

Niche Marketing Research In Plain English



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Introduction

Niche marketing research has more misinformation surrounding it than just about any topic of marketing on the Internet. I don't know where some of the myths and theories come from, but they're NOT based on any real fact. So in addition to giving you a straight forward, plain English explanation of how to do niche research, I'm going to blow away some of the myths.

The writing of this book took years of experience in niche marketing. Things change so quickly online that information that comes out today can be irrelevant in six months. So I am going to try to make this report as generic as possible so that it will apply as easily next year as it does not. In order to accomplish this, where certain tools and links are mentioned, it will be noted that these are as of this point in time. They may be replaced by something new tomorrow. That's how fast things change. At least I'm being up front about this.

It is my hopes that after reading this book that you will have a solid foundation for doing niche research so that should you decide to actually tackle a niche online, you'll be able to do so, confident that you're going about it the right way.

Also, because everybody is going to be at a different skill level, I am probably going to be going over some things that are already known to you. So please accept my apologies up front, but I don't want to lose anybody, especially those who know nothing about niche research at all.

So without further ado, let's get to the subject of doing niche research.

What Is A Niche?

In plain English, a niche is a distinct segment of a market. For example...if you were to take the music market and narrowed it down to “music of the 60s” that would be a niche. Obviously, with this definition, there are literally millions of niches known to mankind.

Think about anything in your home. Just about any item falls into a specific niche. For example...your coffee table would be part of the “living room furniture niche” within the furniture market. If you were to take apart all the niches of the furniture market, you could probably name dozens alone.

This definition of niche is not to be confused with the one that applies to people when somebody says, “He’s found his niche in the world through playing baseball professionally.” While these are similar in nature, they are not the same thing unless of course the niche you are targeting online just happens to be a service niche. Again, for example...if you were a voiceover announcer, you could make your living online selling your voiceover services. I actually know many people who left professional radio to do this.

However, for the purposes of this book, we’re going to refer to niches as segments where you’re going to promote a product. Tangible goods are sometimes easier to wrap our heads around than a service oriented business. They are also a lot easier to run and manage and take much less time out of your day. Think about it. If you’re a copywriter, you can’t just put out a book and make money over and over again. You have to write copy after copy to continue to earn a living. This translates into many hours of work.

Having said this, yes, if you like, you can apply what I am about to reveal to service oriented businesses as well. The examples in this book, however, will all revolve around products and physical goods.

What Is Niche Research?

This is one of the areas where there is a lot of misinformation going around. Yes, some people can't even agree on what niche research is and how to do it. If you ask some folks, they'll tell you it's simply looking up some keywords for a niche to see how many people are looking up these keywords and then looking to see how many competing sites there are. Well, that's a very small part of the process, but if you confine yourself to just those two things, you have a very slim chance of finding a niche with any true potential.

So what IS niche research? Niche research is the in depth study of a segment of a market in order to determine if that market has a sufficient demand to warrant the production of a product or service to fill that demand.

Why do I use the word sufficient? Well, let's say you came up with a great idea and only one person wanted it. Now, in order to put that idea into action, it would take you 30 days of your time and about \$10,000 of your money. However, the product, at least to the one person interested, is only worth \$100. Naturally, if you go through the process of creating this product for just one person and sell it for \$100, you're \$9,900 and 30 hours of your time in the hole...certainly not worth doing.

However, if you knew there was a market for your product of about 3,000 people, that translates into \$300,000 in income. Certainly under those conditions, it would be worth it to create the product.

That, in a nutshell, is what niche research is. It's determining whether or not it is worth you wasting your time on creating a product BEFORE you create it.

As I said, keyword research and competing site analysis is just part of this equation. There is a lot more to successful niche research than just these two steps. So what we're going to do in the remainder of this book is go through all the required steps of researching a niche and even give examples of niches that I have researched. I'm going to quiz you on each example to see if you can determine whether the niche is one that will be profitable or not.

Niche Research In Detail

Okay, let's get right down to the step by step process of niche research, starting with your brain.

I'm going to assume that you know absolutely nothing about Internet marketing and don't have any idea of how to begin thinking of a niche, let alone researching it. So that brings us to the first question.

Where do we start?

The easiest place to start is with your own experience in life. You do live, right? Good...I hate talking to dead people. Anyway, in everybody's life, each person has, I hope, at least one interest. Even if that interest is simply staying alive to see tomorrow, you have to have at least one. Hopefully, you have more than one.

Okay, here's what I want you to do. I want you to take a pad and a pen or pencil. Yes, get away from the computer. Go sit on a couch somewhere. Take your pen and pad and write down everything in your life that you enjoy doing. I don't care how silly it is.

Okay, have your list? Great! What we're going to do is have you take the first thing on your list for this next exercise.

And in case you're wondering, this was my list when I first did this exercise for myself.

Music
Writing
Sports
Computers
Games
Health

Notice anything about my list? Well, if you understood my definition of niches, these are NOT niches. They're markets. A niche is a segment of a

market. So what do you think I had to do when I looked up these markets thinking that they were niches?

Right...I had to further break them down into niches.

See how easy this is?

Okay, so let's take any item on my list. You take yours. Since I don't know what yours are, I'll use mine as an example. You just take your market (unless you already picked out a real niche) and plug that market into the formula I'm going to give you below.

Ready? Let's begin.

Step 1

The first step in our niche research is to first break our market down into sub niches. Now, I don't expect you to know all the sub niches off the top of your head. Besides, there is an easy way to do this.

On the Internet, there are sites that allow you to look up keywords that will not only show you how many searches there are on a daily or monthly basis for that market but also show you any sub niches for that market. These tools come in very handy.

The problem with these tools is that they come and go. Tools that were the rage yesterday are gone today. Overture was a perfect example of this. It came and went and came and went. I'm not sure where it is right now. I've stopped keeping track. Instead I use a tool that seems to be very stable as of the moment. It's called Wordtracker.

There are free and paid versions of Wordtracker. I use the free one and it's more than good enough for our purposes.

Here is the URL where you can find it, at least for now.

<http://freekeywords.wordtracker.com/>

Tomorrow it could be scraps for the dog.

If you go there, you will see the following screen.

FREE keyword suggestion tool

Enter a starting keyword to generate up to 100 related keywords and an [estimate of their daily search volume](#).



The screenshot shows a light beige rectangular box containing the following elements:

- A label "Keyword:" followed by a white text input field.
- A label "Adult Filter:" followed by a dropdown menu showing "Remove offensive" and a "Hit Me" button.

Please note that it says 100 related keywords and an estimate of their daily search volume. The last part is highlighted. This is actually a link that explains how this is computed.

If we click on the link, here's the page it sends us to.

How we estimate daily search volume

[<< back to the keyword tool](#)

Here is the formula we use to estimate daily search volume for any given keyword:

$$\frac{\text{Number of times keyword appears in our database}}{\text{Total number of keywords in our database}} \times \text{Estimated total number of daily queries on all search engines}^* = \text{Estimated daily volume of searches for the keyword}$$

So for a keyword that appears 9,000 times in our database, this is the number of daily searches that we predict:

$$\frac{9,000}{292.2 \text{ million}} \times 515.3 \text{ million}^* = 15,873 \text{ daily searches}$$

* Every day, on average, we collect about 3.25 million search terms from Dogpile.com and Metacrawler.com, who according to [Netapplications.com](#) account for 0.63% of searches across all engines. By combining these two figures, we estimate that the total daily searches across all engines is 515.3 million.

Okay, so now you can see just how their daily searches are computed.

Now it's time to put another piece of misinformation to rest. These keywords tools are NOT 100% accurate. Truth is, nobody really knows for certain how accurate they are because these figures that they use to compute their daily searches are, as they say, estimates.

Having said that, over time, if you use this tool day after day, you will begin to see some patterns of daily searches in relation to how many actual clicks you get to your web site. From these patterns, you will eventually get a feel for how well a given keyword will perform based on the numbers, regardless of whether the actual numbers are right or wrong.

Yes, this takes some practice but if you do it long enough, you'll start to get very consistent results. Hey, I never said niche research was easy.

Okay, so we're going to head back to the first page of Wordtracker and type in our keyword.

I'm going to use "sports"

FREE keyword suggestion tool

Enter a starting keyword to generate up to 100 related keywords and an [estimate of their daily search volume](#).



Keyword:
sports

Adult Filter:
Remove offensive ▼

After typing in “sports” I’ll click on the button that says “Hit Me” and we then get the following screen. This is one monster list.

sports

81,513 searches (top 100 only)

Searches	Keyword
81,513	total searches
10887	sports
7093	sports authority
4878	fox sports
4705	sports illustrated
2700	bbc sport
2555	academy sports
2130	sport
2093	sports cars
1936	cbs sports
1723	play sports games
1543	play it again sports
1398	naked sports
1380	yahoo sports
1349	sky sports
1225	sports bloopers
1201	super sport kladionica

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