

Finding Your Niche Market Online

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Introduction

First of all, I'm going to talk specifically about selling niche products online. Yes, there are several other ways of making money in online niche markets – but for the sake of clarity, I'm going to stick with one business model here – selling products.

Let me also make this very clear.

This report is NOT about selling "how to make money online" ebooks to other people.

While "Internet marketing" is, in itself, a profitable niche market, many Internet business beginners make the mistake of believing that "marketing products" are the only sort of product they can sell online.

Nothing could be further from the truth!

Practically any type of product that can be marketed on Main Street can also be sold on the Internet, providing it is offered ONLY to people who have a pre-determined interest, or a "niche market" in other words.

Here are some broad niche categories where thriving online markets exist. These are not listed in any order of importance or popularity:

- sports of all kinds
- dating and relationships
- psychics and astrology
- health and nutrition
- weight loss
- parenting
- pregnancy and new babies
- travel and recreation
- collectibles
- self help and self improvement

- overcoming addictions
- computers and electronics
- pet care
- retirement
- home improvement
- music and games
- jewelry and clothing
- real estate buying and investing
- weddings and marriage

This list could easily go on and on. With a bit of imagination and keyword research, any one of these niche topics can be branched out into a number of potentially profitable sub-niches! But right now, let's get down to the basics.

Niche Marketing Explained

For our purpose here, the word 'niche' is defined as: "A special area of demand for a product or service."

The word 'marketing' is defined as: "Providing an opportunity to buy or sell a product or service."

If you put the two words together, niche marketing means buying or selling a product or service in a special area of demand. All that really means is that a product or service is being offered and sold NOT to the world in general but instead to a highly targeted group of people who are *already interested* in, or at least have a common need, for that particular product or service.

So a niche marketing campaign must be designed to meet the unique needs and desires of a very targeted audience. At the same time, successful niche marketers tailor their product or service specifically to meet the unique needs and desires of that group.

If, for example, you have designed a product to make dog grooming easy for the everyday dog owner, then your market could include

owners of many different dog breeds. On the other hand, if your product is geared toward grooming poodles, it would be a waste of your time and resources to market your product to people who own other dog breeds besides poodles.

If you have written an ebook that explains how to start and succeed at a home business, the people who are looking for that sort of information will be your niche market.

Those people who are perfectly happy with punching a time clock every day probably are not interested at all.

Now, let's examine the niche marketing concept on somewhat different terms. Current statistics tell us that a majority of adult Americans are overweight. And search engine clicks prove that "weight loss" is one of the most popular search topics online.

So we might, in theory, take those two bits of information and think we could successfully advertise our weight loss program to the public on a broad scale including office workers, new mothers, motorcycle owners, computer users, fishermen, craft enthusiasts, just about anyone right?

WRONG!

Even though a good percentage of those people might need or want to lose a few pounds, the probable result will be fewer sales, and a waste of your precious advertising budget.

Whatever you decide to sell online, you must first identify WHO will be most interested in buying your product, and WHERE they can be efficiently contacted en masse for the smallest possible cost. Then you focus on putting your advertising message in front of those people alone.

Niche Advertising is More Productive and Cost Effective

One of the things that makes niche marketing so attractive is that the advertising budget goes farther. It costs much less to advertise to a specialized niche market than to advertise to a broader market - even if a percentage of that broad market may be interested in the product or service.

In addition, sales conversion (the ratio of contacts vs. actual sales) and bottom line profit will typically be much higher from an advertising campaign directed toward a tightly targeted niche market.

Just remember to keep the ad campaign in context. Don't attempt to advertise your weight loss program in a newsletter that is sent out to a list of horse breeders. To the reader, your ad would seem weird in the least - like being offered gourmet cheese samples in an auto parts store.

So here is the bottom line

Whether online or offline, niche marketing is a very effective and cost efficient way to advertise and sell specific products or services to a specific audience.

But only you can decide *which* specific niche audience(s) you want to deal with.

Do Your Hobbies and Personal "Passions" Really Matter?

The common advice on the Internet is that you should choose a niche that relates to one of your hobbies, or to pick a topic for which you have a "passion."

That's all well and good if lots of other people share the same passion, interest, or problem.

On the other hand, passion for a particular topic does not guarantee

that a related product will be a success. Passion for making money will take you much further toward success than a passion for bass fishing in the White River of Arkansas.

For example, somewhere there is a guy who owns a factory that makes clothes hangers.

Now, he probably doesn't live, eat, and breathe clothes hangers. Most likely he doesn't socialize with a crowd of clothes hanger enthusiasts.

But if his business is successful, you can bet he has a passion for making a profit. And he earns that profit by solving a problem for a lot of people.

Look for Problems to Solve

Niche marketing as its best helps to solve real problems that real people live with everyday. If you can come up with a product or service to promote in a niche market that will help people solve their problems then you will have a money making niche market website and can quickly build a long list of potential customers.

The things that people view as 'problems' run the gauntlet of possibilities... everything from a hang nail to a golf swing to a chronic disease are people problems that they are looking for help to solve.

A good way to find out what people consider a problem is to visit the online forums. People talk about anything and everything online. They discuss subjects that they wouldn't talk about with their best friends for the simple reason that they can remain anonymous. They look for solutions online for the very same reason.

By visiting forums and taking note of what people are most concerned about you can search the Internet for products and services that will help them solve those problems.

Gather all the information you can about the topic. Write or have written for you articles about the topic. In this way you can find a topic and build a content-rich website for niche marketing that helps with the problem you have identified and that will serve the needs of people.

An additional way to use forums to help you build a niche market website is to join a forum, identify the problem being most often discussed, post a question that will produce many responses and use those responses to write an e-book on the topic.

The fact is that many people will buy an ebook that is filled with information they could actually gather for themselves. But they will pay you for that information if you package it conveniently and save them some time.

Visit Bookstores to Determine What's Hot

The day may come when people do all of their researching and reading online but it isn't here yet. Fiction, of course, will always be in print... it would be hard to curl up with a good novel in front of the fireplace on a cold winter day with a computer. Research, however, may eventually all be done online.

People buy 'how-to' books and books that are devoted to solving their problems and/or making their lives better every day. By identifying the hot market books that are being sold in bookshops (online and off line) you can identify a hot niche marketing topic.

Go to the bookshops in your area and take note of the kinds of non-fiction books that are stocked. You should particularly note the ones that are self-help or how-to books.

If you can create the opportunity, ask the stock boy which ones are selling the best. He's the one who knows what is being restocked most often. That failing, ask a floor salesperson the same question. Asking the bookstore owner or manager is the last option.

They are more likely to be pushing the books that aren't selling well in order to make a sale. Learn by whatever means you can which self-help or how-to books are the hottest sellers.

Another option is the online bookstores. You can't, of course, ask for information from a person but you can research the site and determine which of the non-fiction self-help or how-to books are highest in sales.

Finding out what books people are most often buying can give you some insight into what the hot market subjects are. Armed with this information, you can go about creating a niche marketing website that will have a better chance of becoming successful.

Where to Research Keywords

The [NicheBot](#) keyword research tool (and \$1 trial offer!) is a terrific time saver. And besides, it doesn't cost you a dime to use.

After you have made a short list of a few niche markets where you might like to work, go over to NicheBot and type in whatever basic keywords you would use if you were actually searching for information on those topics.

To practice, you might want to pick three or four words from the list on page one of this report. I won't go into the mechanics of using the [NicheBot](#) site. Excellent help files are available therein.

I'll also make a quick mention the **Free Trial** at [Keyword Discovery](#) which is a paid keyword research service that digs much deeper than [NicheBot](#) – at least at this time.

A commonly stated rule of thumb is that any base keyword that returns 50,000 or more searches a month is a potentially profitable market.

However, don't cast the 50,000 figure in stone. Smaller markets can be just as profitable if they are not being served by your competitors. Along that line, [KeywordDiscovery](#) also provides you with statistics on keyword competition as well – and a nifty “KEI” index that reflects less competitive markets at a glance.

But don't allow yourself to be automatically put off by a highly competitive niche. And don't get stuck in looking for a niche market where there is NO competition. Such a thing doesn't exist – and even if it did, where there is NO activity, there is also NO money.

Where there is a lot of activity, there is typically a lot of money as well. Think for a moment about how fast food chains tend to cluster their outlets in a single area of any given town. They all learned a long time ago that competition breeds activity, and activity results in sales.

What's Next?

Once you have firmed up a potentially profitable market, be sure you actually search the base keywords in both Yahoo and Google, and visit at least the top 10 search results to see what those sites are up to – what they are offering in the way of products – and what needs you might be able to fill in that niche.

So you see, defining a profitable niche market involves compiling information relating to several factors – as no single factor will tell the entire story. You need to at least take a good look at:

- niche topic popularity
- keyword popularity
- actual search statistics
- level of competition and their tactics
- product presence (or absence)

and then come to a conclusion based on logic and observation, leaving emotion and cheap thrills to the side for the fortune seekers and program hoppers.

A Final Word

Keep in mind that how well you package and market your product, and the degree of market penetration you achieve, will likely be the deciding factor in whether or not your venture flies or crashes to the ground.

Thousands of outstanding products go by the wayside every day from a gross lack of effective marketing.

At the same time, truckloads of worthless junk are perpetrated on the buying public every day of the year, as a result of clever marketing tactics.

At this point, I could go on into aspects of product development and marketing, keyword targeting and generating traffic with online content, advertisements, viral campaigning and on and on.

But that, dear reader, is seed for other exclusive reports!

Wishing all the best

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