

Starting Out in Niche Marketing

by Admin

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[Starting Out in Niche Marketing: What You Need To Know > Marketing Report](#)



Topics Covered:

An Introduction to Niche Marketing

How to Make Money with a Niche Website Without Selling Anything

How to Tell if a Niche is Too Crowded

Top Research Ideas for Your Niche Product

What You Need to Operate a Niche Marketing Site

How to Develop Your Own Niche Products or Services

Starting Out in Niche Marketing:

What You Need To Know

An Introduction to Niche Marketing

What's all this hubbub about niche marketing? Why is every successful marketer preaching niche marketing as being vital to your profitability as a marketer online or offline?

In answer to that, let's paint a little picture... Imagine you have an idea for a

great product, an idea so great you decide to turn it into a product and sell it. You're going to make millions so you labor away hour after hour creating a masterpiece, well... It's a masterpiece in your eyes.

Hours of feverish activity, a month goes past, then another, and finally the great day arrives when you launch your product. You have a superb product and the best sales website on the internet. Another month goes by, then two and... Not one sale!

In desperation you hire an experienced marketer for their advice, but what they tell you, crushes you...

"You don't stand a snowballs chance in hell of making any sales!"

You see you have picked a massive market to sell to; you are competing against big established suppliers who are seen as experts. The market trusts them because they are well known and have great reputations. It's David against Goliath only David forgot his sling.

If this has happened to you, you're not alone. This little scenario plays itself out day after day. Each month thousands of people find themselves in this situation.

Doesn't it infuriate you to see others seemingly doing exactly what you did, but they make money? From their product launch they bank the profits. Want to know what they did differently?

They found a niche market, created a product specifically for it and they sell that product to that niche only. Don't make the mistake of thinking niche marketing is something new, savvy marketers have always sold to niches. It's only recently that niche marketing has been so heavily publicized.

Niche marketing is the process of finding small profitable segments of a much larger market and involves a lot more effort. Established suppliers to larger

markets are usually not prepared to spend this time and effort required to seek out smaller segments, leaving them ripe for the picking.

One way of explaining the niche marketing concept is to picture a tree - it has a big trunk which leads to branches leading to even smaller branches and finally tiny twigs. Take the topic of fishing which can be likened to the trunk of the tree having branches leading away from it including:

- Deep Sea Fishing
- Salt Water Fishing
- Game Fishing
- Fresh Water Fishing

The smaller branches leading from Fresh Water Fishing include:

- Fishing Baits
- Bass fishing
- Fly Fishing

The tiny twigs leading from Fly Fishing include:

- Trout Fishing
- Steelhead Fishing
- Fly Tying

This is a good example of niche marketing because people who fish tend to be nuts about the subject. Drill all the way down to the tiny segment of Steelhead fishing and there are still avid enthusiasts who will go to any expense to catch the "big one", including buying books or e-books.

One point worth noting is that any book or e-book on Steelhead Fishing had better be full of useful advice (i.e. the advice works), so you had better be an expert and know what you're talking about if you intend to write one...

Finding niche markets is not as easy or obvious as you might think. Sitting down with a piece of paper and drawing a tree listing all your ideas is NOT the way to go. You are listing your ideas... your ideas won't sell!

You need to find what your potential customers want, and to do this you need to conduct some research, here are a few ideas to get you started:

- 1) Visit a few online forums related to your interests. Take note of the questions people are asking and how many times similar questions are asked.
- 2) Visit a few book stores and go to the magazine section. Take note of the types of magazines on sale. Ask the sales assistant which magazines sell the most.
- 3) Take a look on eBay and spend some time going through the categories related to your interest. Take note of popular items and how often they sell.

By finding a small segment of a much larger market in which people are actively buying, and where there are not too many competitors, is the best chance you have of making money from selling your own product.

How to Make Money with a Niche Website Without Selling Anything

You don't have to sell anything to make money from a niche website. You read that correctly, no e-book, software program, online service or physical product required... Just a website!

The search engine giant Google has developed a pay per click advertising system of their own which allows you to place their advertisements on your web pages. If a visitor to your web page clicks on one of these advertisements, you get paid a percentage of the pay per click value.

This system known as Google AdSense is a quick and easy way for webmasters to monetize their website's content pages and earn money from visitors to their

website. What makes this system so powerful is that Google uses a special algorithm to determine the theme of each page and then only displays advertisements matching that theme.

The other side of the Google pay per click system is known as Google AdSense. Products owners who wish to promote their wares, open memberships in Google AdSense and create advertising campaigns based on keywords which are regularly searched for by people using the search engines. These advertisements appear in two different locations:

- 1) They appear on the Google search results page as "Sponsored Links" when the keywords searched for by the web surfer match those that the AdSense member included with their advertisement.
- 2) On any web page which has incorporated the Google AdSense code they appear as "Ads by Goooogle" when the theme of the web page matches the keywords the AdSense member used for their advertisement.

When one of these advertisements is clicked by a web surfer, the advertiser (Adwords member) is charged the amount they bid on the keyword and the webmaster (AdSense member) is credited with a percentage of the bid amount.

Due to the size of the internet and the sheer number of people advertising with Google AdSense, there is a wide range of topics available for webmasters to capitalize on by creating websites based on those topics, but structured specifically to earn money through Google AdSense.

The golden rule for an "AdSense Site" is to limit the options any visitor has when they arrive at a web page to the following:

- 1) Click a Google AdSense Advertisement for more information.
- 2) Leave the website by clicking the back button or closing the browser.

3) Clicking to another page on the website which displays more Google AdSense ads. This last option must be made as difficult as possible by not displaying the website menu in any normal or anticipated position.

The key to getting people to click on an AdSense advertisement for more information and not clicking the back button is a bit of a tightrope act... Basically you have to provide just enough information to wet the visitor's appetite so they are eager to carry on searching, but not too little that they get annoyed because of a lack of information and the resulting feeling they've wasted their time.

From your point of view you don't want to spend all that time and effort building a website and getting a reasonable flow of visitors through it, and only earning a couple of cents when people click on your Google Advertisements.

Clearly you need to do a little research before hand and discover which topics and related keywords or phrases cost the most for an Adwords member to bid on. For example, anybody who wants to promote an internet marketing related product using Google Adwords had better be prepared to pay dearly for the more popular keywords.

The downside of building an "AdSense Site" on an expensive theme is there is so much competition for the popular keywords, that you will have to be a search engine optimization wizard to get the search engine rankings required to generate enough traffic to your website.

The key is to find keywords or phrases that people regularly search for but which do not have much competition from other websites on similar themes. You will not get much website traffic from these little known keywords, so you will need to uncover a lot more of them to make up the difference.

Once you have built your website and got the right balance between keyword value, popularity and competition, your website will earn a nice steady passive income from Google AdSense with very little additional effort on your part.

How to Tell if a Niche is Too Crowded

Many people make the mistake of choosing a highly competitive niche and developing a business idea around it, only to find that the market segment is so inundated and crowded with competitors that it's virtually impossible for a new comer to make any money at all. Many new comers start off by choosing a niche that is far too broad and as a result far too crowded. If you're thinking of building a niche marketing website, a quick check using any online keyword research tool will tell you if this is the case.

Even if you get there first and discover a unique tight niche and create products and services to offer your customers, the existing internet marketers will notice you have discovered a profitable market segment, and you will soon find yourself having to compete with them. In no time at all when someone searches for a keyword similar to yours, they'll be amazed to find that there are so many other websites serving the same customers.

Before you start building a niche website, doing a little keyword research using an online keyword utility will return the number of web pages with a similar theme and which contain roughly the same content, this number being an indication of the competition you are facing. Bear in mind that even if the niche is narrow and tightly focused, it will start to become crowded even if only two or three new businesses start working on the same niche.

Unfortunately the plain truth is if you dominate a profitable niche market you will not be able to keep it a secret for long. No niche can be kept in absolute secrecy forever: there are too many smart people out there on the internet who all want to get their hands on a slice of the pie.

To keep your niche market profitable you need a constant stream of ready to buy customers, and one way to do this is to capitalize on search engine traffic. Use a good quality keyword research utility to uncover all the different words and phrases people use when searching for information on the internet. Next

you create web pages which are optimized for these terms (known as keywords).

A point to bear in mind is some keyword research tools use the data from pay per click search engines to calculate the number of searches conducted for a given keyword, and this figure is not that realistic. Keyword research utilities such as WordTracker use data from the major metacrawlers like Dogpile to calculate very realistic keyword search statistics, and will give you the number of times any given keyword or phrase was searched for during the previous three months and a predicted count for the next 24 hours.

Each of these keyword research utilities maintains a very powerful database of raw data for your subsequent research. If the niche is starting to get too big, then the number of searches on your keywords will be in the thousands. Careful analysis will also reveal the number of websites in the niche, which will be a large number if your niche is crowded.

You can also use pay per click search engines to drive traffic to your website, but it's worth remembering that popular keywords are expensive. If the niche is profitable, your competitors will be prepared to pay hefty sums to buy those keywords. The only way you are going to get cheap pay per click traffic is by finding keywords which your competitors aren't using. Unfortunately these little known keywords won't be popular so you'll need to find a lot of them to get a reasonable amount of traffic to your niche site.

As your niche gets more and more crowded with new competitors these pay per click keywords will become progressively more expensive. There will be those new competitors who understand the value of keyword research and will discover the same keywords you are using. This will reduce the traffic to your website and so reduce the amount of money you can make.

A point will be reached when the niche becomes so competitive it is no longer profitable, and you will either have to abandon the niche or discover new methods of getting customers to your website.

Top Research Ideas for Your Niche Product

The fundamental mistake made by many niche marketers is they create products based on what they think people want to buy. The correct way of deciding what niche product to create, is to find out what people are actually buying at the moment.

Here are five ways of discovering ideas for niche products which you can sell to make money:

1) Use Forums

With the rapid expansion of the internet, forums (or discussion groups or bulletin boards as they are also called) have proliferated. There are forums hosted all over the internet based on practically every theme imaginable.

Forums are websites where like minded people gather to discuss all sorts of issues pertaining to the theme of the forum. Some of the well moderated forums are extremely active and a good place to conduct research.

When it comes to finding ideas for niche products, you need to use the search engines to locate a number of forums on the theme you are interested in. For example, if you're interested in needlepoint, you could enter needlepoint+bulletin board into the search engine.

Visit each forum and find out what questions people are asking. In addition, find out how many times similar questions are asked. The more frequently a question is asked across a number of forums, the more likely you have found a topic for your next niche product or website.

2) Visit Your Local Book Store

If you are completely stumped for ideas, a visit to your local book or magazine store is in order. People who are keen on a hobby almost always subscribe to

related magazines, and if they buy magazines there's a good chance they will buy niche products.

Your task is to discover what magazines are being sold and how quickly they move. It is best to visit a number of stores and compare the common magazines sold in all of them. Try to find out from the sales assistants how many copies they sell of the popular magazines you have identified.

A magazine sold in great number by each store, month after month, is a sure sign of a profitable niche.

3) Investigate eBay

eBay is one of the biggest, if not the biggest single market place on the planet. Millions of people buy a gigantic range of products month after month.

Go to eBay.com and scroll down the left hand menu, click on "All Categories" and scroll down to the bottom of the page that opens in your browser until you get to the section titled "Other Ways to Browse". Included in that section are four sub-sections, each being ways to conduct your research:

i) eBay Keywords (popular terms being searched for)

ii) Common Searches

iii) eBay Pulse (a daily snapshot of current trends)

iv) Popular Products

From these four you will be able to spot a multitude of popular ideas for your next niche product.

4) Survey Your Website Visitors

If you have an existing website which receives a fair bit of traffic, you can survey that traffic using a popup. In order to entice people into taking the survey you will have to offer some kind of reward. You could even offer extra rewards for people who refer others to your survey.

Normally any web survey you conduct would have to be of a similar theme to your website, but it is possible to conduct a survey to find out your visitor's interests and whether they would be prepared to spend any money on their interest.

The key is to ask simple questions in a manner that won't lead your respondents to any particular answer. When designing your survey, keep in mind you will have to analyze the data and draw conclusions from it. This means keeping your questions "on topic".

The simplest surveys to analyze are those constructed with multiple choice questions. The disadvantage of this is you don't know for sure that the answers are absolute or close (i.e. "second best").

5) Survey Your eMail List

If you have your own email list, you could survey them to find out what problems they are currently facing, or what interests they have. People on your email list will tend to answer more truthfully because there is a degree of trust between you and them.

This degree of trust notwithstanding, you will still have to offer an incentive for your subscribers to take the survey. Design your survey the same as you would for a popup on your website.

What You Need to Operate a Niche Marketing Site

Before you can sit back and reap the rewards from operating your own niche marketing site, there are a few vital components necessary to create a

successful and profitable website:

1) A Product or Service to Sell.

Not just any old product, you need to do a little research and find a hungry market. The secret to making money is to find out what problems people are facing and offer them unique solutions.

Don't try to sell what every body else is, be unique. You need to stand out from the crowd by offering a better solution. Offering a cheaper solution doesn't always work. Any product or service will have a perceived value to it; try to sell cheaper than that and people will wonder what's wrong with it.

2) A Domain Name

Despite what people may think, a well worded catchy .com domain name will enhance your sales. It adds to the perceived value of your product or service.

There are many places to buy domain names and a simple search on any search engine will lead you to many of them. Many hosting packages will include a domain name for no extra cost.

3) Hosting

Before setting up the website on your domain you will need to join a hosting service. There are thousands of hosting services to choose from, and not all of them are reliable. Don't be misled by price, there are many cheap reliable hosting services.

There are two basic types of hosting:

i) Shared Hosting - This is the cheapest hosting but your domain will be hosted with many others on the same server. When your website traffic is low, it makes sense to share the server resources and cost with other people.

ii) Dedicated Hosting - This is more expensive, but your domain is the only one hosted. When your website traffic increases beyond a certain point you will have to consider dedicated hosting.

When choosing a host, take note of their "uptime" which is often shown as a percentage. This is the proportion of time the host's servers are working properly (i.e. your website will be online). Any host who claims to have a 99.99% uptime is lying to you.

4) Website

The type of website you decide to use will greatly affect your sales. The most important point is don't confuse your visitors. If you want to sell a product, don't offer them anything else, just the product.

A website with a single sales page will nearly always outsell a content website with many pages. The reason... a single sales page offers your visitor two choices, buy or leave. A multi-page website offers your visitor many options and confuses them; they will click to a few different pages and then leave without buying.

5) Good Sales Copy

This is the make or break of your niche marketing site. A sales page with poor copy will not sell very well.

Sales copy, what's that?

Sales copy is the wording you use on your sales page. It encompasses:

- What types of words you use.
- The way you use the words.
- The layout of your page.
- How you present your product.

- Above all else, it explains how your customer will benefit from owning your product.

Writing good sales copy is a skill which most people do not possess. It is the area of a niche marketing site which will take up most of your time, and if you're not prepared to study copy writing, is best contracted out to a professional.

6) Sales Processor

The one thing you don't want to do with your niche marketing site is process sales manually. The internet doesn't shut up shop for the night; it keeps going 24/7. If you process sales manually, you'll be doing it at all sorts of odd hours.

To get around this you need to use an automated sales processor. This is simply a system that will automatically process credit cards on your behalf. Your customer simply enters their credit card details into a form and after these are successfully verified, they are sent to a webpage explaining how their order will be delivered.

7) Autoresponder

This is the only optional part of a niche marketing site. You don't have to use autoresponders, but once a customer has purchased something from you they will be inclined to buy more from you. If you capture their contact details you will be able to tell them about future product launches, or fantastic special offers you have put together.

There are many autoresponder services available and even scripts you can purchase to install on your website. Before committing yourself to any particular provider, do a little research. Forums are a great place to learn who are the best or cheapest.

How to Develop Your Own Niche Products or Services

If you create a product based on what you like, or what you think people will like, you will be extremely lucky to sell one single copy, and you'll probably have to bribe the person to buy it!

The only way to create niche products or services that become best sellers is to discover what your potential customers want. What problems are they facing that you can solve. What pain are they experiencing that you can soothe.

There's only one way to get this information... You have to conduct some research. You have to uncover your potential customers needs, their pain, even their dreams and aspirations. Here are a few idea to get you going:

~Use Forums

Use the search engines to find a number of forums related to the niche your're interested in. Visit these forums regularly and find out what questions people are asking and how often they are asked. The same question asked by many different people on many different forums is a possible topic for your product or service.

~Use Surveys

If you own an opt-in email list, send a brief survey to your subscribers to discover the problems they are facing. If a common problem emerges from your survey, providing the solutions to this problem is a possible topic for your product or service.

If you don't own an opt-in email list, you could send a solo advertisement to a few ezines with a large subscriber base and invite people to take part in your survey by offering a useful reward for their participation.

If you own a website which receives a lot of traffic, you could use a popup to invite people to your survey.

~ Use Wordtracker

Wordtracker.com is one of the most useful research tools on the internet. You can use it to uncover what people are searching for on the internet.

Not only that, you can use it to find out how often people search for different topics. It is a great tool for discovering niche markets.

On its own, Wordtracker is unlikely to point you to your next best seller, but when used in conjunction with surveys you have a very powerful research tool.

Once you have discovered what problems your potential customers are facing it is time to set about creating a product to solve them using any of the following three methods:

1) Use products which come with Private Label Rights.

If you purchase a product with Private Label Rights you can do virtually anything you want with the existing product, you could:

- Insert your name as the author/creator
- Re-arrange the contents
- Add to or remove contents

Private Label Rights is by far the quickest method of creating your own product. The only real disadvantage is other people will be using the same content as their own, so if you use the contents "as is" you won't have a unique product.

2) Use products found in the public domain

If a product is in the public domain, it means the copyright on it has expired and you are free to use the contents. While not as quick as Private Label Rights

products, using a product from the public domain means you can get yourself a unique product.

Do a search for public domain products and once you have found one purchase a copy and have it digitized (made into an e-book). You could do this yourself with a scanner and good character recognition software, but you will be busy for many hours proof reading and correcting. A quicker route is to have the work professionally digitized as they do all the proofing and correcting as part of the service.

You can copyright your new digitized product, meaning nobody can sell copies in that particular format.

3) Create your own product

Even going this route doesn't mean you have to do all the work. There are many people willing to write articles, write e-books and even code scripts for a price.

By going to websites such as Elance.com you can negotiate a fair price with people willing to do the work for you. Part of the contract being you keep the copyrights, they simply provide the finished content (known as ghostwriting).

The biggest disadvantage is you have no idea whether they have used other people's content. If they have you will be charged with copyright violation, not them. Before using a ghostwriter, try and do a background check and check their references thoroughly.

Internet Marketing Info Products

Zero To Five Hundred Membership

- Zero To Five Hundred Is A Online Marketing Training Membership Website. New Training Items Are Added To The Site On A Monthly Basis.

Niche Blitzkrieg

- An Affiliate Marketing Training Program That Works!

PLR Ebook Club

- Instantly Profit From Over 400 Niches! Get Monthly PLR Ebooks, Articles, AdSense Websites, Autoresponders, And More! Discover The Insider Secrets Of How Thousands Of Internet Marketers Are Making Money With PLR (private Label Rights) Articles And Ebooks!

Affiliate Blogger Pro

- Multi-media Program By Super Affiliate Blogger, Provides Step-by-step Instruction To Setup And Make Money From Blogs Through Affiliate Marketing.

Home Wealth Secrets

- Wealth Generation Success Package

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