places to find information. It's all in one place. So if you know you're going to Boston or San Francisco or LA for a day of meetings or two days of meetings, you can see every single investor in that town, that metro area, to try to do cold outreach, send them an email, and try to book a face-to-face meeting.

**TY BRADY:** So if I had a hypothetical CFO that he's looking for a fund, you're tying those two people together? So you have a product to the CFO that then he can say, OK, yes, this is something I want to offer to my clients. Is that right?

**GUI COSTIN:** Yeah I mean, it would be basically, let's say that if you were a private equity guy, and you had a private equity fund or a venture fund, and you wanted to raise money for it, you'd sign up for our database. And then you'd go to the top 10 cities and try to book meetings with different investors who might be interested that you know invest in venture. Because our database tells you that. And then you reach out to them and say, hey, my name is Ty. This is the name of my venture fund. I'm on Fund IV. I'm going to be in Boston. Can you meet Thursday at 3 o'clock?

**TY BRADY:** Wow. How did you get into that space? What's your background? Is it just one day you said, hey, this is a need or how did that evolve?

**GUI COSTIN:** It came out of a failed product. So it was a huge pivot. We started the business in '06, as I mentioned earlier. And then in 2016, I tried to create or I did create, it too forever, it took two years to create a platform where we wanted to be able to post podcasts and videos of investment professionals. And so you'd have millennials could come in, which were the people that are doing this diligence in their 30s, 20s and 30s, and we wanted to be able to provide a place to hang that information, store that information. And we had in June of 2018, we had 14 paying customers. And by July of '18, they said, where are all the visitors? And I said, well, I didn't promise, we would have visitors. You're supposed to bring your people to it. And they said, well, that's not how we understood it. So I went to our sales team on our fundraising team and said, hey, do you think it would be OK if I invited these 14 people to listen in to our weekly sales call? We have eight salespeople. We have a really great sales process called The Dakota Way. And they said, that's weird. You're going to invite our competition to listen to our weekly sales call and our pipeline? And I said yeah, but can you just go with it? I'm going to lose a lot of money on this platform. And one thing we did is we actually choreographed it. We turned it into a show. So I interviewed a chief investment officer. We profiled a city, Boston, and we profiled some really large key accounts that they could call on. And we did it 11 o'clock August 24, 2018. And it's called Dakota Live. And now we're on episode 260. And we've done it every single week since then. And then we did it week after week after week in August and September. But the problem was after every single call, we'd share all this information. And they would say, hey Gui, can you send me email address and name and phone number of all those people you talked

about? And we said, wait a second, that's our proprietary database. There's no way we're selling you access to that. That's how we raised \$25 billion. And then I looked at my team and I said, am I going to lose millions again if we don't do something. And they're like, well, what do you want to do? I said, well, I think we got to create a product and allow people to access this data, and basically supply them with a curated, up-to-date CRM. And they said, you're crazy. And that's going to kill our fundraising business because it's going to give away all the stuff. I said, yeah, these sales cycles are long. And so we did it. They let me do it. So it took six months to build it, and we launched it. And now we're on 1,300 firms later, and \$20 million in revenue. And so it's been a super fun business to build.

**TY BRADY:** Well, that's fascinating. I mean, I've talked many times on the show where if you're in any industry, data and texting is where everything is going. And I mean, I have access to millions of insurance agents across the country. And I subscribe to a database basically, so I can try and get them to sell products through me. So, I mean, completely understand when it comes to that industry. And just you continue to grow from people subscribing to your service. But you mentioned something about The Dakota Way. What is that and what is how did that evolve?

**GUI COSTIN:** You're going to love this, Ty. When I started the company in '06, five years, no salespeople, just me and my partner. My partner and I divorced in '09, and so it was just me. And so I'm like, I'm going to hire some salespeople. So I hired a sales guy. And as I call it, to make a long story short, the sales training was Read my Mind. I call it The Read my Mind sales training method, which is an abject failure. So there was no reading. Hey, just do it like I do it. You know I mean? And so I burned a bunch of guys, and I'm like, this is a disaster. And I'm a pretty avid

business book reader, I mean, probably thousands of business books. And so I read this book by this guy Carpenter, and it was on processes and procedures. So I followed the directions in the book, which is basically document every single thing I did as a salesperson. I basically turned it into four core principles. I call it The Dakota Way. And then I trained every single sales guy that came onto our team on that exact way of selling. And here's the important part, Ty. We have a lot of Dakota-isms, the principles that we stand for. One of the biggest Dakota-isms, number one, is focus on what you can control and focus on what matters most. It's basically one in the same concept. And you can control, all the things, the four core principles, and there's three sub principles within each one for execution. They're all controllables. Everything else you can't control. Can't control the stock market. Can't control buying behavior. Can't control performance, all that good stuff. But you can control-- and so called The Dakota Way, and actually just dropped the book, just released on February 11, called The Dakota Way. And so yeah, so that that's our sales process. And we've done it both for investment sales and software sales. It applies basically to everything. As long as you have a high ticket, you need somewhat of a high ticket item. It wouldn't work for like 100 bucks a year kind of thing. But because it's direct selling. You have to call. You have to be calling on someone and be able to fly to visit them and all that good stuff.

**TY BRADY:** That reminds me of, I do a lot of coaching youth, youth sports, lacrosse, football, wrestling, whatever my kids are involved, I try to be involved. It's the best thing to do. I'm not on the sideline. And it reminds me. I say something is, the thing you can control is your attitude and your effort. You can't control what the call is going to be if the ref calls a bad call, or whatever, you can't control that. It's your attitude and effort. And you have to have a mindset of letting that go quickly, because that attitude and effort can carry with you to the next

play, the next play, and it chews you up. And in football, a play lasts six to eight seconds. So move on. Control what you can control, your attitude and effort, and keep moving forward.

**GUI COSTIN:** I love it. And you mentioned lacrosse. I have two boys that play lacrosse at Penn State.

**TY BRADY:** Oh, that's awesome. My kids aren't that old yet, but they're there. I mean, they'll be there.

**GUI COSTIN:** Yeah, well one just graduated last May. He did four years there and graduated. Now my junior, youngest son is there now.

**TY BRADY:** What position do they play?

**GUI COSTIN:** My oldest played middie, and then my youngest plays close defense.

**TY BRADY:** OK. That's the same thing. So I have a 14-year-old and a 12-year-old. And my 14-year-old plays middie, and my 12-year-old just turned 12, he plays defense, close. So it's amazing. In fact, my 12-year-old just got invited to the Western Regional team. He got invited for the national team too. And he's like, I don't want to do national team because you get on the National team, we're in Utah. We'd have to go to Maryland, New Jersey and it's your three days or your a whole week basically gone by the time travel. And I'm like, you know what? I'm willing to pay for it. But I was like yeah, nah. That doesn't bother me. So he's like, I'm going to focus on the state team and the western team. I'm like, that's great.

**GUI COSTIN:** So my oldest son, his name is Mac Costin. He started at the University of Utah in the program in the spring of 2019.

**TY BRADY:** No way.

**GUI COSTIN:** Yeah, so we were I watched every game at the U. And we went out, stayed at the great America hotel and did it all. He scored 11 goals and one assist in six games. And COVID, it shut it down. Then he transferred to Penn State, did four years there. But yeah, so we love the coaches. We love the whole town, loved everything. But it was just a little too far from home for him.

**TY BRADY:** Wow, small world. And lacrosse is getting-- I mean, lacrosse has always been big on the East Coast, and it's getting bigger on the West Coast. But it's fascinating. And it seems to me the kids that aren't quite big enough to play football, because you've got to be a giant, they gravitate towards lacrosse. And those close defenders, they do really well. Like for me, I'm looking at a kid that played corner as an example because they got good footwork, because you really don't need a stick to play defense. The long pole, it's all about footwork and the sticks are just a byproduct. So it's fascinating.

**GUI COSTIN:** Yeah, a kid in Utah on the Penn State team today is named John King. He's from Salt Lake.

**TY BRADY:** Sounds familiar. I mean, I know a lot of the coaches that either played at the University of Utah, another school's UVU, or even BYU. And a lot of the coaches will come to Utah and recruit 10 or 11 kids to go play at, like Virginia, or Rutgers, or wherever. It's evolving.

**GUI COSTIN:** That's great Oh, cool.



**TY BRADY:** So you wrote this sales book and you trained your sales team, and there's power in duplication. Right? And when the systems and strategies are in place where somebody can follow, when I was told by my mentor, at one point he says, Ty, I could see that you can go out and sell. But your process isn't duplicatable. So I actually developed a flip chart that agents can follow to ask questions. Because you have this opportunity for people to subscribe to this platform, to grow their clientele or their client base. Right? So as your salespeople, when you develop this process, what are some of the pitfalls that they fall into or what are some of the rewards at the same time?

**GUI COSTIN:** So the key to direct selling, in my opinion, whether you're selling software or investments, is number one, you have to have a plan. I know that sounds logical, but you have to have a written-down plan that you then have to be accountable to your boss every week to report back against the plan and get agreement on the plan. So getting agreement is how you keep agreeing on what good looks like is how you keep a job for a long period of time. And you keep your boss informed. That's number one. Number two, you have to establish your total addressable market. So you have to establish who the ideal buyer of your product is. And then the way you execute against that, once you've established that, and this is still point number two. Core principle number two is you have to city schedule. So every day, you always have to have five cities that you're scheduling for. For 9 o'clock, 11 o'clock, 1 o'clock, 3 o'clock and 4:30. You might not go to each city, but it gives you intent every day. Hey, I'm going to be in town. One guy looks at me and he goes, hey, Gui. You know what? I'm going to be in Boston in three weeks, and I'm going to be booking some meetings. Do you have any ideas? I said, bro, I've literally built two businesses on that concept of I'm going to be at a wedding in Boston and I want to book some

meetings. So we just turn it into a game. So, hey, just make up that you're going to be in Boston on Thursday for a wedding or whatever. So you always have to have five cities you're scheduling for. And if you get your four meetings then you go, right? And then three is you have to be a master messenger. So you have to really understand how to pitch your product, ask questions, and there's a whole positioning way that you do that. That's core principle number three. Because if you spend a ton of money to get in that seat in Boston, and you screw it up and the person doesn't know what you do or can't repeat it, then you're out of luck. And then four, the best salespeople, there's only one true leverage point for a salesperson who only has their time. There's some others that I'll identify. The key one is using a CRM, and it's not because it's a CRM. Now, I think everybody right now that haven't entered any call notes wants to basically stick a knife in their leg because now they can't AI any of their notes. Because they're in Never, Neverland. People who put notes in databases have a massive advantage today using AI. But here's what you have to get in your CRM. The meetings that you've scheduled. Why? Because you need one-click access to look at all the past meetings that you've done. Why? Because you want to review those to trigger sales actions, and you don't want to have to look anywhere for it. You want to be able to do it instantaneously. And that's the value of a CRM. And then, of course, a CRM, you enter your opportunities. You create opportunity pipeline reports which trigger sales actions. And then also back to point number one, allows you to report easily to your boss each week, because you got your whole pipeline there. And so it's those four core principles. It's the sales plan number one. Number two, it's your TAM. Know who to call on. Three, you need to be a master messenger. And then four, you have to have a killer follow-up system, which is your CRM.

**TY BRADY:** Well, that reminds me of when I would schedule my day when I was a personal producer, I would block out, 9:00, 11:00, 1:00, 3:00, 5:00, and that's when I would run my appointments. And then in between my appointments, I would stop by and see folks. Or if I got Porch, I would be like, OK, I got to go do this, do this and this. And I did the same thing like you talked about, is I'm like, I'm going to South Carolina. I'm going to Georgia. And I would recruit and then I would train agents and then leave.

That's how I built my entire agency. And I would go there with leads to make up the money that I expensed, and then leave the rest of the leads with the agents in those markets, and the power of duplication. And now it scaled from there. The other thing that I see a pull from that is sales is a numbers game. I mean, it's how many contacts, right?

**GUI COSTIN:** Yep.

**TY BRADY:** And then after that is the follow-up. And what's the sales process from A to B? How long does that take with most of the deals your salespeople are closing?

**GUI COSTIN:** 9 to 36 months on average, long sales cycle.

**TY BRADY:** Ooh!

**GUI COSTIN:** So listen, if you're going to make an investment in a private equity fund, I mean, your advisor has to do due diligence, right? It takes time. And so here's the deal though. Here's of the greatest leverage points. It's in the book. Is that at the end of a meeting most people say, hey, Ty. I really enjoyed it. Hey, it was really fun getting to know you. Great. Then they leave, then they email Ty and they say, Ty, really enjoyed our meeting. Thanks for learning about my private equity

fund. And you ask a bunch of questions. And what do you do? You're on to your next thing, because you have no interest in this strategy. So you ghost me, totally ghost me. But you have 30, 40, 50 people emailing you every day with meeting requests and everything. So as I say to everyone when they asked me, what's your follow-up process. I said, I do not have one. I don't do follow up. They're like, what are you talking about? I said, I follow up in the meeting. So I sit there and I look across the table at Ty, and I'm like, hey Ty. I really enjoyed our time together. We went over this private equity fund. You're an expert. Give me your thoughts. Is this something you could ever see putting in your asset allocation mix for your clients? If you say no, I know what the follow-up is. I put you on my email list. We're done. If you say yes, then I say, Ty, that's great. Do you think you can make our final close on 9/30,2025? Gui, I need three board meetings. So I need nine months. It's too soon. I can't do it. All right, great. I know what the follow-up is. If you say yes, I can make that close, then I say, well, Ty, what are the things that we need to do to better familiarize you with our strategy? And you're going to tell me. This is our process, what I need to do. These are the next steps. All right. Great. So I leave the meeting with either a hard no, which is always the best answer, or second best answer, or it could be the best. Hard no, which I found out in the meeting, or I've got now the next steps. And so I want to go back to the team, they're like, hey Gui, how was your meeting with Ty? I did ban the term "great meeting" at our company in 2011. Because guys would come back like, how was the meeting? Great meeting, great meeting. I'm like, did they wire 10 million? No, no, no, no, no. It was great, lots of buying signals. And I said, what did they say? What are the next steps? Well you know. I'm like, OK, stop. I said, I'm the biggest bullshitter in the world. So don't even go there. Let's just get the answers. Just ask them. Is this something that you think you're interested in or not. If you're not,

I'm fine. I'm not going to bug you. So I think that outside of the CRM, that is a must-have action in the sales meeting to close it out.

**TY BRADY:** Many people in sales are afraid to ask those hard questions. And I would rather know when I leave an appointment if I'm going to move forward. If they tell me no, great. Put them on a drip campaign and move on. And you know what? You may get him a year or two years from then, but at least you got to know somebody. You got to know who they are, what they do, how their business strategy works. But that's fascinating to me that it's 9 to 36 months, the sales cycle for you.

**GUI COSTIN:** Yeah. And remember, I mean, if somebody makes an investment on behalf of their clients, whatever it might be, they have to write basically a 50-page document for the SEC, basically laying out why they chose the investment. So, I mean, it's a major league commitment. But I've had 10-year sales cycles. I remember, we started calling on Merrill Lynch in 2006 and finally got an allocation in 2016.

**TY BRADY:** Wow. So where do you see, the next 5, 10 years going with what you're doing now or just in general?

**GUI COSTIN:** Oh well, we're a read-only database. And I think getting into the workflow automation for our customers who use our database is really critical. That's one. And then two, just offering more and more essential data to help them do their job. And then three, AI will definitely play a role in these data businesses in a big way that have a walled garden of data. So if you're creating all this proprietary-- collecting all this proprietary data, and maybe some I call commoditized data, you're going to be able to do things with the power of an LLM to ask it questions, build things for you, build presentations, summarize.

There's a lot of things you're going to be able to do with that data, which is why these data businesses, obviously, everyone's coming to the same conclusion that when you have somewhat of a proprietary data set, your ability to ask questions and prompt it, and get really unique answers, and save a lot of time or actually find answers you might not know or see trends-- it has the potential to be really game changing. But I say has the potential. It's happening, but we've got to execute on it.

**TY BRADY:** I interviewed a guy on the show that does proposals for or we call them RFIs, I believe. And he said with AI you can do proposal in minutes when it used to take a lot longer. So you use AI for the basic proposal. And then you go through and proofread it and so on. It's just fascinating with what AI and where it's going. The last question we'll wrap this up, Gui, is any last thoughts you'd like to leave with the audience?

**GUI COSTIN:** Yeah. This is what I would say as a 58-year-old, get a little sentimental, is I think leadership is a big deal. And how you treat people is a really, really big deal. And we have a super hard charging culture. And we play at the highest level of professionalism, always striving for excellence every day. But we do it with kindness. And my next book is going to be called Be Kind. And so I'm going to talk about lessons learned. I've had my Bobby Knight moments at work. I've had the whole thing. And the reason that is, and the reason that's so important is because organizations thrive when they keep their best people, because their best people know how to get the job done. And every day they're there, they're getting the job done better and better and better, more efficiently. And the organization runs smoothly, and they teach everyone else. And you want to keep your best people. People leave jobs because of their boss, not typically of the company. And it's

because the boss uses words they shouldn't be using or saying things they shouldn't be saying. And so in a very positive way, you can have your cake and eat it too. You can be kind. And you can also play at the highest professional level. And I just think that's so important in going forward is that we spend so much time with our work colleagues that kindness is a big deal, and having fun together while still achieving you can have it all.

**TY BRADY:** Well, you never know what somebody is going through. And typically, it may be their kid is sick at home or whatever, if they're not performing. And it is that compassion. But yet at the same time, you've got to make a living, right? And you spend more time at work than typically you do at home, especially with your kids. And it's just getting to how can you help them be better and strive for excellence. I love it.

**GUI COSTIN:** Bingo. I couldn't say it any better myself.

**TY BRADY:** Gui, thanks so much for being on the show.