

How to Select a Viable Niche

Introduction

This is a simple four step process that I've run in various forms in the last 10 years. In recent years, it's gotten much easier because Facebook provides us such great tools for targeting our best prospects.

If you are just starting out in online business, then this process will be particularly valuable for you, because it gives you a semi numerical method for selecting among different possible markets, so you have a better chance of picking one that will be viable long-term.

Which gets us to the first point, what is a viable market? Simplistically, foreign market to be viable there must be people that spend money and you must be able to economically reach those people with your offers. In practice, there are three things that go into making that happen.

First, the market of prospects must be reachable. Today, that means you have to be able to find them on Facebook. Sure, there are other platforms you can and should use for marketing, but Facebook has the single best targeting and the lowest advertising cost, so we will always want to start there and add other platforms later.

Secondly, to be effective in marketing in the modern age, you must be doing content marketing, and to make that affordable Curation must be the foundation of your content marketing strategy. That means, to enter any particular market you had better first ascertain that enough existing content and conversation is occurring in the market for you to use in curation.

Finally, unless you really are doing this entirely as a hobby, you better be sure that the prospects you are considering marketing to spend money on the products or services you intend to sell.

Fortunately, there are easier ways online to research, and even quantify, each of these three characteristics for any market you might choose.

The remainder of this document is organized into these five sections.

I'll suggest that you brainstorm several different ideas to compare to one another

Sections 2, 3, and 4 are devoted to the individual market characteristics noted above.

And finally, I've provided my own recommendation about how to make the selection of what market to develop.

Brainstorm Several Business Ideas

At this stage we are only coming up with ideas, not decisions, so there are no wrong answers, but there are some guidelines I can suggest that will illuminate the non-starters to keep this process somewhat more efficient.

We all have interests and hobbies and that is where I would suggest you start first, unless you are in a profession that you'd like to promote as your own business.

In both of those cases you are starting with topics where you have an existing connection. These can be certifications, hobbies, or industry experience, but no existing connection is actually required, so don't necessarily limit yourself to your own experience.

In fact, you don't really need to even care about the market so long as you are willing to learn about it and find ways to provide value.

Your focus should generally not be on specific products, but instead on groups of people with some shared passed time, activity, or problem. The group you select should be fairly cohesive in the problems they have and the solutions they purchase. Which gets us to the next most common problem people have in starting a new business and that is what constitutes a niche?

For example, "people trying to lose weight" is too general to be a niche. Because there are so many different reasons to lose weight, and not even a very good definition of what lose weight means, you would have to narrow that a lot before you could call it a niche. At the very least, you would have to choose a gender, choose an age range, select why the person wanted to lose weight, and then finally there are so many different ways to lose weight, you'll have to narrow that down as well. But that example you already know, just by looking at the existing products that are advertised, right?

What about golf? Like weight loss, that's too general. You can niche this by age and gender as you would weight loss, but you can also divide by aspects of the game, such as driving vs. putting.

OK, it's a problem to be too broad, but how narrow is too narrow? There's no simple answer to that, but I rarely find anybody try to go too narrow. Usually, people want to go broad so they have more people to market to, but even if your market is just one person in a million, using online marketing that's still a big market! If you're not sure, start by erring on the side of narrow, and you can always ride in it later.

Find Existing Content for Use in Curation

Running content marketing affordably is going to require that a considerable portion of your content is built via Curation. To be clear, this does not mean auto-posting other people's content - that's not Curation, that's theft.

As a ResultFlow user, you have a system that is able to build unique content at a breakthrough price that does not violate any copyright laws, so Curation will be the corner stone of how you build content for your new business. Once you get started, we also recommend that you do long form, non-curated content of your own, but you do not have to do very much of it, or very frequently to succeed in marketing online.

So let's start with finding content that we can feed into our Curation strategy.

Start with Facebook and use the search feature to find pages focused on your niche. Many of these will be vendors of products. That's okay, but better is to find enthusiasts or information sites as well. Also include pages that address a broader version of your selected market. For example, there's lots of golf content and some of it would be usable in nearly any niche within golf.

The pages you find on Facebook can be used directly, but the easier approach is to look at the links used in Facebook posts to identify the source websites, which will often be blogs with RSS feeds.

Next, use Google to find blogs that have content relevant to your market. Here too, many of these will be vendors, but we want non-vendors as well if possible.

Finally, in using Google you will find lots of individual pages that would work well, but they are not on websites that provide an easy RSS feed. For those cases, we have the browser plug-in where you can feed these individual pages into ResultFlow so for this exercise, just keep a spreadsheet of these individual pages so that if you select this particular niche, you can come back to these pieces of content.

The result of this process should be that you have half a dozen or more feeds, and some additional individual pages as well. If you cannot find this much content, then there really is going to be a problem in marketing the niche, or you are being way too picky in choosing content sources.

Your Market Must be Reachable on Facebook

The very first rule of marketing is that you have to be able to get in touch with your prospects. In the modern age, we want to use Facebook for that purpose, because it gives us the very best ability to target the right people, at the very best price available today.

Given that, all we have to do is look at Facebook and see if there are products and services being promoted to the people that we want to serve in our niche. If there isn't any existing promotion, then it's almost certain that you do not have a viable niche.

For example, if you have a special product for deep cover operatives, you're going to have a hard time marketing that on any medium, since they're not likely to raise their hand to tell you that they're on a clandestine mission.

OK, sure, that was a theatrical overstatement for affect, but you get the point, right?

You've already used the search function in Facebook to find content that should be attractive to people in your niche, so you have likely as a side effect found competitors advertising their own products and services as well. This is a very good sign. A market without competition in almost all cases is simply not a viable market. It's worthwhile, when you find a competitor, to look at what they are promoting, at what price, and how they are promoting it. You can use this information later in tuning your own promotions should you decide to select this particular niche.

The result of this step in the selection process is that you should have found several, typically numerous, promotions to the same or similar audience that you intend to serve.

You Must Have Ways to Monetize Your Traffic

So at this point, the market you are investigating can be targeted on Facebook and you have found content to feed the content marketing machine. The remaining question is, can you make money by marketing to that niche.

If your business is an extension of your profession, or something else where you can sell personal services like coaching or consulting, then start with that, but most people will probably select a niche where they are not selling their own product, so let's address that scenario specifically

Years ago, we might run AdSense as the easiest monetization method, but that's not really that viable anymore. Instead, you should start with affiliate product promotions as a bare minimum. These can be info-products, physical products, or both, but starting with info-products will generally be easier.

Use Clickbank, Amazon, and Commission Junction to find items to sell via their affiliate programs. You will also find independent affiliate programs run by some vendors directly, particularly for higher ticket physical products.

If you can't find half a dozen or more products for a given niche, then you probably don't have a viable market, unless you've hit on an actual "blue ocean", but that is very rare.

Score Each Opportunity

You now have several (3-5) markets analyzed and for each one you have content sources (at least 6) and products (at least 6). It's time to score them and select the best. This is a "semi-numerical" process – use your own taste and judgment as well.

There are several different ways to create a score and I can't say one is better than another, this is just the one I'm using now.

These are the factors I recommend you consider

Relative size of the market

Bigger markets are better so long as they are not overly broad. For example, canoeing is bigger than kayaking.

Amount and quality of content

This should self-explanatory, but so long as there is more than enough, I'd have to say that even more doesn't really matter that much. You will want to have at least a dozen usable items per week, which does not take very many different content sources so long as they are routinely publishing the content of the quality.

Number and salability of existing products

This should be mostly self-explanatory with the possible exception of 'salability'. Not all products are equally well marketed, so taking a critical look at the product or sales pages for the products you've found is worth the effort. On click bank you can look at things like gravity to see how well the product is being received by other affiliates, and on Amazon there are some measures of how well a product is performing in the category it belongs to.

Ease of creating your own products

Replacing an affiliate product with your own will generally double your revenue, but that's more easily done in some markets than others. For example, I don't think I can write an ebook to improve a person's golf swing but I bet I can come up with a unique approach to building a coffee table or practicing guitar. Your mileage will differ, but I always have an eye on how you increase the money you take from a particular niche as your business grows.

How to build the scores

So now it's time for a spreadsheet, but don't let this turn into something that looks like doing your personal tax return - keep it simple!

There's no right answer to how to do this so just pick one, but pick it fast and get the job done, because doing math about this is not going to make you any money.

The only point of doing this numerical process, is to give you something to use in your decision other than just the flip of a coin, or your random emotional state at the time you're making the choice. ☺

Here's one dead simple process you can use:

For each factor,

pick the worst market and the best market and assign them scores of 1 and 5 respectively

assign all the other markets a score of 1-5 compared to those two extremes

for each market, add the scores for each factor.

Now you have a list of markets with one number. That's the easy part. Now you have to decide!

MAKE A CHOICE!

What business opportunity you choose is ultimately a personal choice. Don't be blinded by the numbers, but don't be blind to them either. As simple as this process is, there is real data in the analysis you've done, and the resulting score you were signed each one of those businesses. So don't ignore it, think about it, maybe even sleep on it, but don't fret about it either.

This is not a lifelong choice. In more than 3 decades I have started literally dozens of businesses, both off-line and online, and only two of them survive today, so we're all of the others pointless or a mistake? Absolutely not! Many of them made me very good money at the time, they just weren't forever.

Your future history will look much the same, but only if you actually start something! The business you start today might not make you a millionaire, but it is an absolute fact that if you don't start one at all, it certainly will make you precisely zero dollars in profit.

So pick one, get started, and continue each and every day to build on the success you've started.