

## Target Market Research Checklist

If you have a good target market, making money online will be ten times easier than if you picked a poor target market. You'll get traffic more easily, that traffic will spend more money and you'll have less competition. To top it off, you'll have more fun doing it.

Here's what you should look for when choosing a target market.

- A growing market. When selecting your niche, you should look for steadily growing markets. Avoid markets that are going down in popularity, but also avoid markets that look like they might spike up and then come back down. For example, you probably shouldn't start a website around the iPhone 4, as your traffic will probably drop by half with the iPhone 5 comes out. Look for markets that are either steady or growing steadily.
- They're already spending money. You shouldn't try to get people who aren't spending money to spend money. Instead, try to get a chunk of the money that's already being spent. For example, college students are notorious for not spending any money and are probably not a great target market. On the other hand, a lot of people spend a lot of money on golf, which means there's also a lot of money to be made in the field.
- There's already some competition. There's a common myth in entrepreneurship that there's a lot of money to be made in finding undiscovered markets. In reality, every year many businesses fail because they chase this elusive holy grail. In reality, there's a lot more money to be made going into markets where at least a few others have already successfully proven the market.
- You're solving a desperate problem. Or you're addressing a fanatical desire. The more someone wants or needs your solution, the more likely you are to make a sale. They're also more likely to refer other people and more likely to buy again. For example, you're probably going to make more money selling a "how to cure acne" product than a "how to make candles" product.
- Enough traffic to warrant the time. Use tools like the Google Keyword Tool to check how much search traffic certain keywords get. Make sure that even if you get half the traffic you're hoping for, you'll still make enough to make the project worth your time.
- Other traffic sources. Search engine traffic isn't the only traffic source. Many businesses do millions of dollars of business every year without even getting traffic from search engines. If your business succeeds, will you be able to get traffic from other sources?
- Repeat, recurring or high ticket item potential. To start off your business, you're probably going to want to launch with a lower end product. However, if your business is successful, you're going to want to add on upsells and further back end sales. Ideally, the market you choose should *either* be prime for recurring billing (E.g. a financial newsletter,) be prime for rebilling

(E.g. monthly supplement pills,) or be prime for selling high ticket items (E.g. a \$5,000 marketing seminar.)

Can you create good content for the market? There are two kinds of markets you can go into: Markets where you can create stellar content yourself, or markets where you can outsource the majority of your content creation. Anything that falls outside these two kinds of markets should be avoided. For example, if you have no engineering background, you probably shouldn't create a site about repairing engines, as you probably won't be able to find an outsourcer with that skill set either. Research just won't cut it for a site like that.

Can you sustain an interest for months? A lot of people look at markets objectively, based solely on profit potential. While it's true that you can make money in an industry that you're not passionate about, it's important to remember that success can often take longer than you'd like. You may be working on the project for months longer than you expected. Is the target market interesting enough to you that you can actually sustain an interest in the long run?

If you choose a target market that has people spending money, has potentially for back end sales, has a bit but not too much competition, that you can create great content for and has numerous traffic sources, then your chances of success are quite high going into the venture.