

Find Your Best Market Segment

One that could change your life by giving you a 7-figure business

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Our mission is to lead passionate entrepreneurs like you, step-by-step, through the 6-figure level income with the aim of 7-figure and beyond. The first step is to find the best market for you. Then narrow it down to a manageable business line or niche allowing you to transform your life by building the business of your dreams.

Pick the Right Market to Enter

Let's assume that

- You want to be your own boss;
- You want to wake up full of productive energy, looking forward to each day's activities;
- You dream of working in a field you love;
- You have a strong desire to provide a 7-figure or greater income for your family.

If this is true, pick a lucrative line of business that suits you well. The two essential criteria for your niche are these: you must be passionate about it and you must know quite a bit about it.

Do not be discouraged because the most lucrative markets are health, relationships and money.

In this tutorial, I will show you how your passion will fit into a niche that relates to health, relationships or money. (Usually it relates to more than one of the three.) Let me point out that those fields are incredibly broad.

For example, you may not expect online tennis instruction or edible plants and herbs to be lucrative as a line of business, but they actually are. I know an entrepreneur in each of these niches. In their minds, they are in the larger health niche. As far as lucrative is concerned, my buddies have been bringing in over 7-figures for several years now.

Among my associates are two more 7-figure entrepreneurs in unusual niches. One is making scrapbooks and the other is teaching dog agility.

To get you started, I would like you to answer some questions. Please answer them in writing and as quickly as you can without worrying about spelling or grammar. This way your answers will get close to reality.

1. What are your passions?
2. What problems do other people have that you know how solve?
3. How can you relate these problems and their solutions back to health, relationships or money? (Believe me. You can.)

Since you almost certainly have more than one passion, I advocate answering these questions for your *strongest* one.

Don't make the same mistake I did. Without thinking things through I flippantly said that my greatest passion was flying. On weekends and evenings I had been a very much in demand flight instructor. So I started an online business, [Pilots Online Academy](#). However, I soon found that the time I spent as a guest lecturer at local universities teaching online marketing was much more gratifying.

Refine your Niche

As a starting entrepreneur, you have limited resources. You may be very talented and may be able to do many things but you cannot do them all at once. Until you recognize your limits and decide what you're going to do that is both profitable and near the top of your skill set, you have no way of prioritizing opportunities.

Since you want to succeed, you need to stand out from the crowd. You can do that with skillful marketing, but if you do not perform at a higher level than others, your clientele will soon view you as mediocre and your volume of business will peter out.

Before I list the questions that will guide you through the process of refining your niche, there are some customer behaviors that you should keep in mind.

- People buy what they want. What they want is not necessarily what they need. But if you fail to deliver what they need, they are much less likely to buy from you again.
- All human decisions are emotional. Once we make a choice, we look for a reason to justify it.

Remember, you should think from a customer's perspective and you need to understand what emotions drive them to buy products or services.

You need to always guard against trying to discover what *you* want rather than what your *customers* want. There definitely are ways of measuring and testing your answers to most of these questions. We'll get into that with some practical solutions later.

Let's look at the questions that help you zero in on your best niche.

Question: *What business are you in?*

You may be thinking, "Haven't we already answered that?" No we haven't.

Let's look at Nokia vs. Apple. Nokia thought they were in the mobile telephone business. They had 50% market share when Steve Jobs decided his customers wanted connectivity with other humans and envisioned the iPhone.

Now Nokia has between 2% and 3% of the market and Apple has about half.

Why?

Because Nokia thought like a mobile phone manufacturer and Steve Jobs thought like a customer. Jobs knew that people wanted more than a telephone, they wanted and bought digital cameras, GPS navigation systems, iPods, and many more gadgets that could be packaged with a smartphone.

Nokia could not get beyond the mindset that told them they were in the mobile telephone business.

The ability to get in the mind of the customer is essential to selecting the right market niche for you.

I believe that there were many more emotions at play in the minds of the customers who camped outside of Apple stores waiting to be one of the first ones to buy an iPhone.

- Apple had developed a cult and wanted to satisfy the desire of being among the very first to own the latest Apple product no matter what that product might be. These customers were driven by the strong desire to belong or by an aspiration for prestige.
- Apple makes high quality, durable products. No doubt some customers were motivated by the need to have the highest quality smartphone on the market.
- Some customers (I'm one) like gadgets. Since the iPhone had many gadgets, we had a toy to play with and an excuse for not looking childish.

I can say with a high degree of certainty that had you asked those early buyers, they would have given none of the reasons that I listed above. They would have had some technical explanation that justified their buying decision.

The fact that few people are in touch with their own emotions is a reality that we will have to deal with again frequently.

Question: *What do your customers want?*

There are several ways of accurately answering that question. The least reliable way is to ask them directly UNLESS their answer will help them find what they want. The most reliable method is to examine their buying habits.

The problem with asking people hypothetical questions is that their answers may be designed to tell you what they think you want to hear or to present themselves as they want to be perceived.

For example, when a single male, 25 years old is asked what kind of car he wants to buy, he may answer, 'Ferrari.' Yet when he buys a car, it's more likely to be a Ford F100 pickup. In contrast, when the same young man buys clothes, he might answer the clerk by saying that he wants a pair of 36, 32 Levi's 501s.

Why the difference? Because, in the second case, he's not trying to impress anyone and he is immediately rewarded for a truthful answer.

These *insights* should be applied to online marketing.

The Most Accurate Method

An associate of mine is in the online tennis lessons business. His [website](#) has free training videos customized according to age, gender, singles vs. doubles, and from beginner to pro. When someone comes to his site, they choose the video best suited to them. He gets very accurate data about what his customers want as well as other vital demographic data about his market.

An Easier but Slightly Less Accurate Method

I did something similar without putting up a website. In my aviation niche, I put up several videos each one showing the viewer how to execute various maneuvers that pilots must be able to perform to get their licenses. I learned that in the month of October 2018 my most popular video was viewed 4,588 times and my next most popular video was watched only 151 times. With that large sample size, I knew I had accurate data on my market.

An Even Easier Way to Get Started

Google, Facebook and YouTube, among others, provide analytics tools. All are free.

Question: *Who is providing solutions to your customers' problems?*

You need to do some *competitive analysis*. Now that you know what your customers want, you need to search the product reviews, blogs and forums to see what your customers like and more importantly what they don't like about the offered products or services. With this information, you're ready to answer the next question:

Question: *What are customers NOT getting that I can provide?*

Here is where you need to be in touch with your customers' emotional motivators and be aware of current trends (or even better: set *future* trends). The best example is once again Steve Jobs and the iPhone. He recognized that consumers wanted more than just voice

connectivity; they wanted multimedia connections with both people and websites – a desire that far exceeded 2007 smartphone capabilities. He then looked at trends that were there for all to see and interpreted them in the light of consumers' true desires.

When you're trying to discern what customers want but cannot find an explicit answer, keep in mind that no one was Googling, "Buy a combination phone, iPod, digital camera and GPS."

Okay, you're 99% certain that you know who your prospects are and now you can get started.

Test Your Decision

Now that you've picked a tentative niche and identified your *prospects*, you're ready to ask yourself the hard questions. You're avoiding a serious trap that we can all fall into: falling in love with a poor decision and continuing down a dead-end path. Once you start to develop *content* (something that you communicate) and a *product* or service, it is much more difficult to walk away.

At this stage of developing your new line of business, you need to know if

1. The demand for your product or service is great enough, and
2. You have the resources to serve your intended market.

Will it sell?

You've identified an underserved niche in a larger market. Is it underserved because it has been overlooked? Or because there isn't enough demand to warrant serving it? The answer, as it often does in marketing, lies in *emotional motivators*.

Pain is the biggest motivator as are *relief from pain* and *avoidance of pain*. In close second place is the desire for pleasure. Pain is not necessarily physical pain; it can also be embarrassment, frustration, humiliation, etc.

A product or service's relationship with pain and pleasure is not always obvious but it is almost always there. A tennis player buys online instruction to relieve the frustration of being humiliated on the tennis court and the pleasure of beating the knucklehead who beats him and brags about it.

Look at your proposed product or service and see how it can be related to pain and pleasure. If the connection is a stretch, you need to think twice.

Can you do it?

Looking at the resources you have now, prepare a *rough*, back-of-the-envelope project plan. This plan should go forward in time until you expect a positive cash flow.

Will it meet your financial expectations?

Multiply your project plan's schedule and its budget by at least three (to be safe, assume that the project will take three times as much time and money as originally estimated). Estimate your projected selling price based on competitive or similar products or services.

Analyze your estimates. Do you have the time and money required? Once you're in business, will your revenue meet your needs? If your answers aren't overwhelmingly positive, don't fudge your project plan until the numbers give you the answer you want. Look for a more promising market niche. However, if the answers are mostly positive, go ahead and do not procrastinate as that is the death sentence to any undertaking.

Summary

The steps to find a line of business that suits your interests and skills are:

1. Identify areas that you are passionate about so the area that you work in would not feel like a job.
2. Select those areas in which you are particularly knowledgeable.
3. Carefully select a market within those areas to be analyzed.
4. Narrow those markets down to a market niche that you could serve effectively by deciding exactly what products or services you could provide.
5. Select the line of business by making rough estimates of probable needed resources and produced revenue if you were to enter the most promising market niche.

Bonus

You have done the hard work of picking a line of business to start. Careful planning will pay off many times over. Since we truly do want you to join the Million-a-Year Club, I'm giving you a head start, telling you information that you will never find any place else. I am going to

show you how to answer the most important question that every entrepreneur must know.

Question: *Exactly who are your prospective customers?*

You've already identified your prospective customers generally. Now you want to narrow the field enough to separate the buyers from the merely curious. I'm going to describe an amazingly effective technique that I use. You should customize it to fit your market.

This technique can answer several questions at the same time. Take advantage of the fact that YouTube wants as many people as possible to watch their videos.

1. Shoot several short, high-quality videos that will tell your prospects what they should do (this is what we call *actionable content*).
2. Make several ads for each video.
3. Set up remarketing in YouTube. (More about this in a future episode.)
4. Advertise to an unrestricted audience.
5. Always put a link in the video and in its description that takes the viewer to a specific blog post.

The payoff from this investment in time and money is huge: by advertising to an unrestricted audience, you're starting to get accurate demographic information about your potential customer base and building a list of potential customers.

Best of luck!