

Annaka:

Hey everyone. And welcome to Startup Savants. I'm Annaka.

Ethan:

And I'm Ethan.

Annaka:

If you're a returning listener, welcome back. And if you're new, this podcast is about the stories behind startups, the founders who run them, and the problems they're solving. This episode, we're joined by Rachel Cosser of Virtual Sapiens, a tool that uses AI to help users optimize their body language during video meetings. She had some really important things to say about how body language can improve confidence and communication and how she built a business by really returning to her core strengths.

Ethan:

Definitely. And another major point she talked about was reinvention versus starting over. If ever in your life you're forced to make a major life change, you'll be happy that you heard Rachel's advice. This was a super great conversation, so let's get into it.

Annaka:

So if we could just start off telling us a little bit about the history behind Virtual Sapiens, its mission, and how you got started.

Rachel Cosser:

Absolutely. So Virtual Sapiens is very much an evolution of the work that I was doing very much live, in person, either through one-on-one coaching or in a workshop setting before the pandemic, focused on helping professionals, particularly client facing professionals, increase their body awareness and have the congruence of what they're saying match with the way that they're saying it, through body language, through the non-verbal communication. And Virtual Sapiens is really taking that to a more democratized level, in the sense that we leverage AI and the fact that people are on video more frequently, to provide access to this coaching, which typically was pretty hard to get at a personal level.

Ethan:

So Virtual Sapiens is not your first foray into business, and it's definitely not your first "job" in your career. Early in your career, you were an athlete, and for many, many years, you were a ballerina. Can you tell us a little bit about how those different things brought you towards the path that you're now on?

Rachel Cosser:

Yes, absolutely. And it's so funny because I can imagine people hearing those things, those other activities, if you will, and being like, "How on earth are you now running an AI company?" But if you do go follow the narrative from one to the other, it actually makes a lot of sense. The time that I spent as an athlete was in Canada as a rhythmic gymnast, so that's with the ribbon

and the ball and all that, on the Canadian national team. And that was something that I did up until the age of 19. The shelf life of a gymnast is tiny.

Rachel Cossar:

And so I "retired" or transitioned from the world of athletics to a world of being on stage as a ballerina. Because I figured, well, if the shelf life for an athlete finishes when you're 19, the shelf life for a dancer, you can get probably till you're 30 or something, maybe.

Rachel Cossar:

But no, in all seriousness, the skills that I developed as a dancer, specifically around performance, performance psychology, being able to perform under pressure, and really understanding the power of our physicality as humans, when it comes to communicating a very complex message. You can communicate all of the emotional nuance from the way that you move your body and the way that you use your voice. And so in the world of ballet, it's all about the body. I retired in 2016 because of a very unfortunate injury, but I knew that I had always wanted to do something else after my career as a dancer.

Rachel Cossar:

And so when I ended up in my first "9to 5," first traditional job, it was at Harvard in their fundraising department, so very relationship driven role.

Annaka:

Right, right.

Rachel Cossar:

And I noticed that actually a lot of what I'd learned as a dancer kept coming up in even internal meetings, where the way that I would analyze people's presentations. And I would sit there thinking, "Oh wow, this person could have done this, and it would've been so much better." Or "I wonder if the person realizes that they're sending this message with their body, with the way that they're holding their posture or the way that they're not using their hands," or any variety of nonverbal asset class and communication. And that was the grain that had me start to translate these skills that I was a master in, into programming that I could then teach in completely different industries.

Ethan:

Gotcha. And you teaching those skills that you learned didn't start out as virtual sapiens. It's from what I've read, the first iteration... I'm not going to call it an iteration because it was a totally different business. The first venture into this teaching was a different business that you started called Choreography for Business. And now, it seems like you've taken this same idea and tweaked it a little bit and shifted it into the next gear. But can you tell us why you didn't just scale up Choreography for Business and why you decided to start a new company with Virtual Sapiens?

Rachel Cossar:

Yeah, definitely. So interestingly, the first workshops that I led were actually in restaurants, in hospitality. So choreography in the kitchen was all about helping restaurant front of house staff develop the presence to really guide people through a dining experience. And then, when I started to really make the connection between the work I was doing there with the fundraising work at Harvard, that's when I was like, "Oh wow, this relates to... You don't just have to be in this more performative job. You can be in any relationship job, and these skills are important."

Rachel Cossar:

And I did really, I really pushed Choreography for Business for a few years, and did workshops with people and in companies all over the world, really. But I always was struck by how unfortunate it was that I had to be in the room or a coach had to be in the room. And in order to really be effective, the room had to be filled with only a certain number of people. You could have a really inspiring keynote that could be amazing. Absolutely. But in terms of actual coaching and workshopping, the problem of scale was always on my mind.

Rachel Cossar:

And when the pandemic struck, that's when I finally saw this opportunity of, okay, now these conversations are happening on video. These important conversations that are critical to the organization's or the company's success are happening on video. So the professionals are already there. And AI, in the limited amount that I was familiar with the technology at the time, I knew was advanced enough to be able to pick up on the cues that I was coaching. So eye contact, hand gestures, facial expressions, head movements, body posture, things like that. So I was like, well, maybe this is it. Maybe this is what I've been waiting for, in terms of being able to introduce scale while maintaining quality and personal levels of feedback.

Ethan:

Gotcha. So do you see the pandemic as the thing that really pushed this, or was it more the need for scale or the want for scale that really tipped it over the edge? And then secondary part of this question, do you see Virtual Sapiens as an iteration of Choreography for Business, or do you really, truly feel that is a totally different business? They are different businesses, that's why they have two different names.

Rachel Cossar:

Yeah. Yeah. So to answer your first question, as I think many people might say when it comes to the pandemic, I don't think that it was inevitable that we would get to where we are. I just think it would've taken a lot longer. I think it would've taken a lot longer. I think the pandemic was an accelerator for increasing people's comfort around the convenience of video. And I think in order for Virtual Sapiens to... It's not like Virtual Sapiens is the first AI coach, AI communication coach. We're not. There were a few that existed before us. But I think that it was always an extra ask to get people to record a video of yourself, and then we'll use our AI to... And people are like, well, I'm not on video. So this doesn't feel as relevant.

Rachel Cossar:

And what we're able to do now fully is, well, you are on video. The conversations are highly relevant. And so therefore, the coaching could not be more real time more relevant. So, in a sense, yes, I was looking for scale, but this needed to happen. The pandemic accelerated it and helped us get here way faster, zero question. And so, a big part of what we are trying to introduce is a more convenient way to access coaching. We don't want to always have to ask people, professionals to come out of the field to take time away to do these trainings. Those are great, but not everyone has that luxury. And so, part of our thesis is, well, don't worry. We'll come to you. We'll conveniently sit on whatever call you want and give you that feedback.

Annaka:

I love this. So as an athlete and a dancer, you've built this hyper awareness of the space that you take up and how your body can communicate emotions and feelings and things without having to say anything. So you have this skill set here. Who really are your clients that are coming to you? You started in hospitality. Are you really working with boardroom people and maybe sales? Who's coming to you and using your services?

Rachel Cossar:

Yeah. So at this point in time, we're definitely still, as a startup, we're in the validating product market fit stage. So while our target is sales teams, so we're looking for sales teams who are continuing to leverage video as a critical part of their communication strategy. We are also in conversation with some universities who have communication programs or curriculum. And we're looking at ways that we could potentially have Virtual Sapiens embedded within the curriculum, so that students who are about to graduate into this new world of work can show up with an updated skill set that really reflects where the future of work is or is going.

Annaka:

That would be so good. I have an education degree, and I had one professor that would sit at the back, and he would watch you and write down every time you said um or like or did something weird with your hands. And that feedback, even though it can be uncomfortable, it makes you that much better when you're in front of a group of people, and you might not be comfortable anyway, but if your body looks comfortable, it's a game changer. So yes to universities. I think that would be excellent.

Rachel Cossar:

Yeah. Yeah. And you hit the nail on the head there, where communication is touted as one of the top skills for professionals, especially when it comes to getting promoted. And yet, communication as a skillset, especially from a full package, including the body language component, is generally written up in articles, yes. But when it comes to getting training, it's usually only the special few who get that training. And we just... Being held back in the messages you're trying to share because you're not communicating them effectively is something that we can address.

Ethan:

So you and I share at least one thing in common, and that is that we both view communication as an extremely important part of any business. Why do you believe effective communication skills are so valuable in business, especially for entrepreneurs?

Rachel Cossar:

So much of the way we progress as humans is based on communication. And that's not always the spoken word. Written communication is just as critical. That being able to hone a message and then deliver that message effectively is a core determinant in having the impact that you're looking to have as a professional, as a human, as an organization. And so I think for me, having spent so much time on stage, thinking about the way that I was going to move my body in order to influence this audience or give this audience a shift in their emotional state, just based on the way I was moving my body, and having seen the impact of that and experienced the impact of that, to me, communication will always be one of the most important tenets of a successful business.

Rachel Cossar:

And so for entrepreneurs, if you think about what you're trying to do at the core, at the outset and then as you continue with your business, you're trying to influence people into seeing this new world of what's possible. And if you're not able to communicate that, then it's just such a shame because it means you're either leaving potential on the table or you're making your likelihood of success smaller than it would be if you were able to land that communication of that message every time.

Ethan:

Right. And it's all communication. And you said it. It's not just verbal. It's not even just written. It's everything. But it's also, as entrepreneurs, we need to communicate to our employees. We need to be able to communicate to our... If we're selling a product, we need to be able to communicate that this product is the thing that that customer's looking for. We need to be able to communicate with ourselves, to clarify the ideas that we have and the steps that it will take to make those ideas a reality. Having clear communication, and I've harped on this for many years, you can ask anybody I've ever worked with. Clear communication is the thing, in my opinion. I don't think that there is a more important skill than being able to clearly communicate. And that's outward with whatever the messages you're trying to give, but that's also inward, in being able to listen and understand the people that are trying to communicate with you as well.

Rachel Cossar:

Yeah, definitely. And communication is never just a one-way street. It's never just about what you are doing or what you have to say. It's always about then, how does the audience feel? Where are they? What's the context? What is your intention behind this? And then having everything align all together in this magic moment is, you could say that's one definition of presence.

Ethan:

Absolutely.

Annaka:

Yeah. I feel like... I don't know about Ethan, but I'm extremely aware right now of how I'm sitting and how I'm holding myself and what I'm doing with my hands. And I'm like, huh.

Ethan:

Nope. I'm slumped like normal.

Annaka:

It's funny, even just to be reminded of being conscious of where you are and what you're doing. So thank you for that, just inspiring me in that way. But are there any big body language mistakes that people routinely make or consistently make as entrepreneurs, particularly when they're in uncomfortable or tough situations?

Rachel Cossar:

Yes. So speaking from a virtual perspective, I think everyone at this point is sick of hearing your lighting has to be good and your framing has to be good and make sure you have a clean background. But actually from a nonverbal perspective, those three things are so important that it is worth mentioning them again. Because if you're thinking about the first impression, typically if you were in person, you would walk into a room, you would shake someone's hand, you would make direct eye contact. You would walk on stage, you would address the audience with your arms, with your posture. And immediately, everyone would gravitate towards, "Oh wow, great. Someone with authority, the speaker. I can't wait to hear what this person says."

Rachel Cossar:

Virtually, the first impression happens the second another person sees you in your little square on video. If your lighting is uneven, if you have a window that's on one side that's completely reflecting light off of your forehead, if you're in the darkness... First of all, it's hard for us to see the human. So it's almost like it's obfuscated. And so, already we're like, "Oh, you know that person's just not very sharp and articulate." And we might not be saying this explicitly, but the judgements that are firing off in our minds, that's what's happening.

Rachel Cossar:

If we don't see the full upper body of you as a human, and all we see is the top of your head, or if we see this looming overlord person because you're looking down on your lens, immediately that sets up an impression of you as a professional and as someone who knows how to handle technology.

Rachel Cossar:

And then the backdrop, same thing. You just want to be very intentional about these things. Because in that moment, you have the option to show up as someone who has clearly prepared, who respects the time of the other person on the other end, who is an updated professional and who knows exactly how to show up in a way that represents and reflects their brand on video. Or you can say, well, it doesn't really matter because what matters is what's

going to come out of my mouth, at which point you've already left a lot on the table in terms of your credibility.

Annaka:

Yeah. I'm equating this almost to how you even dress for work. The person showing up in sweatpants, okay. I don't even care what you do. You can clean the floors, but I don't... You don't have the authority to me. And if they were like, "Hey, by the way, I'm the CTO," I'd be like, "Oh great. No thank you."

Ethan:

That's where we work? Oh, okay.

Annaka:

Fun.

Rachel Cossar:

Yeah. And then, sorry, I will just... Because I know I just shared some things more about setup, but other nonverbal cues that we do tend to see with people who might be presenting and who are a little bit nervous. So eye gaze on video is particularly challenging and awkward. And we tend to want to be looking at the faces of the people on the call, which makes absolute sense. However, if you are the one who's presenting, the audience wants the benefit of your direct eye contact, so that's looking into the lens. Maybe you have a teleprompter so that you can look into the screen, and it's still the audience seeing your eye gaze as the lens.

Rachel Cossar:

But that's one of the big things, because I can be super enthusiastically talking to you guys here and it feels great for me, but you guys... It's like I'm talking to someone completely different. And the way that our brains work is based on visual cues, when it comes to these conversations we think we're having with someone. And so we always have to be keeping the audience's perspective in our mind and showing them as direct a connection to ourselves.

Annaka:

And I know for me personally, my gut check reaction is to not be on video ever. I'm doing other stuff. I'm slouching. I'm doing... I understand that I'm in the wrong on that one, but the benefit, what are the benefits of being on video and connecting to someone "face to face," versus just audio?

Rachel Cossar:

So I am thrilled that you brought that up because there is a huge debate waging right now around that very question. Should we have videos on, should we have videos off? The conversation, unfortunately, tends to go into the extremes of all or nothing. Either we're a video off culture and no one ever uses their video ever, or if we're doing a meeting, it better be video always. And neither one of those are correct because they're missing the point, which is communication differs based on context.

Rachel Cossar:

If I'm connecting with my mom in a very casual FaceTime, I'm not going to be showing up in my nice shirt with my hair done and my makeup and earrings, because it would seem just completely out of context. Similarly, I wouldn't show up to an investor meeting in the car, on my phone.

Rachel Cossar:

And so the question that really needs to be asked is not video on or video off, but what is this communication event? Should it be an email? Should it be an asynchronous document sharing? Does it need the benefit of the full spectrum of communication, including body language, in which case unless we're going to meet in person and take all that time, absolutely it should be a video meeting. Or can it be a phone call? We need to have the conversations. Having a knee jerk reaction to always have your video on in any meeting is also not the answer. And so, it's what is the context? What is the goal? What do we need to see in order to be effective?

Rachel Cossar:

I've heard a lot of if it's a client meeting, we'll do video. If it's an internal meeting, we do video off. And even that, I'm like, well, why is it that your internal meetings are considered less important, and therefore you're not giving the employees or the team members the benefit of seeing whoever it is that they're dealing with?

Rachel Cossar:

So, it's a broader conversation. There's a lot of nuance in it. I think there's also a ton of opportunity to redefine best practices in this space. So I just hope people lean into that and don't make standardized statements, blanket statements.

Annaka:

Yeah. There's a lot of times where I'm folding my socks during big team meetings and stuff like that. So I'm selfishly glad that your answer wasn't do it all the time. I have to wash my hair every day then. Come on.

Annaka:

But are there some red flags that people can pick up on, body language-wise, even internally with clients, investors, things like that? Where it's like, okay, this isn't a good situation, or they're not approachable or they're not listening to me? Any big red flags like that?

Rachel Cossar:

I think here's where things get really tricky virtually. Someone could have multiple screen, and just so happened to have your deck or the video view on a different screen that's off to the side. And so what you see is their total profile, which again, our brain is like, "Wow, this person is totally checked out." When in reality, they just have a terrible virtual setup, and they're not aware that they're sending you that message. And they're very enraptured in what you're saying.

Rachel Cossar:

So what I would say, in virtual settings, if you're giving a pitch and you're starting to pick up on a theme across the audience, where multiple people are looking off screen and doing so repeatedly. So it's not a consistent looking away, but it is a looking away and in all different directions, that could be a good cue to pause for a moment. Pause in your manic running through of your slides, trying to get all of them into the 10 minute pitch time, and ask a question. Or pause for a moment. Silence, especially if you've been rambling... Many of us tend to speak very, very quickly virtually because we're not getting those same audio cues. Using silence, pausing is a very authoritative move that can actually pull people back in because it's a change, and our brains pick up on changes.

Ethan:

Yeah. I think that's something... I feel like the person in the room who can control the most silence holds the most power in the room. If I'm in a meeting with 37 board members of whatever company has 37 board members, that sounds like a lot. I'm just making numbers up. And I'm talking, and I'm trying to pause for four or five, six seconds at a time, I feel like a lot of those people will take that as an invitation to jump in and start to say their piece. As to where if a CEO is giving a talk to their employees, maybe they can bring that pause and hold that silence to really nail down whatever point they're trying to make. Or like what you said, to regain some of that possible lost attention, but nobody's going to jump in. Nobody's going to jump into that CEO's silence because they're not taking that as an invitation to speak now.

Rachel Cossar:

Yeah, definitely. Yeah. Pausing and understanding... It's almost similar to the posture analogy. You want to be expansive. You want to take up space. People who tend to expand more, tend to appear more confident, more in charge. That speaks to Amy Cuddy's work on power, power posing. If you do that a little bit before a big event, you can actually help yourself feel more confident. But in a similar sense, pausing, expanding the amount of time that you take to share something can also be viewed as a very authoritative stance.

Ethan:

Amy Cuddy, was she the person that had, I believe I've seen this TED Talk where you said the power poses, was she the one that did that TED Talk that just got massively, massively popular? Okay. Yeah. We're going to plug some TED Talks today. That's just on the agenda, and that's one of them. If you're an entrepreneur out there and you haven't seen that video, it's so simple. It's so simple, the message that she's putting across, and it makes such a huge difference. I'm not going to give it all away, but standing there and looking like Superman makes you feel like Superman. It's pretty awesome. So on the note of TED Talks, I'm going to pass this over to Annaka.

Annaka:

Yeah. Yeah. Speaking of TED Talks, yours, you spoke a lot about reinvention. And you mentioned this a little bit earlier, where you went from a performance sphere into a 9:00 to 5:00 and then into the AI. You already talked about the process and the timeline, but how were you

feeling in there? Was there fear of I have this devastating injury. This part, this sphere of my life, I have to move on. What were the emotions at that point?

Rachel Cossar:

Yeah. So I can't remember if I talk about this in the TED Talk, but for me, even though I knew that I was going to leave the world of ballet eventually and do something else, I had no idea that day was going to come so quickly for me. And I had no idea that I would leave the ballet world because of an injury. I just didn't think that... I thought it would be my choice. And losing something that you have spent your entire life or a good part of your life just really pushing for and sacrificing everything else for, and losing that basically overnight is an insane loss of identity.

Rachel Cossar:

Because you go from literally one day walking into a room and being able to say, "Oh, I'm a professional ballet dancer." And everyone's like, "Whoa, that's cool. I've never met one of those." And then the next day, you walk into, that could be the same room, and all of a sudden, you're like, "I have actually no idea. No idea who I am or what I am or what I'll be doing next." I definitely can't say I'm a professional ballet dancer anymore.

Rachel Cossar:

So I went through a really, really hard time finding footing underneath myself again. It felt like I was floating away for four months after I retired. And just trying to figure out, again, who I am and what do I stand for, so that I can even know where to start looking.

Annaka:

Yeah. I think the... When you said identity, I was like, "Yes, that's it. Yes." Anyone that has changed careers or tried something, and you've succeeded at it and then left and tried something else, what you do in work is... It's so important to your identity. And it's... I'm a graphic designer. People make assumptions about me as a person based on what I do. And it's like, okay. Yeah. That's part of me. A lot of times, I look like an artist based on what I choose to wear and the activities that I do in my off time. And it's not... You don't necessarily have to reinvent your identity, but it's like, okay, without this thing, what am I? At the core, without all this other stuff on top of it. So I'm glad you used the word identity.

Rachel Cossar:

Yeah. And like you said, this kind of transition happens to everyone, whether it's transitioning out of a relationship that was very foundational or fundamental to your life, transitioning out of a job, leaving college and being a college student, and then having to figure out what on earth you are actually.

Annaka:

Yeah. And do you have any advice for anyone who's looking at reinventing themselves or taking a turn and pivoting into something else, to maybe that reinvention not being quite as painful and scary?

Rachel Cossar:

Yeah. I think there's no... You can't protect yourself from the process. You have to go through the grief, you have to let that thing go. You have to figure out what it is that you learned from that period of your life and how you can continue to build on top of that. So, there's no safe haven of do this, and then you won't experience pain, unfortunately. Dang it, yeah. In terms of a framework that I think can be really helpful is in that reflection around okay, what was it about that thing that I loved or that I valued or that I really identified with, and where else can I find that, and/or where else might I be able to bring some of that magic with me?

Rachel Cossar:

Because I think sometimes when something is very painful for us, especially when it involves change, we have a tendency to be like, "Okay, I'm going to shut that in a box. And I'm never going to think about it again." And then all of a sudden, you do yourself and the world such a disservice because you have this amazing, unique experience that could be just what someone else or some other industry needs. And so, if you give yourself the space to figure out what that is, what you value, what you stand for, then when you do start, whether it's interviewing for other jobs or talking to other people, you're very much a unique person with a unique experience that could be super, super valuable to others as well.

Ethan:

Right. And your story is such a great example of you went from something that you were great at. You were a professional, you were a high performer at this thing, this thing that you'd been doing for a long time. And whenever you had to change those gears and do something else, there's two ways you can look at it. I think people can look at it as a pivot, which is just changing direction, but you can also look at it as starting over. But I think that that's so damaging because if you view it as starting over, then you really are. You're tossing out all of those things that you've learned. And again, just like in your story, you took things that you learned, things that you were the best at, and I'm sure there was some time where it was like, I have these skills. How the heck do I use them? But then you found that way.

Ethan:

And we saw with Choreography for Business and now Virtual Sapiens, there was a food blog in there. And the time at... What school was it? I'm sorry, Harvard? Yeah. Okay, good. Whew. My memory is not that far off. That's good. It sounds like you had to go through quite a bit to regain that footing, but you didn't have to start all the way over. You weren't like, "Okay, I guess I'll go back to school for English major," and just take nothing with you. And nothing bad against English majors, it's just you got to take what you have and roll with it.

Ethan:

And so I think to summarize what you were saying earlier, and totally correct me if I'm wrong here, but I think the message is that the best way out is through. If you're feeling in a pinch, sometimes the only way out is through. You can't always go around. You can't always avoid.

Sometimes you just have to go through it. And if you can manage that, if you can handle that, then you're going to be better for it.

Rachel Cossar:

Yeah. I think... I would completely agree. I will also admit that I definitely tried to go around. I tried to skip, I tried to do all... I thought I was going to retire and then just impress everyone with my ability to immediately get something amazing, and "Oh, wow. She didn't even skip a beat." And it was such a crash landing. And showing up to Harvard and getting my tiny cubicle and realizing that, wow, this literally could not have been more hard, a harder transition for me. It was such a crash landing. But I needed that wake up call to be like, yeah, you're going to have to work through this. And it's going to be challenging.

Rachel Cossar:

And I will say that for a lot of dancers, the narrative, because you've been dancing since you were quite young, so most dancers don't go to college. And so you do retire and you do go back to school. And I had friends who retired and did go back to school, but I had done my undergraduate degree while I was dancing. So when I retired, I had that undergrad. So I didn't have to go back to school. But I remember thinking a few times, maybe I should have just gone back to school anyways, because I cannot figure this out.

Ethan:

Well, I'm glad you figured it out.

Rachel Cossar:

I'm glad I didn't go back to school immediately.

Ethan:

Yeah. You stomached a career change, but also a massive ego hit. And not everybody can take it. It gets pretty hot down there by the fire. I'm glad you made it through. It's really great.

Ethan:

With that, I'm going to plug your TED Talk just one more time. The Muscle of Reinvention: Building on Past Identities. We will put a link to that in our show notes. So if anybody wants to check that out, I highly recommend it. I was completely captivated just about 100% of the time that that was on my screen. So first, thank you for putting that out. And second, everyone go watch that. Just stop what you're doing, pull over on the side of the road. I don't care. Go watch that video right now.

Ethan:

Now, we're going to switch gears entirely and talk about where you are in your fundraising. So right now, Virtual Sapiens is raising the pre seed round on something called a safe. Can you tell us what the heck a safe is and how it has affected your funding?

Rachel Cossar:

Yeah. So for early stage companies, the main vehicles that you'll raise on are either a safe or a convertible note. Safes were actually initially introduced by Y Combinator as a more convenient, less constraining way for founders to raise capital relatively quickly, with some flexibility, in a way that isn't yet giving equity away. So similar to a convertible note, safe holders don't yet have equity, but they convert into equity with some favorable notions at the time of your price round or a next round.

Rachel Cossar:

What's great about a safe is that it can remain open for a slightly longer period of time. You can take in investments on a rolling basis. Typically with other types of funding, you have to do a capital call and get all the funding in at once. And especially when you're starting off, and you might have a couple of champions in your corner who are happy to write you an angel check, but other conversations take up to a year to manifest because they're just trying to feel out the traction you get. So, that's another thing that can be great about a safe, is that you can keep that safe open. So long as you're communicating properly with all investors in all parties, you can keep that safe open and keep things coming in on a rolling basis.

Rachel Cossar:

The other thing is that a safe won't have the required conversion timeline or date. So it gives you a little bit more time to raise your valuation before you convert and raise another round. So it's worked really well for us. It's worked really well for a few other startup founders in my network. They love the safe. You can still offer... So similar to the convertible note, you can still offer your investors a discount or place a cap on your valuation, so that they get that additional thank you for believing in you at the earliest stage, at the earliest and riskiest stage. So yeah, that's the gist of it.

Ethan:

Gotcha. Did you raise funds for Choreography for Business?

Rachel Cossar:

No. Choreography for Business was very much a small business, completely different legal entity. It was an LLC. Virtual Sapiens is a Delaware C Corp and different notions of scale.

Ethan:

How has the experience differed in running that first company, as compared to running a scaled startup?

Rachel Cossar:

Yeah. So Choreography for Business, actually, I never did full time. It was always something that I was building on the side of or in tandem with something else. So after Harvard, I actually got another job fundraising at New England Conservatory. And I did both of those things at the same time. Virtual Sapiens is fundamentally different because again, whereas with Choreography for Business, it's all about me. I have to be in the room. I can only be in one place at one time, Virtual Sapiens is about the scale. It's about going beyond me. And therefore,

bringing on a technical co-founder, having it be a very technology-driven product, bringing in investors and having it be more of a village approach is appropriate. Whereas with Choreography for Business, it doesn't make sense. Didn't make sense.

Annaka:

And you just said a magic word for me, your co-founder Neil. How... And this is a recurring theme among founders, finding technical co-founders. How did you find him? Where do they hide?

Rachel Cossar:

Yeah. Honestly, every day I'm so thankful that Neil and I were able to find each other because it really is, as a non-technical founder with an idea that involves technology, it can feel impossible to find that technical co-founder. I will say, though, that you don't... I think sometimes people who are starting technology companies fast forward and make assumptions that are not always required. So there are so many no code platforms. You don't necessarily need a technical co-founder to be successful. You can be a solo founder, you can be a collection of founders and not be technical and find the technical expertise somewhere else. It's totally possible. In the same way, you can have a very successful business in technology and not need to go for VC funding immediately.

Annaka:

Right.

Ethan:

Can you say that again, please? A bit louder.

Rachel Cossar:

Yes. You don't need to go straight to VC funding.

Ethan:

Wow. Okay, cool.

Rachel Cossar:

It's such a beast. It's very much a beast. Yeah. So we don't have VC yet. We have angels. Our pre seed is just angels.

Rachel Cossar:

So in terms of finding Neil, I had my call for looking for a technical co-founder and CTO out for a couple of months. A few... Actually, no. I started publicizing that I was looking for that in January of 2021. And Neil came on board in May of 2021. So there was about, what is that, five months-ish of diligence, dating, whatever you want to call it.

Rachel Cossar:

Neil actually discovered and reached out to me based on one of these postings that I had done on. I think it was angel.co. And his head had been in the same space, in terms of he had seen his kids go through virtual schooling, and he was like, "There's got to be a better way to do this." And when he saw that I was using AI to help make video meetings feel more human and more real, he was very interested. His former company, which was acquired in 2016, was an ecommerce SaaS platform. So he was also very interested in the machine learning, AI world. And applied AI world.

Annaka:

Yeah. AI in and of itself is such a beast. And everyone thinks, "Oh, the overlord robots," and things like that. No, it's so, so, so useful for so many other things, but you're almost required to have someone with a basis in that skillset. Neil has his skillset of AI and tech, and you have your skillset of the body language and nonverbal communication. And I'm just so glad that the two of you could come together and make this happen. Was there a particular moment in ideating and validating where you're like, "I need someone to help me with this." Was there a light bulb that went off?

Rachel Cossar:

Yeah. It definitely wasn't all at once. It was a gradual thing, because I definitely was going back and forth with the notion of, well, do I really need a technical co-founder? Can I just continue to hire contractors until I get enough traction to bring on a CTO, but not... And so I kept going back and forth with that. But for me, really, the kicker was when I really started to feel the weight of being a solo entrepreneur. I was realizing more and more that I needed a partner, someone who was in this as much as I was, thinking about it 24 hours a day, putting their capital up. We bootstrapped the first part of the company, and I had put up a certain amount of money. I expected the co-founder to do the same. I wanted someone who was all in. And so in that sense, I didn't really need... I had a big, big preference for a technical person, but what I needed even more than that was a partner.

Ethan:

Right.

Annaka:

Yeah.

Ethan:

And finding those is hard. I'm super glad that you found Neil. Reading his bio, it sounds like he was really perfect for the position. As long as you two mesh as humans, it's a recipe for success for sure.

Rachel Cossar:

Yeah. He's awesome. I am so fortunate to have him.

Ethan:

So in your company profile, which by the way, everyone, you can read over at [startupsavant.com](http://startupsavant.com). That is my shameless plug for the day. You mentioned that when you had the idea for Virtual Sapiens, you said that you needed to "act urgently," or that someone else would build it and that you would "regret that forever." How has that sense of urgency affected the actions that you've taken?

Rachel Cossar:

I think it... I would say there's just an overtone of urgency always to most startups and definitely for us at Virtual Sapiens. The urgency initially kicked in as a primary factor in me making the leap away from a very stable, benefits included, nice six figure, cushy job, to the exact opposite of that.

Rachel Cossar:

The urgency of it was so clear to me that I knew that if I didn't make that leap, I would then regret it because I was sure that this is part of what the future of work will look like. And so far, I haven't been wrong about that, just based on other activities we've seen in this space. And then to that note, other activities we've seen in this space, the urgency continues because while the space is very frothy when it comes to verbal and vocal coaches and AI and conversational AI, the body language focus that we have is still actually quite unique. And I don't think it's going to be like that for long. So we have to develop our own stuff and get it to the point where it's stable enough and in enough people's hands so that we can be a real contender in this space.

Annaka:

All right. So how does a company like Virtual Sapiens scale? What's next for you?

Rachel Cossar:

Yes. The question of the day for us. So our go to market strategy is actually twofold. So we are, even though we have a tool that any professional can go onto our website, download, try out for free, et cetera, we're really focused on the B2B play. And the way that we would do that is what we're doing currently now, which is setting up pilots with teams where we'll have a small number of people on their team use the tool, will be very hands on in their experience of it, even though it's fully automated already. And then ideally, get that to the point where we have a real case study to expand within that organization and beyond.

Rachel Cossar:

And then the other piece is that we feel that our insights, because we're so specific with the body language insights, that our insights will be really valuable when layered on top of other companies' insights. So for example, other conversational platforms, whether it's in the sales enablement world, who are already collecting all this other data, maybe on the content or the wording of a call, we would then come in with that blind spot of body language insights and be able to give someone the full picture. So that integration partnership is how we would actually reach massive scale and distribution, versus just focusing strictly on being a standalone product and through direct sales.

Ethan:

Awesome. We're excited. We're excited to see things grow over there. So just a couple of more questions, because we're going to let you get back to your busy, busy day. How can listeners best interact with Virtual Sapiens? Maybe you can give us a rundown of how the tool works for listeners who might be curious.

Rachel Cossar:

Absolutely. So the easiest way to interact or experience Virtual Sapiens is through our free trial. So anyone can go to our website, [virtualsapiens.co](https://virtualsapiens.co), C-O, and install the sidekick extension. It's a Chrome extension, so it's very lightweight. You don't need to download anything natively onto your desktop and activate it. You connect it to your Google or Outlook calendar, and then we can auto launch with any video calls.

Rachel Cossar:

And the sidekick just sits like a very lightweight dashboard. And throughout the call, you would get visual icon cues, according to the metrics that we measure. So things like framing, posture, eye gaze, facial expressions, face touching, hand gestures. And we also have a really fun gamified presence point system where anytime you correct a nudge, or if you're on a streak, you get claps and encouragement, because positive encouragement is just as powerful in terms of habit rewiring. And then you get post call summary, where we place those nudges within the context of communication themes, like authority, energy, expression, all that jazz.

Rachel Cossar:

And yeah, again, that's available to anyone who's curious. The free trial is somewhat limited in terms of what you get after the call, but you get the full experience before and during.

Ethan:

You had me at gamified. When I drive my fiance's Prius, it's like, okay, I need to get 60 miles to the gallon or better, or I've failed this drive.

Rachel Cossar:

That's so funny. Yes. I've seen that system. I've seen that. That's so good.

Annaka:

I'm just, my mind is blown at how far technology has come. It can keep track of your framing and can track of what your eyes are looking. There's eye mapping for user experience developers. Wow. Technology is crazy.

Annaka:

So a little bit separate from Virtual Sapiens, but your advice is going to be, I'm sure, excellent. Do you have any advice for people who are looking seriously at entrepreneurship or who are entrepreneurs that hopefully will help them out?

Rachel Cossar:

Yeah. I think entrepreneurship is not easy. It's fully something that... It can very much feel like a lonely road. And so, I guess my biggest advice to entrepreneurs, either aspiring entrepreneurs or current entrepreneurs, is to remember the needs we have in terms of social creatures, and surrounding yourself with people who are there to support you consistently, people who might be going through a similar journey, just so that you can gut check and know what is normal, what is to be expected, because that can often alleviate a lot of the stress that we tend to layer on top of an uncomfortable situation, which is, is this just me? And most of the time, no, it's not just you. A lot of people are going through that. It's totally normal for this to be such a slog and a struggle. And hearing that from other people commiserating can really be very helpful.

Rachel Cossar:

And related to that, really doing everything you can to build in rest and opportunities to recharge and re-energize. I know that's something that I really struggle with because I do feel this pressure to be doing everything I can, every single day. And next thing you know, you're very close to burning out. And then you're not serving yourself, you're not serving your investors, and you're not serving the mission. So yeah.

Annaka:

It's all good advice.

Ethan:

Really is.

Annaka:

And everyone loves to have similar people around them. So find support groups, entrepreneurs. Do it.

Ethan:

Yes. Get out there. Meet people. Meet people that can average up your five most hung out with people. It's not how it's worded, but the sentiment is all there.

Ethan:

Well, Rachel, thank you very much for coming onto the show. It's been a great episode. Again, we're super excited to see what Virtual Sapiens does. We hope that the listeners check you out. I think that what you're doing is super important, improving communication.

Ethan:

All right, everyone, that's going to be all for today's episode of the Startup Savants podcast. Thank you so much for stopping in. So I've said it before, and I'll say it again. We love spreading encouragement to business owners and potential entrepreneurs. The best way for you to help us spread the word is to leave us a five star rating on Apple Podcasts. It does all sorts of magical algorithm things that I can't explain and puts us in front of more awesome folks just like you. So if that sounds good to you, we would really appreciate it.

Ethan:

For tools, guides, videos, startup stories, and so much more head over to [truic.com](https://truic.com). That's [truic.com](https://truic.com), T-R-U-I-C.com. See you, folks.

Annaka:

Bye.