



3 Reasons Why It's Important To Have a Niche In Your Business

Sometimes people start a business thinking that it's better to make money any way you can and to offer as many products and services as possible to increase the odds of making a profit. In this post, I'll explain the 3 reasons why it's important to have a niche in your business.

What is a niche? A niche is a specialism that caters to a certain market or group of people. If we relate this to business the oxford dictionary definition is as follows:

“A specialized segment of the market for a particular kind of product or service.”

For example, if you want to help people find a job in their area of expertise, instead of announcing to the world that you can offer this service, be specific. Offer your services to a particular age group, or target market (new College grads, or military Vets transitioning out into the job market, etc.).

Having a niche is important because if you try to cater to everyone your overall marketing and message won't speak to anyone. Your niche can also be linked to who your ideal client is. So, it's important you have a targeted niche market and speak to a customer or client in a certain way which they can really relate to.



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Let's look at three specific reasons about why it's important to have a niche in your business.

1. Stand out – By having a niche you are memorable and are far more likely to be remembered. Without a niche people are likely to forget you and your business. This can be applied to any product based or service based businesses. Think of products you love like Bose Speakers who are known for their exceptional sound and audio quality, or any service based businesses that specialize in a service. For example, a mechanic that only repairs antique cars and trucks, or a landscaper that specializes in stone work only.

My business niche is to help people get started in their small business journey. I don't offer products and services for any business anywhere that needs help with anything. I specialize in a 'personal brand business' concept, but if I can't help you with your needs, then maybe I could point you in the direction of someone else that could be a better fit (Want to own a franchise? Have an established business with employees? I can connect you with someone.) This is where your branding and overall messaging can be important too so you can stand out from the crowd. I'd like to be known as 'The Startup Guy', so to speak and have developed my coaching into three categories of 'Dream/Plan/Execute' to break it down into manageable concepts, goals and tasks.

2. Ideal client – Having an ideal client is a key part of having a niche. By having a niche, you can speak directly to your ideal client. This communication is important in helping you attract people into your business. Without a niche, not only do you not stand out, you are not speaking to an ideal client or customer.

When you are talking to everyone you are actually talking to no one.

My ideal client is someone that has stopped making excuses about starting a business and knows that even though there are risks, they're determined to reach for their dream. They are probably in transition or working on a transition from either:

- Being unemployed



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- About to leave the military
- Currently employed but wants other options

I can help them gain clarity and direction, with a plan for how to launch their new business.

The copy and messaging you have needs to tie in with your niche. The more research and understanding you have about your niche and how it can best be placed in the market right now the more you can attract your ideal client.

The other advantage of having a niche, is that not everyone will be an ideal client. So, if someone is an ideal client it will speak more directly to them, thus, filtering out anyone who isn't a part of your niche. Many people think having a niche is a disadvantage but it's the opposite, the clearer your niche market is, the better this will be for your business. Imagine if UPS or FedX didn't have a niche and offered other services that had nothing to do with shipping? Would their business really work? This is why your ideal client and research around this so important.

3. Specialize in a specific area – By having a niche you have a specialized area that you cater for with your offerings and services. You may know of similar businesses or competitors. If you work on the first two elements already discussed above, standing out and ideal client, your unique selling points should already show in your brand and overall mission statement and values.

The niche and specialty you have is important because you want to attract the right type of customers to your services. This goes back to your ideal client. However, your niche will also help you be remembered. My wife and I talk about 'Landscape John' and will never forget what he's done for us and transformed our property for a very reasonable price. We'll always remember him as 'Landscape John'.



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If your niche is specialized it can help capitalize on your unique skills, credibility, knowledge and you as a brand, especially if you are the face of the business. What do you want to be remembered as?

With my business, I have made it clear on my site and LinkedIn that I am a 'business startup guy'. I have done this by sharing my personal story of my startup woes and how I can make the process a lot smoother for people, or offer more clarity. If you are the face of the business (personal brand) this is important. People buy from people. Therefore, having a niche is important because someone is ultimately coming to for your skills to help resolve a specific problem and get the support they need to move forward.

"The riches are in the niches." (somebody wise)

Remember, try not to complicate your niche. Keep it simple and more importantly make sure you do the necessary research to help give your customers what they really want. Even if you have a product based business this is so important. If you need support to help you define your niche I'd be glad to help you through that process.

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