

How to Find the Niche Market That Makes Your Toes Tingle

By Dana Kader Robb

Finding a niche for your product or service can take some serious searching – and soul searching. But once you define your niche, it will make marketing and sales easier, and even help existing clients to assist you in promoting *your* business.

Why find a niche?

At least once a month I meet with a brand new business owner. I frequently ask about their target market, and the answer is often, “Oh, I’ll sell to anyone.” While it’s certainly true that all money is green, a successful business owner identifies the niche to whom they’re marketing. We understand that this does not limit us, but expands the definition of our target in a way that helps make it more recognizable, and more profitable.

The more specialized your business is, the less competition you will have. Your marketing costs will be lower because you don’t have to advertise or mail to everyone – just those in your niche.

It will be easier to develop marketing and sales messages, because you’ll know exactly what your audience “looks” like. Establish yourself as an expert for that audience and *they’ll* search *you* out.

On-line marketing will also be more successful. Although 52% of niche products and services find success on-line, only 35% of broader retailers do.

How will I know it when I see it?

A niche can be defined in four ways:

1. Who you serve

2. What you provide
3. Where you work
4. When you are called upon

Here are some questions to ask yourself to help define your niche:

- ❖ What skills do I have? What do I love? What do I know the most about? Concentrate on your talents. Life is too short to perfect your weaknesses.
- ❖ What are the benefits that are offered by my product or service? What are the characteristics of the buyer who would want those benefits?
- ❖ Can I identify the people who are in the niche and can I find out how to contact them?
- ❖ What is the commonality among my existing clients? Develop a “profile” of your best clients.
- ❖ Is the niche that I’m considering large enough? Is the demand high enough? Will they pay enough for me to make the profit I want?

It’s okay to have more than one niche, as long as you can separate them for marketing purposes.

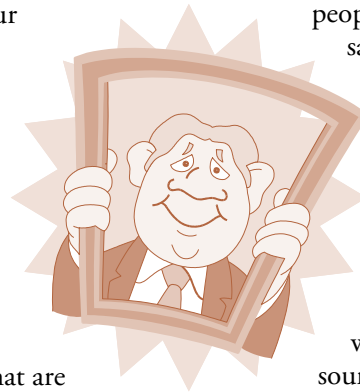
Now I’ve got it, what do I do with it?

Once you’ve defined your niche, build your marketing around it. What organizations do your niche customers belong to? What publications do they read? Target your networking and advertising in those areas. Use the list of benefits you made when you

were defining your niche. Mention them in all of your brochures, flyers, ads and personal introductions.

Develop strategic part-nerships with people who market to the same niche. Dig deep rather than wide.

Don’t detract from your efforts by broadening your niche. Instead, look for ways to deepen it by being a resource to clients and networking with potential referral sources.



Does this stuff really work?

Here are successful examples of niche marketing. It works for large companies and it can work for small businesses too.

- ❖ Kodak developed the disposable camera for people who take a trip and forget their camera. Now you see them at weddings and everywhere.
- ❖ Chrysler designed the mini van for families. Now almost every major car company makes one. They’re all marketed to families, but that doesn’t mean a single guy who has to haul band equipment can’t buy one.
- ❖ Famous Amos sells millions of dollars worth of cookies each year and buys almost no advertising space. Their niche is vending machines. If you’re hungry and you’ve got enough quarters, you’re the target market.