

Chapter 1: Does Quality Beat Quantity?

Are you a vixen or a lioness?

In modern slang, a vixen is an ill-tempered and flirtatious woman; whereas a lioness is a woman who is exceptional at everything she does, from taking care of her family to running a business venture. Can you identify the vixen and the lioness in this vignette?

Two women business owners are conversing as they commute to work. The mentor asks, "How is your prospecting coming along?" Offering proof, the novice drops a massive list of prospects on her lap. The mentor responds with a scornful toss of her hair, "I have only a few prospects."

After a pause, the novice asks, "Why do you have so few prospects? I chat up lots of prospects, hoping that a few will buy from me."

The mentor brags, "Most of my prospects become customers."

Dumbfounded, the novice complains. "I work hard to convert a few prospects into customers and end up with low revenues. What's your secret?"

Having piqued her interest, the mentor whispers in her ear, "Quality not quantity counts. Focus on high-quality prospects and you will spark your profits."

This vignette is similar to a fable by Aesop about a vixen and a lioness. Many believe a Greek slave named Aesop told many such fables. Partygoers shared his insightful humor to the farthest reaches of the Greek Empire. His popular fables spread throughout Western civilization and his insights still resonate in our lives today.ⁱ

According to Aesop, a vixen led her litter of little foxes up to a lioness and sneered, "You only bore one cub."

Tossing her head in scorn, the lioness roared, "Only one, but he will rule as king of the animals."

Aesop conveys, "Quality not quantity counts."

The vixen bore a quantity of little foxes, but the lioness bore only one high-quality cub. Aesop realized that quality produces better results than quantity.

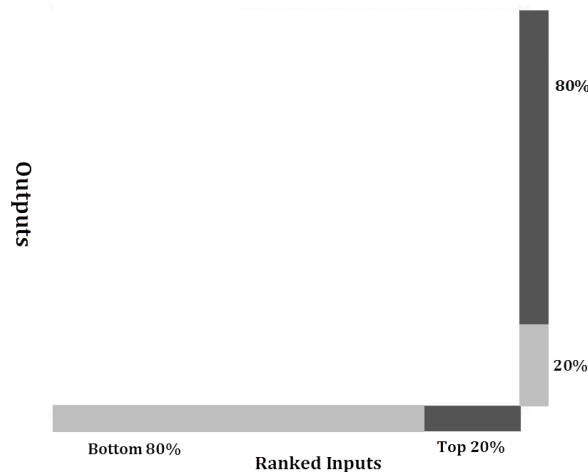
Does quantity or quality count in your business?

For example, does your business count the quantity or the quality of its customers? Do a few high-quality customers produce most of your profits? If so, then Aesop was right: quality does count in your business.

Two millennia later, Pareto calculated just how much quality counts. In 1892, Vilfredo Pareto became the Professor of Political Economy at the University of Lausanne in Switzerland. His brilliance attracted students from many European countries. Pareto diligently researched the effect of quality on results.ⁱⁱ With a leap of logic, Pareto discovered a universal law nicknamed the 80/20 rule.

The top 20% of inputs will produce 80% percent of outputs, whereas the bottom 80% of the inputs will produce 20% of the outputs.

Figure 1: The 80/20 Rule



At my first seminar on *Aesop's Keys to Profitable Marketing*, I tested whether the 80/20 rule predicts results. "Our inputs will be the people in this room and, just to be outlandish, our outputs will hats. Let's see if 20% of us own 80% of the hats."

"For example, I have sunhats, tennis brims, and ski caps. I suppose I own 15 hats." To my surprise, I owned the most hats. "Thank goodness we're not counting shoes."

In total, the 20 people owned 26 hats. We followed these three steps.

- Step 1: We ranked the people by how many hats they owned.
- Step 2: We identified the top 20% of the hat owners.
- Step 3: We found that they owned virtually 80% of the hats.

Yes, quality not quantity counts. In fact, our results confirmed that the 80/20 rule does predict results.

Do you want to rule your market like a regal lioness?

If you do, then focus on the quality of your products and services. The 80/20 rule predicts that a business will be more profitable if it offers high-quality items.

Let's revisit the mission of your business. Does your business offer what you are best at accomplishing? For example, if you're great at carving statues, your business should create sculptures or if you excel at managing construction, your business should construct buildings. Can you image a sculpture created by a general contractor or a building constructed by a sculptor? How awful!

Now that you realize quality predicts results, you can act upon this knowledge. How can your business upgrade the quality of its products and services? When your business offers higher quality items, your business will spark its profits and rule your market like a regal lioness.

"In the race for quality there is no finish line."

Doris Kearns [Goodwin], a Pulitzer Prize-winning biographer of American presidents.

DR. BETSY KRUGER coaches women business owners. Her new bestseller, *Aesop's Keys to Profitable Marketing*, inspires *Spark Your Profit* workshops on March 20 at the National Entrepreneur Center in Orlando, FL. For details on this NAWBO-sponsored event, visit www.BetsyKruger.com

ⁱ Robert and Olivia Temple, *The Complete Fables: Aesop* (London: Penguin Classics, 1998).

ⁱⁱ Vilfredo Pareto, *Cours d'économie politique* [Course in political economy] (Lausanne, Switzerland: Rouge, 1896-7).