

Finding a Profitable Niche



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“Finding smaller Niche markets are the key to helping you profit online”.

I didn't really *get* that concept when I first started out and I paid for it with little to no sales from my websites. Hence the reason for writing this guide.

If you don't learn anything from internet marketing please know that finding a good, profitable niche is your best key to generating profits online.

Don't be like me and waste your time. Do it right the first time ;-)

Why is finding a Niche Market so important?

The internet is full of stores, retailers and items for sale. Competing successfully online is about capturing the smaller markets, these are the ones the 'big' marketers leave behind.

When you think about it, most people don't simply 'go shopping' online, some do, but typically they have an idea of what they are looking for.

So for example if I'm looking for dart boards and reach a sporting goods store, it's probably going to be a little harder for me to find exactly what I want, I'm going to have to sift through all the other sporting *stuff* before I can find what I'm looking for. And even after all my searching, I may not even find any dart boards.

On the other hand, if I type in 'Dart Boards' into my Google search and see a website that is specifically about dartboards, I'm more likely to check it out because it has exactly what I'm looking for, *dart boards* ...and it probably has some helpful information to boot.

So having a basic idea of what you want to market online is a good start but dissecting that idea so that you can find a profitable niche is what this guide is all about.

Let's First look at What People Spend Their Money On...

Most of us can divide our income into two areas, the things **we need** such as food, shelter and clothes, and the things that **we want**; these are the things that are primarily triggered by **emotion**.

For example:

“I don’t need that BIG SCREEN TV but I sure do want it!”

When it comes to wants, there are 5 areas where people spend their money:

Beauty - We all want to look good. We want to be thin, look younger and be attractive.

The beauty industry includes things like anti-aging products, dieting, skin care, eye care, hair replacement, etc.

Health - Everyone’s afraid of illness and even death. We all want to be as healthy as we can for as long as we can. Feeling good and avoiding pain, injury and discomfort have become a priority for many.

The area of health also encompasses things like vitamins, weight gain, nutrition, body building, caring for the elderly, insurance and resources for healthy living.

Love - One of our very basic instincts is to love and be loved. Finding compatible partners is a strong instinct for most of us and the internet has capitalized on that with the huge eruption of dating and friend finder sites.

On the opposite end of that spectrum are divorce issues and marriage success topics. More topics include flowers, candy, jewelry cards and gifts

Money - We all want to have more money and look for ways to make more of it, save it and invest it.

Money making programs, investment, retirement programs, budgeting tools and calculators, banking conveniences and even finding better paying jobs have grown in leaps and bounds on the web.

Money is very emotional topic that often triggers stress particularly when it comes to things like debt relief or the desire to make more money and have material wealth.

Entertainment / Recreation – People are passionate about their sport and recreation and people spend thousands perfecting their hobbies and finding new ways to be competitive.

Niches might include sports, games, movies, music, art and electronics

These topics are all opportunities for internet sales because these are the things you can **connect with buyers on in an emotional level.**

It's the *"I don't need that gadget but I want it"* concept.

But you also need to give yourself a sales advantage and avoid the tough competitors in your market. It's about finding the **smaller subsets of the market**.

So How Do You Get Started?

Finding an idea, and ultimately a profitable niche, starts with looking at the following:

- **What do you already know?**
- **What do you like that you're willing to learn about?**
- **What are your hobbies?**
- **What are the current trends going on today?**

What do you already know?

We all have experience and knowledge in something. This could be something you do for a living, a hobby, a sport or even a having gone through a specific life event.

Think about what it is you know and have experienced and think about how you might apply that knowledge to help, assist or benefit others.

What do you like?

You might love to read, walk, do woodworking, dance, crochet, cooking. Make a note of anything that you love to do, admire or find interesting.

What are your hobbies?

Got a hobby that you love? If you do, chances are you've developed personal tips and strategies that might help others. People are obsessive about their hobbies and they spend lots of money perfecting them.

What are the current trends going on today?

Keep your eyes and ears open for trends. I like to watch TV and the shopping channels, they are an excellent source for seeing what people are buying. Talk to your kids, they always know first hand what the new and latest trends are.

Finding Ideas through Keyword Research

Examining the keywords people use to find things is one of the best ways to *really* know what people are looking for and buying, specifically on the web.

There are a number of good tools to use, I simply start with the free ones, either the [Google Keyword tool](#) or [Wordtracker](#).

I like the Wordtracker tool so we'll use that to start, it has a free trial so you can follow along.

Go to Wordtracker and in the selection box type in one of the following phrases:

how to
how
find
buy
info
create
relief
easy
learn
tip
fix
remedy
solution
improve

If you typed in the words 'how to' you will see that it gives you a whole host of ideas to research.

Here's just a sampling of what comes up at the time of this writing (I have the paid version so my list may be longer):

how to make hair bows
how to draw cars
how to save a life
how to write a resume
how to play soccer

how to read guitar tabs
how to draw
how to make a photo album
how to make hanging flower baskets
how to curl hair
how to draw cartoons
how to shave
how to gain weight
how to lose weight
how to build a deck
how to draw people
how to play tennis
how to clean brass
how to make a resume
how to knit
how to play guitar
how to write a business plan
how to take good pictures
how to play poker
how to write a bibliography
how to play chess
how to pick a lock
how to build your own aircraft
how to make a website
how to play sudoku
how to make a kite
how to write a book
how to make homemade wine
how to brush my dogs teeth
how to read palms
how to cut hair
how to write an essay
how to grow tomatoes
how to dance
how to quit smoking
how to meditate
how to build stairs
how to make soap
how to prepare a resume 135

Typing in the words *'find'* or *'buy'* will also turn up some great ideas.

When using a keyword tool to find ideas, use as many variations of the words as possible. Using the word 'create' for example, expand that to using the variations creating, created or creator.

There are some hidden tidbits you can find when you do this type of word expansion.

How Many Searches are Enough?

People often ask me, how many searches are enough?

For me personally, I like to see at least 3,000 to about 10,000 searches for a niche, but not more than 50,000. You don't want the market so small that you won't be able to make sales, but you don't want it so big that there's so much competition you can't compete.

To get a good number of how many searches there are, again use topic variation keywords.

So for example if my niche is 'weight loss over 50', research all the possible variations of the term as possible to get a good count of the numbers of searches there are on the topic as a whole:

weight loss over 50
weight loss after 50
losing weight after 50
how to lose weight after 50
weight loss over age of 50

But How Profitable is this Niche?

One good indication of a niche's profitability is how much people are paying for advertising. Specifically with keyword pay per click advertising.

Using the Google keyword research tool you can find out.

Go to the [Google keyword research tool](#)

In the 'Word or Phrase' search box enter your keyword phrase.

In order to add the cost per click or CPC field to your search you will need to go to the '**expand the advanced options**' and expand that window.

Next, select the '**filter keywords option**' and pick '**Estimate Avg. CPC**' as shown in the window below:

Find keywords

Based on one or both of the following:

Word or phrase (one per line)

educational toys for babies

Website

Only show ideas closely related to my search terms ?

Advanced options

Locations and languages ?

All Countries
United States
United Kingdom
Japan
Germany
Brazil

All Languages
English
Japanese
German
Portuguese

Include specific content ?

Include adult ideas

Show Ideas and Statistics for ?

Desktop and laptop devices

Filter keywords ?

Estimated Avg. CPC > \$.01 Remove

+ Add another

Search

In the keywords display window, click on the 'columns' button over to the right. A customize columns window will open. Check the 'Estimated Avg. CPC' box.

Download Estimate search traffic View as text More like these Sorted by Relevance Columns

	Competition	Global Monthly Searches	Local Monthly Searches	Local Search Trends	Estimated Avg. CPC
ys for babies		1,800	720		\$1.26
aby toys		2,900	1,300		\$2.28

Customize columns

All Columns

Competition

Global Monthly Searches

Local Monthly Searches

Local Search Trends

Ad Share

Search Share

Extracted From Webpage

Estimated Avg. CPC

Save Cancel

Preview
Drag and drop to reorder

Keyword

Competition

Global Monthly Searches

Local Monthly Searches

Local Search Trends

Estimated Avg. CPC

Now your keyword display will reflect the **estimated average CPC** for those keyword phrases.

As a general rule of thumb if the max bids are between 50 cents and roughly \$2.00, it's a good indication that people are making money in that market.

Tips for Drilling Down a Topic to a Niche

One of the things you can do to drill down a niche is use a focused demographic.

For example weight loss is a popular topic that has lots of interest but drilling that down to a demographic might look like this

- weight loss for men
- weight loss in teenagers
- weight loss in women over 40
- weight loss after pregnancy

Another is the topic of acne, again we can apply the same principle:

- Acne in infants
- Teen acne
- Body acne
- Acne in adults

Here's one for educational toys

- educational toys for autism
- educational toys for teens
- educational toys for babies
- educational toys for toddlers

I think you probably get the idea ;-)

If you can drill down to specific areas of the market you stand a better chance of delivering the specific information or items that are *directly* related to the individual's interest.

Places to Find Niches

Look in Forums

If you have a topic in mind go to your favorite search engine and type into the search box **topic+forum**. If it's a topic people are interested in you will find several forums that have your topic as a category.

Find forums that have the most people. Then zone in on the topics that have the most discussion. Take note of the questions people are asking and whether or not they are getting answers. This is how you will know what people are looking for.

If you're considering a niche about growing violets for instance, you'll find over 30 millions results. Narrow your search down with a qualification like African violets or blue violets or Fen violets. For example: **Growing Blue violets+forum**

Check out Google Zeitgeist

At Zeitgeist, Google has information on trends in the marketplace, trends for websites, hot trends and insights for search. There's a lot of good information here that could spark a great niche idea.

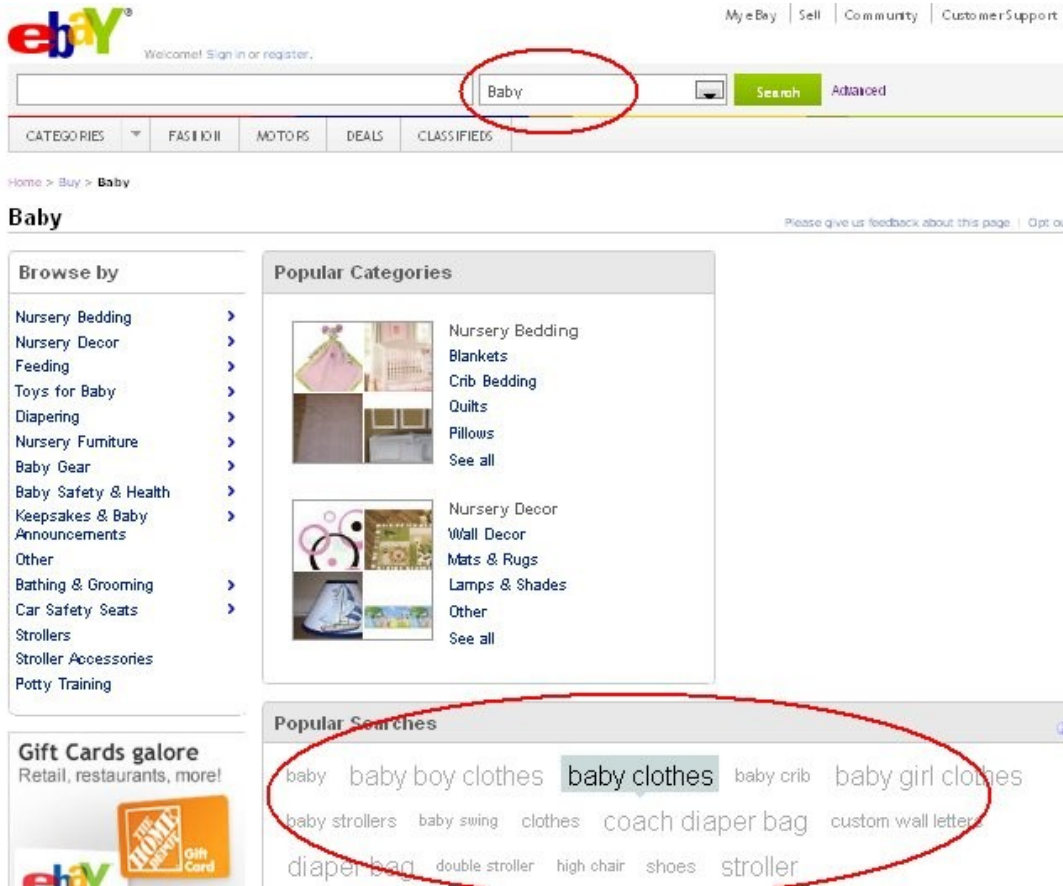
<http://www.google.com/intl/en/press/zeitgeist/index.html>

Check out eBay

Go to www.ebay.com. You can get ideas by looking at the eBay shops.

This is helpful because you can take a glimpse at the stores and what they are selling.

For example if you look at the category '*baby*' you will come to a page that lists the 'popular searches'.



If you click the 'advanced' tab next to the search box you will come to a search page where you can refine your search. You can also find eBay stores related to your topic and pay them a visit to see what they are selling and how they are rated, how many views they get, etc.

Home > Buy > **Advanced Search**

Advanced search

Items

- Find items
- On eBay Motors
- By seller
- By bidder
- By item number

Stores

- Items in Stores
- Find Stores

Members

- Find a member
- Find contact information

Find items

Enter keywords or item number

All words, any order

Exclude words from your search

See general search tips or using advanced search options

In this category

Baby

 Save this search to My eBay

Search including

 Title and description
 Completed listings

Price

 Show items priced from \$ to \$

Check out Ebaypulse

<http://pulse.ebay.com>

eBay pulse have even more information on where you can find 'hot' items.

It's basically a snapshot of the eBay marketplace and features the top 10 **popular searches, popular stores, popular products** and most watched items.

If you click on the category listing at the top you'll see that you have several categories to choose from. Select a **category and a sub-category**.

After selecting a category and sub-category you'll see a list of the largest stores for that category. Next to each store is a number in parentheses. This number indicates the number of sales; this is the same as we saw above for eBay.

Home > Buy > eBay Pulse > Home & Garden

Category: Home & Garden

Welcome to eBay Pulse, a daily snapshot of current trends, hot picks, and cool stuff on eBay. Learn more.

POPULAR SEARCHES	LARGEST STORES
<small>by number of searches</small>	<small>by number of active listings</small>
1. anthropologie	1. CSN Stores (87036)
2. furniture	2. Pop Culture Graphics Store (7255)
3. urban outfitters	3. accent_furniture_direct (2118)
4. pottery barn	4. The Lipson Sign Shop
5. wheel horse	
6. chandelier	
7. air conditioner	

Use the eBay Hot Items Report

EBay also puts out a monthly “hot item” report that you can get at: <http://pages.ebay.com/sellercentral/hotitems.pdf>

This is an excellent report for finding niches that eBay has profited from. It’s also updated monthly so it’s always current. The report is still free and it indicates the degree of “hotness” from “super hot” to “very hot” to “hot”. You’ll find lots of good tips there for finding profitable niches.

---- Sidebar -----

If you like eBay, I wanted to mention, as a side note, a product that I've been using to sell, or *promote rather*, eBay niche products. It's called "Build a Niche Site" or BANS.

I thought this this was a really easy way to set up a store to sell eBay products, especially since I don't have any products of my own to sell.

This is a cool application because I can choose any eBay products or product niches and BANS populates my store **automatically** with all the products on eBay for that niche.

If someone comes to my store, clicks on a product and buys, I get a commission.

The store I built was a guitar store, which I don't recommend, Guitars is not a niche, it's much too broad of a topic. It violates everything I've taught you in this guide about marketing with niches. It was my first mistake.

I would have been better off choosing Gibson guitars or Martin acoustic guitars or something more specific.

If the site was more niche focused I would be bringing in more sales, but for a site I don't even promote, I still get some very good sales from it each month, which is a testimony to the quality of the product.

Many people have drilled down to more specific niches and done very well with this. Here's more on [how I built my store](#).

Examine the Google sponsored listings

<http://www.google.com>

If you go to Google and type in your topic keywords you'll notice the listings down the right hand side and at the very top. These are the Google Adwords paid advertisers.

Watch these listings for several weeks and pay special attention to the ads that continue to appear for your niche, if you see them consistently that means the advertisers *are making money!*

Use Paypal for Ideas

Paypal can give you ideas by going to 'Paypal Shops'

https://www.paypal.com/us/cgi-bin/webscr?cmd=_shop-ext

If you click on a 'Shop Category' to the left you will come to a page that lists all the stores that use PayPal. Some of these may be eBay stores because a lot of eBay customers use Paypal as their payment processor, but if you look at the store listings again you will see a number next to the store, this lists the number of PayPal members that have paid this merchant.

Lots of profitable ideas there as well!

Check out Amazon

Amazon is a perfect if you are looking to create information products, or even to get good content ideas.

<http://www.amazon.com>

For finding information to write about I go to 'books' and type in the niche you are interested in. For example, let's try 'parenting'. There are too many books on parenting, so let's try narrowing it down just a little to 'single parenting'. We're getting better but look what happens when we try 'single parenting for moms', *ahh ...much better.*

Now if we look at Wordtracker we can see that 'single parents' and 'single parenting' has over 300 searches a day.

Looking through all of the book titles will give you lots of good focused ideas.

Lots of good ideas! Almost too many, but don't get discouraged or distracted. Keep up the search and stay focused.

Check Out The Clickbank Marketplace

Check out the [Clickbank Marketplace](#) for digital products. Even if the products you plan to sell aren't digital, Clickbank is a good place to see what is selling.

A final few words...

If you're still struggling to find a niche you're comfortable with, James Jones has some excellent [free videos](#) for finding those little known under-the-radar niche markets that you can tap into.

Regardless of where you are in your search these videos will give you some powerful insight.

There's no perfect niche

I often see folks spending a lot of time trying to find the perfect niche, honestly, there is no *perfect* niche.

The market is wide and there are hundreds of ideas that earn people thousands every day. The perfect niche for them is one they enjoy, find interesting and that they've researched for profitability.

Another thing, don't be afraid of the competition in your market. Competition means that you're in a good market. If you have several competitors in your niche, use the internet to learn about them and how you can become even better.

As long as you're not trying to be all things to all people or compete directly with large retail websites, you'll do fine, that's why finding a profitable niche is key.

The next steps are to follow your idea until it's profitable. Don't let yourself become distracted if you're not making a ton of money as soon as you had hoped, that's what many people do – and they fail.

Keep at it – you will profit if you stick with it and stay committed.

I sincerely hope that this guide has helped motivate you to get started. Finding a niche isn't difficult, but it's an important first step to becoming profitable online.

My Best for your Success :-)

A handwritten signature in black ink that reads "Ms. Liz". The signature is written in a cursive, flowing style.

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