

CREATING A NICHE

Starbucks did it. So did Sam's Club. For that matter, McDonald's did, too. They carved themselves a successful business niche.

When Starbucks came on the scene, it raised coffee from a mere beverage to a culture in its own right. Warehouse clubs like Sam's made shopping in bulk fashionable, and we all know that before McDonald's, fast food was downright slow.

In today's competitive business climate, you've got to separate yourself from the pack -- you've got to create a niche. By offering something no one else has and by targeting your business to a few select markets, you protect yourself not just from the competition, but from the twists, turns, and plunges of the economy.

Before Starbucks, coffee came in two ways: regular or decaf. Now you have your choice of latte, cappuccino, espresso... The people who have grown to depend on specialty coffee roasters for their freshly brewed cup of Columbian premium would no longer dream of plunking 75 cents into a vending machine for a watery cup of joe.

The lesson here is to create a product or service that so completely fills a need, that your customers will have a hard time imagining life before you came on the scene.

Finding your own niche is often a matter of putting a new spin on what you already do. Ask yourself, how can I differentiate my business from others? How can I create the perception that my market simply cannot live without me and what I have to offer?

In her book, "Nichecraft," Lynda Falkenstein lays out the following steps for creating a niche:

1. Decide who you want your customers to be. Be specific, listing their names and companies.
2. Decide on your focus. If you have trouble, then examine the needs of your customers.
3. Match what you're selling to what the customer wants to buy. List your potential clients' interest, concerns, ambitions, and goals.
4. Make sure your niche is special, unlike anything else out there.
5. Make sure your niche is viable. Is there a market? Is it a strong one?
6. Test your product or service with real people.
7. Market your business like crazy.
8. Commit yourself to your business.
9. Do it all over again when your niche has grown old. Look at where your market has been and where it's going. And be prepared to respond to change. The secret to successful niche marketing is the ability to grow and evolve with the times.

You don't have to be a Starbucks, McDonald's or Sam's to be a successful niche marketer, but you can follow their lead for doing business. Find an unmet need, or create one, then position your company to fill it. Do that, and you will have found your niche.

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