# 6 Steps for Defining Your Niche Market

You’ve come up with a great new idea for a business, but before you can get started, you need to figure out who your market is. The more narrowly you can define your market, the better. This is known as finding a niche and is the key to your success. Building a good niche involves following a six-step process.

## Step 1: Make a Wish List

You need to decide who you want to do business with, being as specific as you can. Identify the geographic range and the kinds of customers you want to target. You have to recognize that you won't be able to do business with everyone. If you try, you'll only risk confusing your customers and becoming exhausted.

## Step 2: Focus

You need to clarify what products or services you want to sell. You can use these techniques to help you begin the process.

* Make a list of the things that you do best.
* List your achievements.
* Identify the valuable lessons you've learned in life.
* Look for patterns that reveal your approach to problems.

The niche you chose should arise naturally from your experiences and interests.

## Step 3: Describe Your Customer’s Worldview

When you can look at the world from your prospects views, you can better identify their wants and needs. The best way for you to do this is to talk with your prospective customers and work to identify their primary concerns.

## Step 4: Synthesize

By this step, your niche should be starting to take shape as your ideas, combined with what your potential customers' needs and wants. A good niche will have the following five qualities.

* It coincides with your long-term vision.
* Your customers want it.
* It’s carefully planned.
* It’s one-of-a-kind.
* It can evolve.

## Step 5: Evaluate

Now is the time for you to evaluate your proposed product or service against the previous five criteria listed in step four. Perhaps you'll realize that the niche you've chosen requires you to travel more than you're ready to. If this is the case, then the niche doesn't fulfill all of the criteria and doesn't coincide with your long-term vision. At this point, you'll need to scrap it and move on.

## Step 6: Test

When you finally have a niche that meets all the criteria, you’ll want to test it in the market. Give your customers a chance to buy your product or service by offering samples, like a sample of your newsletter, or a free mini-seminar.

Once you’ve successfully tested your ideas, it’s time to get started with your business. If you did your due diligence, entering the market should be a calculated risk that will hopefully pay off.