Niche Navigator

Discover The Amazing Secrets To Uncovering Profitable Niches

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Introduction

Welcome to a guide that could well change your fortunes forever. This guide is all about finding your niche, the niche that could provide for you and your family for years to come!

Niche selection is one skill that can make all the difference between success and failure, if you put a lot of effort into a bad niche then it will lead to poor results, but even putting a small bit of effort into a good niche can yield fantastic results, now imagine putting a lot of effort into a good niche!

With the right niche then it is like you have someone at your side pushing along the railroad of success, all those late nights start to pay off, your profits can be reinvested and turn into even more profits, your hard work finally pays off. With the wrong niche then your hard work is slaughtered, you stay up late for naught, you don't make enough profits to reinvest anything, and if you did then the returns would not warrant the risk of your money.

I've worked in both kinds of niches and I have wasted too much effort learning the hard way that with the wrong niche then internet marketing is no fun and far too much hard work!

I've also worked from the principle of creating a product and then trying to find the niche to sell it to, and realising the niche was useless – a lot of effort down the drain!

First pick your niche – **THEN** choose what product to promote or create!

So what is a niche?

This always confuses people, basically a niche is a subset of people within a market with a particular interest. Or as Wikipedia would say:

> "A niche market is a focused targetable portion (subset) of a market."

Yet it is not always crystal clear, I mean is weight loss a market, or a niche in the health market? I know that the Atkins diet would be a niche, that is easier to see, but I think you don't need to get too concerned for now with niches or markets, let's just find a crowd of people who we can provide value to in return for a fair payment for our effort – deal?

What makes a good niche?

Let's now look at the correct and incorrect assumptions people have about a good niche…

A niche you are passionate or knowledgeable about

How many times have you heard that?? I agree with it in principle, let's say you follow the steps we're about to discuss and you find 3 – 5 niches you think would be really good, then **MAYBE** in that instance then yes it would be best to go for the one that you find the most interesting or have the most experience with.

It will certainly help you to write content and think up product ideas etc at first, the problem is you might be so used to this niche that you struggle to think up the kind of fresh ideas that someone with less knowledge of the 'rules' of that niche might be able to come up with.

Plus – if all the niches you are passionate about don't look like good, profitable niches, then it is just not worth the effort! Give me a good niche any day over one that I like but can't make good money with.

Hell, you can outsource content creation if I want, you can outsource the creation of a product, you don't need to be 'in' the niche, just marketing to it, and marketing principles remain much the same from niche to niche.

So don't fall into this trap, go for the best niche you can find that you can stomach working in. Go back to your passions later when you have experience and capital to reinvest.

Plan your attack before you find the battlefield

Ok that title is a bit melodramatic, but it does highlight an important point. Not all niches are suitable for your business model! If you are just creating AdSense sites then a good niche for you would be different to the person trying to create products or just run PPC campaigns.

You must know what you want from your niche before you start looking for it, make a list and then adapt the process that is coming up to suit any particular needs that you have for your model, like AdSense would be high PPC bids and a PPC marketer may be looking for lower PPC bids.

Size matters

Size does matter in niche selection, and not necessarily the bigger the better, you need to make sure that there are enough people to make you a good income, but not too many people that you are not targeting them correctly, so carp fishing might be a good niche, but carp fishers use two different methods, one set use a rod and others use a pole. If you are trying to sell the same information or products to both groups then you are going to struggle much more than targeting each one individually.

A lot of factors come into play with size, so this needs careful consideration, for instance I could go for a niche with sky high PPC bids and impenetrable SEO but with 1,000,000 searches a month, however I might be better off going with the niche that has just 60,000 searches a month but is far easy for me to get some of that traffic from it.

Are they buyers?

The commercial intent of the people searching is vitally important, if your niche does not like to spend money then you are going to have a hard time selling them things. Think about jokes, there are 1.5 MILLION searches a month for the exact keyword "jokes", if you add up the brief list I have in the Google keyword tool for all the joke keywords it lists then you are talking 4 - 5 million searches a month - but, I believe that people searching for jokes are just looking for free jokes, I know I'd find it hard to justify buying a book of jokes anymore with so many at our fingertips using Google.

Now you might argue that for AdSense sites then that doesn't matter, well it still sort of applies, I mean with a niche full of buyers then people will hopefully be making money off their PPC campaigns and the bid prices can be that much higher as people will fight their competition to keep their campaigns going. This means higher click values for you! Plus if you look at the keyword 'jokes' then there was only 1 PPC ad when I checked it, so not much room for good AdSense revenues…

Are they reachable?

How easy is it for you to reach the people you want to sell to? Are there big forums you can visit? Will you be able to get any positions in the search engines? Can you use PPC? Can you

recruit affiliates or talk to big websites in the market about displaying banners etc? Will article marketing work?

I was in the 'stop sweating' market as an affiliate and that is a hard niche for articles, after writing one article about how to stop sweating, or why you sweat then it is hard to think of anything new! Maybe that is just me but I really struggled with it.

So take into consideration how you are going to be able to market to these people - does it match your experience level and your budget?

How many keywords are in the market?

We've discussed volume, but what about the kind of searches that people are doing? Let's say you have one main keyword which gets 100,000 searches a month, then the next keyword has 50,000, then there are say 5 more keywords that account for just a few thousand searches between them. Now how are you going to penetrate that market?

It is very shallow, very targeted, the people are only really interested in a few keywords, so unless the SEO is weak enough on the sites that on the first page of Google for the top keywords, then trying to get some traffic is going to be a struggle. You'd have to concentrate solely on PPC and there is only room for so many ads on the front page for PPC so if all the people in that niche are fighting for that space then bid prices get driven up...

The big websites with big marketing budgets go for the keywords with lots of searches, they are not happy with just a few thousand searches a month, but we are, a few thousands searches a month from one keyword can bring in some good money, and that is with just one page. You then make other pages on your site targeting other keywords with a few thousand searches per month and the traffic just builds and builds.

Look at weight loss for instance, there are a huge selection of keywords for almost any diet imaginable that allow you to bag free search engine traffic from your site, press releases or articles etc.

How many products can you sell?

This is as either an affiliate or as a vendor, look at the market and try to find out what other people are selling - and what their backend offers are. Look for affiliate programs that you can send people to later as well.

The more products and the more affiliate programs the better, you need a funnel that people go through where they buy multiple products over time which increases your value per visitor. The more sales you can make to your customer list then the more you can pay to get people onto it, the company who can pay the most up front to get their customers can beat all the competition when using paid traffic and steal all their traffic!

Also if someone has come out with a series of infoproducts already then you can see how well they are selling and it saves you the hard work of thinking up ideas for multiple products!

Will they buy what you are offering?

This seems simple, but I've fallen foul of this one too! Check to see what people are buying, say you want to sell an infoproduct on high blood pressure (not the niche I was in but similar!), but you check out the market and they only really buy pills to cure their blood pressure, then you might want to rethink your strategy.

The best way to be sure is to find a competitor who is selling your exact type of product and selling it successfully, which leads me to…

Competition is your friend

Competition is not bad when you are creating products! Sure competition in the search engines is bad, but other products owners and websites selling your future products successfully - that is great news!

If someone else can sell those products successfully to the market then it means the market is receptive to that kind of product and they will buy. This increases your chance of success hugely because as long as you create a product as desirable as theirs then you can start to take some of their traffic and hopefully some of their sales too.

Or if you create a product that is complementary to rather than competition to the product, then you can both promote each others products to your customer lists and your biggest competition may become your best affiliate!

Just watch out for competition with big ad budgets that could bully you out of the market and ones with totally unique angles for their product, if someone is a celebrity in the market and they are selling an info product successfully, it may just be the fact that people know and trust that person which leads to sales, unless you can emulate that then you may not get the same response.

Now let's move on and talk about the BEST kind of niche…

Hungry/desperate Niches

If you can find and target a niche is that are hungry or desperate for the kind of product that you can provide, then you can drastically increase your chances of success and make your marketing a lot easier.

The late Gary Halbert is supposed to have been at a seminar when he asked the audience if they had a burger stand then what is the one advantage that they would want in order to beat their competition and make a crazy amount sales? The audience suggested a wide range of different advantages they can have, but none of them hit the nail on the head, then he revealed that the one advantage he would want is a starving crowd!

Let's look at a desperate niche first…

If the people you are targeting are desperate then that makes your job a lot easier because the people searching for a solution to their problem are highly motivated to spend money to cure whatever it is that is causing them a problem or pain. It is like the difference between somebody searching for information on how to make money buying and selling houses, who is interested but sceptical and may buy if you convince them hard enough. Compare that to somebody who is about to have their house taken off them, and is looking for information on how to stop that happening!

Which do you think is going to be more motivated to buy!?

Now is this taking advantage of them? I know that is the first question that most people ask when they are told to seek out a 'desperate' niche, but in fact it is quite the opposite. If you think about it then the person who is about to have their house taken off them is looking for a solution, now as long as the information you are providing does give a genuine solution to that problem, then you not taking advantage of them, you are actually helping them out of a bad situation.

If you didn't provide that information to them and they couldn't find it anywhere else then they'd have their house taken off them, so not only are you making money but you're also doing some good! You are only taking advantage of them if you are selling them false hope and garbage information.

What about a hungry/passionate crowd?

These are people who are not quite as desperate, and they are not in pain or any serious danger, but these are people who are really passionate about either finding a solution or mastering the niche that they are in.

For instance the anti-aging market could be an example of a hungry crowd, they will spend large sums of money on all the latest products just to see if they can get some of the results that are promised on the packaging. Therefore if you open up a website which catered to this market then you could expect your visitors to be more motivated to buy products than if you just sold ordinary makeup etc

This also applies to sports, a lot of people are passionate about their sports and hobbies and will spend great sums of money on getting the best equipment, advice, and training in order to improve their skills and show off to their friends!

So this is another criteria you need to think about, if you have a list of niches and you know that one of them is either a desperate or hungry niche then you are probably best to aim for that niche as it will make everything you do a lot easier when the people you are targeting are eagerly awaiting your offers!

Do a keyword search for the following phrases and you might be surprised by the types of things that come up:

- How to
- How do I
- How do you
- How to fix
- How do I fix
- How do you fix
- How to prevent
- How do I prevent
- How do you prevent
- How to cure
- How do I cure
- How do you cure
- How to remove
- How do I remove
- How do you remove
- How to quit
- How do I quit
- How do you quit
- How to get rid of
- How do I get rid of
- How do you get rid of
- How to lose
- How do I lose
- How do you lose
- How to get
- How do I get
- How do you get
- How to stop
- How do I stop
- How do you stop
- learn
- get rid of
- fix
- remove
- prevent
- cure
- quit
- lose
- get
- eliminate
- restore
- stop

The Niche Selection System

Let's now look in depth at all the steps you need to take to find that perfect niche to target, it is a three-step process using the following:

Massive Niche Idea Generation - finding as many niche ideas as you can so that you have a good list to work from and narrow down.

Niche Viability Assessment - checking the volume of the niche, seeing if there are any buyers and if it is a desperate or passionate niche etc.

Niche Profitability Assessment - the most important part! Checking to see if you can make some good money in this niche.

Now let's jump straight in…

Massive Niche Idea Generation

You'll need to grab a pen and paper for this step, writing on the computer can hamper your creativity and the objective of this step is to create as many ideas as possible!

So we are going to use various different techniques to uncover a wide range of niches, which we are then going to narrow down before we move on to the second step.

1. Looking inside yourself

So the first thing we are going do, is a quick assessment of your expertise and the niches that you have experience and knowledge of, you might be surprised at just how many different niches that this brings up.

Grab your paper turn it on its side and make four columns on it, title the first 'hobbies', the second 'bills', the third 'skills', and the fourth 'jobs'.

Now you need to write down as many things as you can under each heading, for hobbies then that will be all your interests - dancing, poker, knitting, whatever.

For bills that is anything you pay out for each month - subscriptions, gas, electric, broadband, magazines, you name it.

For skills then that is anything that you can do which not everybody else can, for instance caring for rose bushes, refereeing maybe? Maybe you can fix cars, paint, write well, anything like that would be a skill that you can put down in this column.

Then finally for the jobs column then just list all of the previous positions you've held in your life.

Take 10 minutes and write as many as you can without thinking about whether they are good or not! All of them could be potential niches (like if you have spent hours hunting round to get the best deal on your electric bill, then you probably know a lot more than most people about what is on offer and you could make a website that compares the different packages).

2. Looking inside your friends

Sometimes it is good to rope your friends in too, either try to think of all the things that your friends do for fun, or that they spend lots of money on, even ask them directly what they like to buy or have to buy all the time.

For instance you might have a friend with a dog and they'll say they spend a fortune on toys and vet bills… that gives you a market and two niches right there, dog health and dog toys, and you know people are passionate about pets (a passionate niche!).

Or you could have friends into scuba diving, scrapbooking, martial arts. We all have different hobbies and interests and this is a great way to get ideas from people who have experience in them and can tell you if they buy multiple products etc.

3. Snooping around for more ideas

Here are some great places you can go to get more ideas:

Magazines.com - If a market/niche has a magazine then that means it must be popular and have at least enough interested people in it to sustain the magazine. This also gives you a great insight into the market.

Google Hot Trends - Allows you to see the 100 fastest rising US search queries in Google, updated throughout the day.

[Google Zeitgeist End of Year Results](#) - Allows you to see what "searches revealed about the interests, passions, and issues for the year". It gives you a yearly overview right back to 2001.

[Trend Watching](#) - Gives you a monthly breakdown of what they see as the emerging trends around the world.

[Trend Hunter](#) - An addictive site that lists all sorts of trends around the world, tends to be full of bizarre stories that can keep you on the site for hours, but you can see some interesting new ideas which will get the ideas flowing.

News Sites like [cnn.com](#), [foxnews.com](#), [cnbc.com](#)

[Lycos Top 50](#) - A weekly list compiled by Lycos of the top searches made on their search engine, handily just displays the topic, then underneath the reason people are searching so much for that topic recently.

[Yahoo! Buzz](#) - Top stories as voted by Yahoo Buzz users, also includes hourly updates on the top Yahoo searches being made.

[eBay Pulse](#) – A daily overview of the top searches made on eBay, the top items being watched and the largest stores on eBay.

[Amazon](#) & [Amazon Bestselling Books](#) - Amazon is a great place to just browse around to find things that are selling well and give you ideas, plus if you use the bestselling books link then you get to see exactly the kind of niches people are happy to pay for information about.

[Shopping.com Top Searches](#) - A great list of categories to give you ideas for niches, also if you click on the category it will give you the top 100 searches for that category in the last two weeks!

[AOL Hot Searches](#) - A look at the searches made on AOL, splits them out into categories like 'diets' or 'cold remedies' and then gives you the top searches based on that category.

[Google Groups](#) or [Yahoo Groups](#) - Browse through the groups and you can see how popular the topic is from the amount of people who are subscribed to the group - a great way to get ideas about niches and find out how popular they are at the same time!

[Delicious Popular](#) - The most popular stories as submitted and voted for by delicious users.

[Digg](#) - The most popular stories as submitted and voted for by Digg users.

[Clickbank Marketplace](#) - The best place to look at how well digital products are selling in a niche, the higher the 'gravity' the better as it means lots of affiliates are selling that product successfully. Choose a category and browse through what is selling to get an idea for good niches.

[DMOZ](#) - The open directory project, you can browse thousands of markets and click in to break each one down further and explore them.

[43Things.com](#) - A site where people post things they'd like to learn, do, become, places they'd like to go etc. Other members can 'cheer' for things they like so you can see if a goal is popular. You can also use the tag cloud on the right hand side to see which topics are popular as the word grows in size as more people use it.

[eHow.com](#) - A great site that teaches you how to do all sorts of things, browse down the categories on the left to get niche ideas.

[Wiki.Answers.com](#) - A site where people ask and answer questions on all sorts of topics, browse through the categories then look at the kind of questions that come up most frequently.

[EmbarrassingProblems.co.uk](#) - This site allows you to pick up on more desperate niches - if people have what they consider an **embarrassing** problem then they will pay good money to get rid of it!

[Ask.com IQ](#) - Lists of the top searches from the Ask.com search engine.

[Yahoo Directory](#) - Similar to DMOZ, browse through to find some ideas.

[Alexa Top 100 Sites](#) - A list from Alexa of the top 100 most visited sites on the internet.

[Wikipedia List of Hobbies](#)

[Wikipedia List of Sports](#)

[Blogcatalog.com](#) - A directory of blogs, so you can see which topics are the most popular and look at the kind of topics that are covered.

[AnswerBag.com](#) - Another answer site so you can browse through the popular questions in whatever categories take your fancy.

SoYouWanna.com - This site is a bit like eHow.com in that it gives you instructions on how to do all sorts of things. I find the topics on this site a bit more varied though and good for stimulating more ideas!

About.com - No doubt you have come across this site in your search results before, they cover a huge range of topics that you can browse through.

Squidoo Top Lenses - The 100 most popular lenses to give you some ideas.

Ok that should give you more than enough ideas to last a lifetime! Anyone who says they can't think up any niche ideas after that list is just plain not trying!

So you have your list of possibly hundreds of niches now right? Anything that caught your eye as you were going through those sites.

Now you need to shave it down ruthlessly, cut out anything you couldn't imagine yourself working with, anything that you really can't stand. Then cut out any really really small niches like unicycle tutoring, that kind of thing.

Then when you have the list as small as you can, even if that is still 100+, pick your top 10 - 20 from that to go further with.

If you find that none of them pan out in steps 2 & 3 then you can just come back and grab some of the ones you left off here. Now let's move them onto step 2, viability.

Niche Viability Assessment

So now you have your list of 20 niches that you could stand working in, and think have potential, now let's work through the list and start to weed out those ones that look ok on paper, but the potential just isn't there (we'll be focussing on the 'best' niches here, so you might want to come back to a niche later that you found was just a bit too small - keep all the research you do for later!).

Are there enough searches?

How many searches do you need? How long is a piece of string!

It varies so much, and when I see people giving out set figures then I have to cringe, 1000 searches a month in the 'buy a private jet' niche might be enough to make you a fortune, but you might need 1,000,000 in the 'buy paperclips' niche!

Also you'll find that the more targeted you get then the easier it should be to make a sale. So if you are targeting yoga and you sell a yoga course to a person over 50 years of age then they might buy it as it is about the topic they want so it could help them.

Now if you have a yoga course specifically targeted at people over 50, all other things being equal you are more likely to sell that course to that person.

So you need to look at the niche you are about to analyse and see if you want to break it down even further, you might find a batch of keywords related to an even more specific segment of that market which still have good search volume.

So head over to https://adwords.google.com/select/KeywordToolExternal which is the Google keyword tool, the only keyword tool I really trust!

Then you need to select the country you are targeting, so if you are outside of the US then click the 'edit' link shown on the image below (1) and up will pop a list of countries - you can either select just the United States or 'All countries and territories'. Make sure that the language is set to English on the left.

Then enter your keyword into the box provided (2) and type out the captcha characters (3) which help to stop automated searches.

Let's do it for 'dog training' and look at the results:

So the first thing we need to do is to set this up so it shows us the real results we need, so change the 'Match Type' (1) to 'Exact' otherwise the search terms are artificially inflated.

Then click on the dropdown box (2) at the top and select 'Show Search Volume Trends', that allows you to look and see the distribution of searches throughout the year to see if there are any low points you need to watch out for (if you try and launch a product in that low point you won't get the response you expect and might think it is not going to do as well as you hoped).

Then left click once on the 'Approx Avg Search Volume' and that will sort it in descending order of volume. Now you'll see this:

You can see that changing it to an exact match changes the figures considerably! You also need to take into consideration that Google accounts for only half of the daily searches (actually about 60% recently), so those figures can be roughly doubled to get the total searches.

So have a look through and you can see there are plenty of keywords to use on a website and in articles etc, but the main keyword 'dog training' hogs the vast majority of the traffic.

You can see that the keyword phrase 'dogs training' is very seasonal and peaks around May - September but disappears for the rest of the year, luckily all the other keywords don't seem to suffer from that.

If you scroll down the page you will see 'Additional keywords to be considered' which are keywords that Google thinks may be relevant to the keyword you gave. If you look at that you will notice that there are a few keywords you may want to consider:

Additional keywords to be considered - sort by relevance ⓘ			
[dog]		1,220,000	1,220,000
[dogs]		1,500,000	1,220,000
[dog supplies]		301,000	368,000
[dog breeds]		301,000	301,000
[dog kennels]		90,500	110,000
[dog breeders]		40,500	49,500
[puppy training]		49,500	49,500
[dog coat]		60,500	40,500
[pet training]		27,100	33,100
[dog breed]		22,200	27,100
[dog breeding]		22,200	22,200
[dog tricks]		40,500	22,200
[dog agility]		22,200	18,100

'Dog supplies' has a lot of searches if you intend to open an ecommerce store selling dog supplies, and 'puppy training' caught my eye as it has a lot of search traffic, very targeted, if someone is looking for puppy training and they are offered two courses, one says it is for dogs and one is specifically for puppies - then I am guessing they'd go for the puppy one as long as they were both the same quality.

'Dog tricks' also has some good traffic, a course specifically on that might be good, so this digging also gives you ideas for other products and/or niches.

You also want to try other keyword combinations, like 'train dog' or 'dog behaviour' - try to think of all the different keyword combinations people might type in for that niche as they all add up. If you struggle with it then just insert one word as the keyword like 'dog' and it will often bring up all the options for you which you can then use in future searches to dig deeper.

You now have an idea of traffic, if there really isn't that much then you can scrap the niche off the list, say you wanted to do 'tortoise care' then you get the following results:

Keywords	Advertiser Competition ⑦	Approx Search Volume: January ⑦	▼Approx Avg Search Volume ⑦	Search Volume Trends (Nov 2007 - Oct 2008) ⑦	Match Type: ⑦ Exact ∨
Keywords related to term(s) entered - sort by relevance ⑦					
[tortoise care]		2,900	2,900		Add Exact ⌄
[russian tortoise care]		Not enough data	480	No data	Add Exact ⌄
[desert tortoise care]		480	260		Add Exact ⌄
[sulcata tortoise care]		480	260		Add Exact ⌄
[how to care for a tortoise]		Not enough data	210	No data	Add Exact ⌄
[tortoise care sheets]		Not enough data	210	No data	Add Exact ⌄
[leopard tortoise care]		Not enough data	170	No data	Add Exact ⌄

You can see there just isn't enough volume to make any real money in that niche, you could make a bit, but it will be battle.

Get an idea of the search volume then let's move onto trends...

Is the niche shrinking?

You can use a cool tool over at http://www.google.com/trends that allows you to see the trend of the searches that have taken place over a set period of time, let's search for dog training:
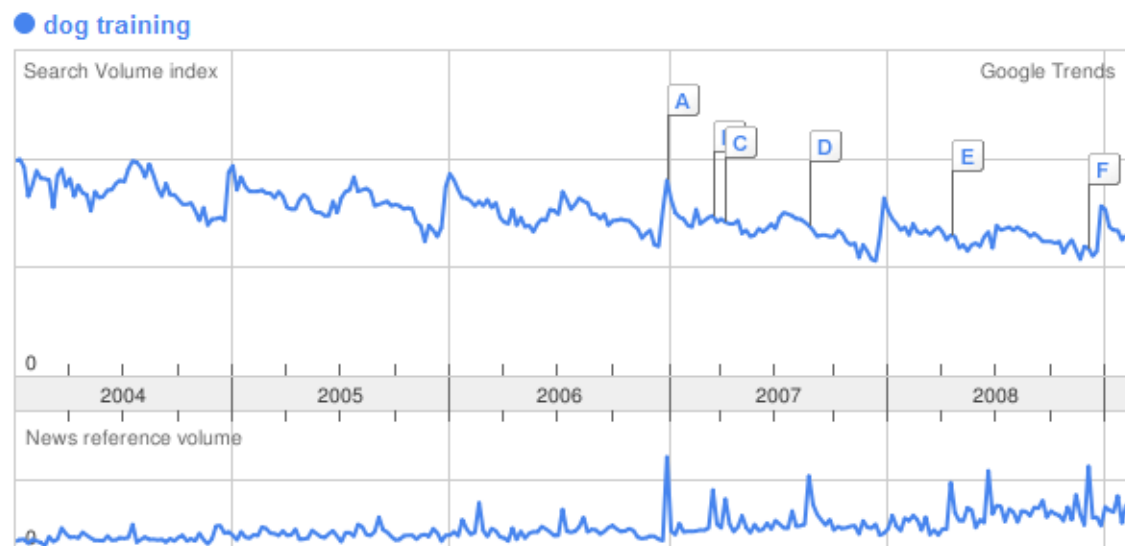
You can see there that there is actually a decrease year on year from 2004, yet the (or maybe because of the news stories) news references are steadily increasing - maybe the media is portraying dog training in a bad light? That is something you need to think about, the search volume is roughly half today what it was at the start of 2004, will that decrease continue?

Yet 'tortoise care' shows an increase from nothing to a lot of activity in 2008 - maybe owning a tortoise is becoming more fashionable?

The thing to watch out for here is a steep decline in the searches, so you can catch a 'fad' that has passed and is fading into obscurity.

Are they buyers?

This is crucial to your success, if people are not willing to spend money on the information or products in your niche then you are dead in the water, no matter how many searches people make a month!

There are a few ways to check for buyers, let's look at each in turn:

1. Is anything already selling in that niche?

This is one of the best ways, check on your competition, people who are already trying to sell to this niche, are they selling successfully? You can see how long they have been in business, check how much traffic they are getting by looking at their Alexa rating from Alexa.com, or you can find them on affiliate networks…

Most affiliate networks will tell you how well a site is performing so that the affiliates who come to the network know how well that site is converting visitors to buyers. One of the best places to look is Clickbank.com, if you navigate to their marketplace then you can see exactly how well the products are selling.

Do a search for your niche (it has a strange search function, just search for one word of the niche like 'dog' for 'dog training' otherwise you'll get separate results for each word you type in) and see what comes up.

The 'gravity' of a product is basically how many separate affiliates have sold the product recently, the more the better as then you know that lots of different people promoting the product in different ways are having success with it. Anything above 20 for me signifies that

there are buyers in that market, but anything over 50 is much better and over 100 is a hot market! (or a hit product, but at least you know people in that market are willing to buy products).

2. Looking for recurring paid adverts

The fact is that if someone is paying for an advert consistently then they had either better have deep pockets or be making sales!

So we can use the phenomenally successful Google PPC engine to find out if people are buying. When you type a search term into Google then you can see all the PPC ads down the right-hand side, so as an obvious example then we discussed the niche of jokes earlier and I said I didn't think you'd be able to see anything to the people searching for them, let's look at the ads for that:

You can clearly see with just one sad and lonely ad then I think it is safe to say nobody has figured out a way to make money with paid adverts in that niche yet.

You could maybe get them on an email list then sell them general non-joke kind of offers to make money, but you want free search engine traffic for that rather than paying.

Now to illustrate a niche with lots of buyers then let's look at the keyword 'make money online', picture on the next page:

A bit of a difference! There are three at the top, 8 down the side, and these carry on for 83 pages! I kid you not, I checked this out and there are 83 pages of these with about 12 adverts on each page...

But that doesn't necessarily make it a niche with buyers, there are thousands of people coming online to make money almost every day and these people will pay for ads in markets like this until they run out of money or move on, then another will step up and take their place. Therefore we need to find out how competitive those ads are and which are running consistently.

To find out how competitive they are then you need to consider two things, how many ads there are, and how much those people are paying, to find out how many there are just do a search, for how much they pay then lets go back to the Google Keyword tool.

Then after searching go to the ' Choose columns to be displayed' drop down box and select the 'Show Estimated Avg CPC', with CPC being cost per click.

Keywords	Estimated Avg. CPC ?	Advertiser Competition ?	Approx Search Volume: January ?	▼Approx Avg Search Volume ?	Match Type: ? Broad ▼
Keywords related to term(s) entered - sort by relevance ?					
make money online	$2.96		550,000	673,000	Add ⌄
make money online to	$3.01		135,000	110,000	Add ⌄
how to make money online	$3.13		74,000	60,500	Add ⌄
make money online business	$3.59		22,200	40,500	Add ⌄
make money online free	$2.73		40,500	40,500	Add ⌄
make easy money online	$3.13		22,200	27,100	Add ⌄
make money online work	$2.80		18,100	27,100	Add ⌄
ways to make money online	$3.10		33,100	27,100	Add ⌄
make money online fast	$3.57		22,200	22,200	Add ⌄
internet make money online	$4.27		12,100	18,100	Add ⌄
make money at home online	$2.87		12,100	18,100	Add ⌄
make money from home online	$2.71		12,100	18,100	Add ⌄

Some of the keywords on that list later on are upwards of $6 a click! With an average conversion rate of 1% you'd need 100 clicks to get a sale, for the top keyword on that picture that is $296 to get a sale!

Now making money is often a desperate niche so I am sure people either get much higher conversion rates, or these people are losing money hand over fist!

But in my opinion then anything over $1 a click is a competitive and potentially lucrative market. Now we need to look at the ones that run consistently.

An ad that runs consistently for 30 days must be making money or the person must be insane to lose money for that long, so as long as an ad is on the first page of results for 30 days or more (second page results etc don't get as many clicks so they don't lose as much money) then we can assume it is making sales and money.

For this you either need to do it manually, go in and take a screenshot of the ads every day or every few days for some of the keywords, or you can pay for a service like spyfu.com.

Spyfu.com allows you to see back in time to see who has been advertising on a keyword, so you can go back through their database for 30 days and see the results. I think you can get a cheap 3 day subscription so you can do all your analysis in that time then cancel your subscription if you don't want it.

If there are some people advertising consistently then go visit their sites and see what they are selling, there is a good chance that it is what the niche wants and are willing to pay money for!

So this is a good way to see if people are getting sales using paid methods, you need to combine it with looking at what is selling though. For instance you'd probably find that the keyword 'make money online' has very few adverts that remain there consistently, if any, as new advertisers come on and bid way too much just to get on the front page.

Seasoned marketers can't compete with this as they know they can't make that kind of money back, so they have to stay away until these people waste all their money, unfortunately there isn't any shortage of new marketers willing to pay over the odds, but a quick check of Clickbank to see if products in this niche and selling will show you the niche is full of buyers.

3. Looking at magazines

Does this niche have a magazine? Or even better does it have multiple magazines that cater to it? Magazines rely on advertisement revenue to keep them going, and advertisers won't pay consistently if they are not making sales (just like on PPC), so if people are not buying from the adverts the advertisers would leave and the magazine would be forced to stop.

Grab some back issues of magazines and see the kind of things people are advertising consistently in it, you might be able to sell similar things online.

Can I reach them?

It is no use having a niche with plenty of searches and plenty of buyers, if you can't reach them! This is the step where you start to think about exactly how you can reach out to people in your market…

1. Search Engine Competition

Can you create a content site and hope to get ranked in the search engines for any terms? This is a very hard thing to predict so at the moment this is just an educated guess, you won't know for sure until you actually build it, but you can get a good idea by looking at some of the keywords in your market.

The main keywords like 'dog training' in the dog training niche are probably going to be impenetrable, the sites on the front page for that term will have been around for a long time and had a long time to build up pages, authority and links.

So you remember we spoke about avoiding niches where there were just a few keywords available to you in the list? This is where that comes into play, pick some of the keywords with less searches, like 500 - 3000 a month, then let's look at them, remember you might need to dig deeper into your keywords and the Google keyword tool only shows you a few results, so keep trying and refining you searches to find more variations.

So take one of the keywords, let's say 'house training your dog' which has 2400 searches a month, 80 a day.

So type that into Google and make sure you get US results if you are not from the US by making sure you are on Google.com when you start.

Then look at the results you get:

Now if you use internet explorer like above then it is a pain to research all these sites, so use Firefox instead and download and install the SEO Quake plugin for that (when it asks you say 'on request' which means it only works when you ask it to - just keep the rest of the options as standard).

Now as long as it is active (look in the bottom right-hand corner, if it greyed out it isn't - just click that logo to activate it) then when you search you'll get a load of little extras under every search result like this:

That is a bit small to see, but the only ones we are concerned with are these:

SeoQuake: PR: 3 | I: 114 | L: 213 | LD: 5,132 | I: 490 | Rank: 209933 | Age: Apr 14, 1997

[1] [2] [3] [4] [5] [6] [7]

Here is a breakdown of what they mean:

1. Google Pagerank™ - This is a value assigned to a page by Google based on how many other pages link to this page and the Pagerank of the pages linking to it. The higher the better for them, the worse for you, 4+ is getting tough competition.
2. Google Index - How many pages are in Google's index for this site, just so you can see if they are huge sites or not, at 114 pages this site is not a giant.
3. The number of links Yahoo is showing as pointing to this page, the more the better for them (quality matters too) but worse for you, this is the approximate number of links you are going to need to get to beat them.
4. The number of links Yahoo says are pointing at the main homepage for the site.
5. The number of pages in MSN's index - this can show you how many pages the site really has, Google won't always keep all the pages in its index for various reasons, so it looks like the site actually has close to 500 pages.
6. The Alexa rank of the site which shows how much traffic the site is getting, anything below 1,000,000 is getting some good traffic, the lower the better as it means the site is getting traffic from their search engine rankings.
7. The age of the domain, Google likes domains that have been around for awhile - this domain has been around for years which will go in its favour.

So if you have the plugin set to pull data 'on request' - which you should have from when you installed it. Then what you need to do is either go down and click on the question marks for every site and piece of data you want, or go to the top and there is another set of these options, click on the question mark for a piece of data there and it will get that piece of data for all the sites on your screen.

This is a lifesaver!

Ok so now look down all your data and look for weak spots, I notice on this keyword phrase the site at number 10 is a pagerank of 1, that could be your weakspot right there, aim to grab that spot, then work your way up the page over time!

Work through some of the keywords for each niche and get an idea of which ones are just too tough to crack, and which should be easier, make notes for each niche on your list.

2. Authority websites

We've just looked out for big websites that can stop us getting free traffic from the search engines, now we're turning that on its head and seeking out those large sites. Based on the research you did before, and you may want to do some more now as well, then what are the biggest sites with the most traffic that cater to your niche?

Look at them and see if they build a list of email addresses at all, if they have banner ads on their pages, if they have Google ads on their pages etc.

If they have any of that then in future they may become your best advertising partners, you can pay money to appear on their website and then it doesn't matter that they are top of the search engines and you aren't - you can effectively piggyback off that traffic and send it to your site, you just have to pay for it instead!

Plus if they are building a list of email addresses then you can offer them a JV where they send out a promotion to their list in return for any affiliate commissions from the sales generated.

3. Forums/Groups

Forums are great places to find people active in your niche who have problems that your product can solve, now marketing to them is an art, you have to offer valuable information in your posts and not even mention your website, just link to it in your signature file, people will see your great information and hopefully click through your link to find out more about you.

You can search for forums using Google, just type in the main keyword plus 'forum' or you can search at Big-Boards.com which has a database of over 2000 forums and message boards. It will usually tell you at a glance how many members are joined up to it too, visit the site and look at the dates of the last posts to scope out how much activity there is.

Later on you can use the forum for research, for subtle advertising, or pay for banners etc to be put on the forum, or even JV with the forum owner for them to make yours a sponsored advert or a reviewed product on the forum.

Also check out groups on Facebook, MySpace and other social networking sites, along with Yahoo Groups and Google Groups.

4. Articles

Articles are not just great if you don't have the money for paid traffic, they are also great in addition to paid traffic, and they help establish your expertise as well as send you traffic.

The main article directory that gets traffic is EzineArticles.com, so if you head over there and search for your main term then you will get a list of articles related to that term. You can then click in to see those articles and about three quarters of the way down you'll see the date published and the views, that will give you a great indicator of how much traffic is up for grabs using articles.

Also you'll find lists of the most viewed articles for that category which you can browse through and see exactly how much traffic they have received, they are indicative of the maximum possible traffic you could get using EzineArticles.com and articles in that niche.

Don't forget to take into consideration the published date, 1000 views may not seem a lot but you may find it was only submitted a month ago!

5. Competitors

We discussed earlier how your competitors can be your best affiliates if you have a product that complements theirs. You have to find out if they are building a list though, if they are not building a list then you could ask them to promote your product on their download page and you will return the favour on your download page.

6. PPC

We looked at PPC before and I showed you how to put the average CPC on, take another look at that now and assess the level of competition by looking at how many ads there are and what they are selling, then look at the CPC and see if your product could be priced high enough or made desirable enough to support that kind of cost.

Don't forget you can always pay less and appear lower on the page with your ads, but if he average is $3 - $4 like the make money niche then you can see it would be hard to make it work profitably without professional help to drive that price down.

That is it for step 2, if you have been making notes for each niche then you will know a great deal about the potential to reach each niche, strike off any that are obviously not reachable, and keep the rest for step 3.

Niche Profitability Assessment

Now onto the good stuff, money! Let's see exactly how much potential the niche has, so we need to assess:

- How well current products sell
- How much products sell for
- How easy would it be to come out with these products?
- How many products you can make in that market
- How much backend potential is there?

For this you are going to need to sign up a number of affiliate networks, you will probably have signed up to a few anyway earlier in this research when you were checking for good niches, you can either use the ones you have or sign up for more now to increase your research scope:

2 affiliate networks you need to be a member of:

Clickbank.com

CJ.com

Others you can try:

ShareASale.com

Linkshare.com

PayDotCom.com

Click2Sell.eu

Google Affiliate Network

AffiliateWindow.com

AzoogleAds.com

AffiliateFuel.com

ClixGalore.com

MaxBounty.com

ModernClick.com

[Pepperjam Network](#)

[Panthera Network](#)

Those are the major ones but if you use Google you can find a load more.

So let's look at each question in turn:

How well current products sell

In each affiliate network they should have ranking systems that allow you to see how well a site is performing, this gives you a general idea of how that niche performs. The problem comes when you are looking at the stats for a pet website and you are in the dog niche, you have to almost ignore that as you don't know how much of those performance stats relate to the sales of just dog products.

The best network for judging product performance is Clickbank.com as the products tend to cater specifically to one niche each so it is easier to get good feedback.

So have a root around and see exactly what sites in your niche are performing well on the networks and what products if you can.

How much backend potential is there?

This is a case of quantity and quality - how many products are there on these networks that you can sell to people who purchase your product?

You have to think about all the other things that a customer of yours may need (or people who don't buy but join up to your list) later on. Like dog collars, dog toys, dog food, dog houses, other dog training information, dog health information, information on how to win at dog shows, all of these mean you have multiple chances to sell to the same group of people and make more money in the long run.

You want lots of different products that you can sell, and preferably a good range of products so that those people who do spend a lot of money in that niche can be given the opportunity to buy more expensive items.

Make a note of the amount of products you would be able to sell on the backend to people, this could be an important decider later on.

How much products sell for

This relates both to products that you will sell and products you can sell on the backend, think about the product that you want to create (for an infoproduct) or the products you want to sell.

For physical products then how much profit do you make per sale? You know roughly how easy it is to get traffic from your previous research, so you can see if it will be worth the effort.

For an infoproduct then look at your competition, how much do they charge? Do they have video and audio components? If they can charge a high price and they don't have anything special that you can't easily duplicate (like custom software etc) then so can you!

Some markets demand a higher price than others, often that correlates to a higher price to get paid traffic as more affiliates want to compete for the higher commissions, but that can also work to your advantage as you will stand out more having a higher priced product which affiliates will be trying to promote for you (free traffic!)

So make a note of a possible price for your product and the profit you get, then compare that with the ease of getting traffic and the cost, when you have all that info for each niche then you'll see some clear winners.

How easy would it be to come out with these products?

This is something you definitely need to consider before you pursue a niche, what will you need to create to make a comparable product to your competitors? This book is mostly concentrating on infoproducts so that is what this and the next point refer to.

Like in the forex niche you'd need a system that worked to create profits from the forex market, specialist software, videos, credibility as a trader etc - basically a nightmare to copy, even though the products sell for a small fortune!

So can you easily bring out a product in the market or will it take a lot of time and/or money?

Make a note of that against each niche.

How many products you can make in that market

Finally you need to look at how many products YOU can make and sell to the same niche, it is nice to be able to backend products as an affiliate and make extra money. But if you make multiple products yourself then you get to keep 100% of that money on the backend!

It is also important that you have multiple products so that there are multiple points that people can enter your sales funnel. Affiliates will more than likely promote your products if they sell well, so this gives you multiple points that you can get people onto your customer list, thus building it faster, not to mention that you are making more sales up front too!

The goal of any good information marketer is to get multiple products up in a niche if they can, preferable graded in price too so you can progress a customer from the cheap entry-level product through to a more expensive home study course or something like that.

Note down all the different products that competitors have that you could make something similar to, join their mailing lists and see what else they promote which you could create etc. Also brainstorm based on the research you have done, what would the niche like? Just get it all down and you'll find some niches it is much easier to think of ideas for.

Moving Forward

That concludes the research, now you need to make a decision, don't forget at this time it is the BEST niche on your list based on that criteria, if you fancy doing more than one on that list then that is fine, you now have extensive research on a number of different niches that will come in very handy the next time you want to expand your empire!

So concentrate on one niche, something that has a good amount of buyers, is reachable, with good profit potential and you can create multiple products in that niche, OR you can create multiple products in that market and the people in the niche you start in will still be interested in that.

Like selling a book on memory improvement to someone who bought your course on how to break bad habits, they want to improve themselves as they are trying to break bad habits, so maybe they want to improve their memory too?

You need to weigh up all the factors and choose the one that you feel is best, of course you may find that you end up with very few to choose from as you whittled them down over the course of your research, and you may not like the look of the information you collected on any of them.

In which case STOP, backtrack and go and grab some of the other niches you identified in the idea brainstorming step. Don't carry on in a bad niche just because you can't be bothered to research 20 more!

This process gives you an invaluable insight into each niche you research which could come in extremely handy in the future, and it is good practice for any future research that you may need to do as you expand your business.

So that's it, I hope you are excited about the niche that you find and I hope you start to move forward and create that product/site that you have been thinking about. I also hope that it brings you the kind of income and lifestyle that you desire!

Good luck!