

Niche Marketing – What They Don't Tell You!

Niche Marketing is not what you may think. And it's certainly not your fault since most "experts" don't tell you the straight scoop or even totally misinform people in some cases. Why, well I'm torn between the fact that they don't know any better or they just fail to mention the key element. Either way, you can get bad information.

Doing market research on any new business involves the same basic methods it has since commerce began. The absolute first step is you have to define your target market and product or service. This is where most, with the advice and help from our "experts", run off the tracks.

I'm in the web design business and have several websites that sell products and services. I have for over ten years. During this time I have run down many different avenues and tried many different methods to come up with valid business ventures that are exclusive to the Internet. No storefront, street address, or physical location.

One of the primary common elements on my successful ventures (oh yea, I've had some real disappointments) is that you have to establish that there is a market for your product or service. Sounds simple, and logical. But many people will tell you to look for an "untapped market", that doesn't have much, if any, competition.

That would have been good advice back in the old days where there weren't a lot of people or companies on the Internet. If you were the first out of the box, it was a huge advantage. Look at some of the biggest companies on the Internet today and you will see many of the pioneers in their respective product areas.

But today with billions (yes, that's the b word) of websites, it's not uncommon to see over 100 million websites to choose from on common search terms. Many are garbage, since we had the AdSense explosion. AdWords is Google's little marketing method for people to advertise on the right side (and some times the top) of your search results. The AdSense side of Adwords is the same classified ads can be displayed on websites too.

The reason AdSense created such a slew of worthless websites is that if someone clicks on that ad, the website owner gets his split (2-3 cents to several dollars). So everyone jumped on that bandwagon and started to create any kind of website that they could use to display the ads and make some money.

The problem is people went wild, creating websites of little value to the user but trying to attract the moneymaking clicks. This worked pretty well until users got savvy to the fact that those little blue links were ads, and often didn't provide any valid info or value, just a sales pitch.

So now we have millions of "junk" websites out there cluttering up the landscape. And you get to compete with them in the search engines. Don't get me wrong, there are some very good informational websites that display ads. But for every good one, there are 1000's that are crap.

This is a problem in several ways. If you are using any kind of search analysis (looking to see what the competition is on keywords or phrases that are searched on) it can cause you to get inaccurate results. The competition for the search term may be there, but they really aren't selling anything but looking for clicks on the AdSense ads being displayed.

That's still competition for the search terms but not necessarily the product or service. The other problem is that if you find a search term related to a product that doesn't have competition, it's not necessarily due to an "untapped market", it's more likely due to the fact there is no market.

With as many people that jumped on AdSense, and add to the fact that the Internet is maturing, most areas that are worth pursuing have been. So if you find a market that hasn't been pursued, the reason very well might be it has but nobody was buying and the websites went away.

A good Niche market can be (and often is) a subset of a larger market. A good example of a huge market with many valid (market where people buy) subsets would be car parts. You can have a guy at the top selling all kinds of car parts. Then maybe the next level is just new or just old. Or car parts just for performance enhancements, a certain type of car and so on. There are probably hundreds of good "niche markets" under the category of car parts.

So if you follow the theory that you need to find a little tapped niche market, you might find a vehicle that was not produced for long (or not popular) and sell just to that market. OK, so they made 10,000 vehicles and there are still 500 on the road. Of those 500 owners, about 150 love their car and will do anything to keep it up and running.

Congratulations, you can own that market. Good luck on making money. It's possible, but you have a very small target audience. So you better have a high profit margin since you won't have any volume to speak of or even secondary sales (whole different topic – but important considering markets to enter).

So a better method on your Niche Marketing research would be to insure there are enough buyers to make it worth the time and effort. Don't look for a market that is too small to pay through. You can deal with competition, a small piece of a big pie is much better venture than owning something that can't generate enough profit to make it worthwhile.

There are many elements to Niche Marketing, but I would say that making sure there's money to be made has to be the at the top of the list. Don't go for such a small market, even if you can own it, if it can't provide the profits. Unless of course you want a new hobby.

So keep in mind that Niche doesn't necessarily mean small with no competition, it just should imply a specialty secondary market.

About the Author

John Dow owns www.WebSiteBluePrints.com, a website that specializes in niche marketing and website design tools. See live examples here: [Niche Marketing](#).

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