



## “NICHING” - WHAT IT MEANS WHEN MARKETING YOUR BUSINESS

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### Are you competing with too many similar businesses? This is how your business will stand apart.

Most people who have dabbled in marketing their own business have considered the all-important question: “Should I niche down?”

Professional marketers often recommend niching...and many business owners resist it! Narrowing down your target market or confining your services to a specific niche does seem counterintuitive—after all, won't limiting your business limit your cash flow and income as well?

But much of this resistance is due to a misunderstanding of what exactly it means to niche down. So first, let's define our terms.

#### **A niche service, or serving a niche market - what it means:**

“Niching” means presenting your company as a specific solution to a specific problem. Usually, it's the problem that your company is best equipped to fix. For example, someone who is a corporate lawyer may define themselves broadly as such... “I'm a corporate lawyer.” Or, he or she can niche down and promote his personal specialty, such as drafting original documents for real estate purchases, or perhaps consulting with businesses considering launching an IPO.

#### **What is DOESN'T mean:**

Niching, in its most useful form, is almost entirely a confinement of your marketing message...not your service! If you are an architect who specializes in designing strip malls, and somebody asks you to design their living room, and you can deliver great results and turn a profit...go for it!

So relax— settling on a niche does not need to limit your business or your services at all. It is simply a marketing mechanism through which you can attract your best customers. You can still serve someone who is not your “best customer” but was attracted to you anyway—if you choose to.

## **Why you should do it:**

As a marketing tool, niching down allows you to cut through the noise all of your competitors are making. There is no better way to gain the attention and trust of a prospect than to convey "Do you have 'X' problem? Fixing that is my specialty!" Niche marketing is immeasurably more effective than trying to show that you are the perfect solution for everyone. (And, for the record, you most likely are NOT.)

A client of mine sells a commodity. Therefore, he literally competes with Amazon, which also sells this commodity. But because we've positioned his company as a niche service, his target market knows that they'd have to be crazy to order from Amazon, or anyone else. It's clear to his prospects that Amazon is not tailored specifically for their needs...but my client is.

## **What you should do now:**

When choosing your niche, rate the possibilities according to their

- Ease of prospecting and selling
- Profit margins
- Your impact on your customer/client

The niche which rates the highest in all three areas is the one you should pursue.

In summary, proper niching allows you to clearly communicate your unique value to your best potential customers...how can you afford not to niche?