

SAMPLE ONLY- NOT TO BE REPRODUCED WITHOUT AUTHOR'S PERMISSION**Finding your target market:**

Whether you're starting a new business, or trying to expand an already existing one, the first step is in identifying your target market. Usually, there are two types of markets you can sell to- consumers and businesses. If you are a retail clothing line, then most likely your primary customers will be the direct consumer. If you are into manufacturing nuts and bolts, then you'll probably be selling to businesses. In some cases however, such as an office depot, your target market could be both consumer and business. Trying to narrow down your target market as much as possible is what is known as creating a niche, and this is the key to most businesses succeeding.

So, how does one create a niche?

1. Firstly, you need to **create a list** identifying whom you want to do business with. Include geographical boundaries and other specifications such as gender, age and income levels, depending on the kind of business you want to set up. You need to realize that even with the Internet, you can't market your product to everybody.

2. **Clarify what you will be selling.** If you are a retail clothing manufacturer, you may want to specialize in a teenage line of sportswear. Your niche should reflect your interests and experience. Selling something you are passionate about is easier than selling something you need to learn about.

3. **Do your market research.** Step into your customers shoes. Understand what they need by identifying with them. Their needs are reflected in not only the kind of product you offer, but also the customer service your business provides. Make a note of how you can go the extra mile. If you can't conduct a large and extensive market research campaign, do the maximum you possibly can. Cheaper options to look at could be targeted direct mailers or newspaper inserts. Always remember to reward customers who respond, even if it's not the kind of response you want to hear.

4. Based on the feedback you receive and the product/service you have, sit down and do a thorough **evaluation**. Your niche should have the following qualities to make it a success-

- a) it should be sustainable
- b) current consumers/businesses should want it and
- c) it should be unique even if it's not the only one on the market.

5. Finally, once you have a positive response, instead of jumping in and spending a lot of money to get started, **test it out on a smaller sample size**. This could be by offering free samples or catering for a community event anything that doesn't cost much, but gets you the desired results, namely a positive response.

Once you've done the above, you will have a better understanding of who your potential customer is going to be. And with correct targeting and effective marketing, you should soon have a successful business on hand.