

How to start a niche business

[Business](#)



A niche business requires deep focus and understanding of a target market, because the product needs to solve a specific problem for that target market.

More strict than other types of businesses, niche products have many benefits to customers and business owners.

Methods to start a niche business

When it comes to starting a niche business from scratch, several methods can be used. Neither is more 'right' than another. It's just that some methods are more analytical, while others are emotionally driven. Of course, you need to choose what works for you.

1. Demand than supply

When entrepreneurs can't find a product to solve their problem, they end up creating the product themselves. Because the demand is there but no one is supplying it.

Say someone wants to send a care package across the country or overseas. But they're sick of only having flowers and random food as an option. They want to send something personal. So, they create a product to do this. They believe others want something similar. And so, this niche product is created.

2. Keyword focus

Using tools like Google's Keyword Planner, you can research which topics bring in a healthy amount of searches a month. What this means is people

are currently facing an issue with this topic. But what product to create for this niche is entirely up to you and will require further research.

But not only does this method help you find a keyword (and several other keywords to rank in Google) but also your target market. You can narrow it down further until you feel confident with your keyword, potential product, and people to market it towards.

3. Ask

If you have an idea of a product you'd want to create but you're unsure whether it'll be profitable, ask. Ask anyone you know who suffers from the problem. But ask at least 5 people.

One person may just say " yes" to flatter you. Two people mean you're onto something, but it's too early to tell. Three people saying " Yes!" is much more promising. And anything more than that means you might as well try.

Avoid asking friends or family though. You can go onto forums online and ask random people who suffer from the niche problem you're attempting to address. They have no reason to lie or be nice to you.

Which is great, because you need raw honesty and the internet is the place for it.

With an idea validated, seek more validation

Having an idea people say they'll pay for is great. But will those people actually pay for it when it's available? Up until now, everything was in theory mode. But it's time to see the real numbers.

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You can offer free samples or demos of your product. You can build a waiting list of people who put down a payment for your product. What you want to have is evidence people will or will soon buy your product once it hits the market.

But you want to know before the funding and building happens. Otherwise, you might be drowning in ‘ supply’ without the ‘ demand’.

If you do get this validation — a growing list of engagement, pre-payment, or people with their credit cards in their hands — you’ve got yourself a niche business. When it’s niche, you’ve carved yourself a nice place in the business world. And while you’ll have competition, it won’t be endless.

But your survival depends heavily on understanding your target market’s (updated) needs. Don’t forget to keep in contact, ask for feedback, and revise when necessary.

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