

Defining and Reaching Your Niche Market

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Niche Marketing: Niche marketing is the process of finding small but potentially profitable market segments and designing custom-made products for them. Niche marketers are often reliant on the loyalty business model to maintain a profitable volume of sales. (Source: en.wikipedia.org/wiki/Niche_market)

As a home business owner, defining a niche market is essential to your success. As a home business, you are in a constant struggle to “make it’ over the big guys. How does a small home-run business compete with a corporation or large retail chain? Niche marketing is the answer.

Often marketers and business owners argue that defining a niche will limit your potential. They view a niche market as narrowing their sales or cutting into a profit margin, so they fear it. The truth is a well-defined niche market gives your business leverage and power. A niche market allows you to define who you are marketing to. For example, if you were selling baby clothes wouldn’t you want to open it up to anyone to purchase? You could. However, if you marketed to a specified group of the market and created a line specifically for preemie babies and 0-3 months you could find yourself a “niche”.

Researching and following the niche market trends vs. the same for a larger generalized market has many benefits. First, you have specific demographics in which to research and verify your data. Second, you can easily find avenues to communicate with the niche. Third, you can focus in on what your product/service needs to provide in order to tailor to the niche’s needs, wants, and desires. Last, and definitely most important, is that with a niche you, as a home business owner, can establish yourself as an expert, cater to their personal needs, and build relationships! That is the key to your success over a corporation or large retail chain.

The problem for home business owners seems to be defining their niche. They have a product or service in front of them. They think it’s wonderful, and want everyone to know about it, so it’s hard to think of limiting themselves to one marketing segment.

Here are a few questions to ask when determining a niche:

- What type of product/service do I offer?
- Who would most likely purchase the product/service?
- Why would they purchase the product/service?
- What is the need being fulfilled?
- Who most often purchases the products/services? (Does this match the second question?)

- Why does my business attract the above mentioned customer? (Does this match the third question?)
- What marketing means can I use to reach the above mentioned customer?
- What sets my business apart from the competition?
- What are the “extras” I bring to the market?
- What is the competition level of this group of the market?
- Is there potential gain in marketing to this segment?
- Has the saturation level been reached?

Once you have answered the above, you will easily define your niche by elimination, if nothing else. Think outside of the box. Think about marketing means and tools. Think about the saturation level and competition level of the group. Finding your niche market might very well be by mistake. Sometimes businesses are marketing to one group of the population, never realizing that the group purchasing their product is a completely different segment. Think of the money that they could be making if they were marketing to the right niche! As a home business owner, you most likely don't have a marketing department to analyze these statistics and trends for you. You need to make sure you're watching your customer base and purchase trends.

Your niche market is defined. So now what? You'll want to choose ways and means in which to reach them. This could lead us to a large discussion on advertising, promotion, and marketing skills, but I will keep it simple.

- Find where they are congregating. Is it an online message board? Or the local coffee shop?
- Find what they are doing. Is it watching TV? Or are they driving in their car?
- Find what they are interested in.
- Find out their demographics.
- Find out what they need and want.
- Find out what they desire.
- Establish yourself as an expert in the niche.
- Network amongst the niche as a peer and as an information source.

For the sake of understanding, I am going to give you a real life example. Home business owner “Sally” runs a direct sales business from her home. She sells stuffed teddy bears. Her business has many aspects from fundraising, birthday parties, to new baby arrival gift baskets. She has decided to target the niche of birthday parties. She defines her market as moms that have younger children who celebrate birthdays with large parties full of other children.

Online she researches and discovers that moms of young children visit message boards, kids party planning websites, and search for information on planning their next party with ease. Realizing this information she joins several mom message boards and starts to network with other moms. She doesn't place ads, because the whole purpose is to

establish herself in her field. She offers tips, tricks, and party planning for birthday parties and extends her offer of help. Sally adds content to her site that attracts search engines so that she can offer these tips without even being present! She guides her niche to her site to shop simply because she offered information. She also purchases advertising on party planning and kid's activity websites to attract more traffic.

Offline Sally realizes that moms are meeting in a group at a local church and offers to make a presentation on party planning. She donates a stuffed bear, or hosts an open house where kids can visit and learn. She places a newsletter at the local churches, coffee shops, schools, and other locations where moms are present and offers the same sort of information each month consistently.

Next thing you know, Sally has built a truly successful home business and long-lasting wonderful relationships with her loyal "niche" customer base.

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Tara Crooks, or "Household 6" in the Crooks' family, is best known for her ability to motivate and empower others. Tara's journey with the military began in 1998 when she and her husband PCS'd to their first duty station, Ft Hood. She and her husband, Kevin (US ARMY), have two beautiful little girls, Wrena and Chloe. Their family, including two dogs and a cat, is all snuggled in their cozy home in Fort Sill, Okla. Tara is the host of Army Wife Talk Radio and cofounder of the popular website [www.ArmyWifeNetwork.com](http://www.ArmyWifeNetwork.com).

Army Wife Network is interactive empowerment for Army wives. Featuring Army Wife Talk Radio the original internet talk radio program for military wives, "Field Problems" a self-syndicated question and answer column for military families, "Field Exercises" live interactive events for military spouses, message boards, Loving A Soldier