

# Niche Marketing

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➤ Niche marketing is marketing a product or service in a small portion of a market that is not being readily served by the main stream product or service markets.

# Niche Market Examples

Sector	Product	Niche
Agriculture	Timothy hay	Race horse feed
Agriculture	Kosher milk	Religious groups following dietary laws
Agriculture	Organic vegetables	Consumers wanting foods grown without pesticides
Agriculture	Extra fat beef	Asian export market
Agriculture	Corn silage	Confined dairy operations and beef feedlots
Agriculture	Custom farming services	Other producers who do not have the resources to perform these services
Agriculture	Pasturized goat milk	Consumers allergic to cow milk
Consumer durables	Sport Utility Vehicles (SUV)	Drivers desiring a vehicle with room, power, and strength
Consumer services	Internet auction sites	Consumers desiring low prices for goods and services without having to physically move from merchant to merchant.
Consumer services	Commuter airlines	Smaller communities not served by large airlines
Consumer services	Cut your own Christmas tree	Fellowship, recreation, and consumers seeking quality

# Recognizing Potential Niche Markets

- Convince yourself that you have confidence
- Products/services difficult to obtain
- Perceived as expert in an area
- Speakers, articles, other ideas
- Hobbies

# Getting Started

- Identify the market and its characteristics
- Compatible with family/professional goals
- Resources you have and need
- Develop business/marketing plan

# The Business/Marketing Plan

- General description of the business
  - Qualifications
  - Reasons for starting the business
- Market analysis
  - Describe the product/service
  - Estimate the market size
  - Segment of the market
  - Geographic area
- Mission statement, objectives, and strategies
- Marketing plan
- Operational description
  - Location, facilities
  - Materials needed, staffing
- Projected sales
- Financial plan
  - Projected income statement, cash flow, balance sheet, loan repayment schedules, owner's equity, and break-even analysis
- Sensitivity or risk analysis
  - Price and production/sales

# Getting the Help you Need

- People who are doing something similar
- Learn from them
- Seek reference materials
- Internet
- Library
- Extension
- News media
- Trade shows
- Network