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

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