

# **Sell** NICHES

The Product Niche Bundle

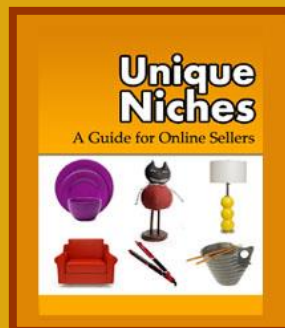


**Click a product below to begin!**

(Beginners: We highly recommend starting with Simple Market Research.)



**Simple Market Research**



**Unique Niche Ideas**



**Niche Research Center**

# Simple™

# Market Research

What are YOU going to sell online?



An  
**Idea Time LLC**  
eBook Publication

## Table of Contents

### Part 1: Basic Training & Fundamentals

- The Reality of Online Selling
- 7 Deadly Sins of Product Selection
- Overview of Lessons

#### **Lesson I:** [Keyword Research Fundamentals](#)

- Search Engine “Stuff”
- Search Field Tricks
- Advanced Keyword Matching
- Vertical Keywords
- Lateral Keywords

#### **Lesson II:** [What Products Should I Research?](#)

- What NOT to Sell and Why
- Start by Chasing Your Tail...Really it's Ok!
- Nitch? Neesh? Sheesh! Let's talk about Niches
- Digging for Niches

#### **Lesson III:** [Demand Research Fundamentals](#)

- You Can't Gather Keywords On Your Own
- Sample Groups
- High Demand, Low Demand
- Identifying Shoppers vs. Browsers

#### **Lesson IV:** [Competition Research Fundamentals](#)

- A Necessary Evil That's Not Necessarily Evil
- Competition Limbo: How low can you go?
- Competition 7 Point Inspection

#### **Lesson V:** [Pricing Research Fundamentals](#)

- Intro
- Pricing Tricks of the Sneaky Seller
- 3 Things you HAVE to know to get the best Wholesale Prices

#### **Lesson VI:** [Advertising Research Fundamentals](#)

- PPC Advertising Basics
- Add-a-Penny Rule
- Picking Products That Can Produce Customers Quickly
- Advertising Potential

## Part 2: Step by Step Tutorials

### I: [Preparation](#)

- Avoiding the Catch 22
- Do-It-Yourself Product Sourcing
- The Internet's Largest Source of Wholesalers
- Organizing Your Research

### II: **Step 1:** [Creating Your 1<sup>st</sup> Research List](#)

- Category Selection
- Niche Your List
- Wholesaler Check

### III: **Step 2:** [Starting Your Keyword Research](#)

- Creating Your Keyword List
- Determining Potential Demand

### IV: **Step 3:** [Starting Your Competition Research](#)

- Identifying Your Top Competitors
- eBay & eStore Research
- Determining Average Market Price

### V: **Last Check:** [Fine-Tuning Your Research](#)

- Determining Profit Potential
- Identifying Product Add-Ons
- Estimating Advertising Cost

### VI: **Final Stretch:** [Comparing Your Results](#)

## Part 3: Quick Reference

### I: [Quick Reference](#)

- **Step 1:** Creating Your Research List
- **Step 2:** Starting Your Keyword Research
- **Step 3:** Research Your Competition
- **Step 4:** Fine-Tune Your Research
- **Step 5:** Compare Your Results

Hi!

*Before I get to thanking you for giving my lessons a good ole' fashioned college try, I'd like to chew your ear for a minute (or I guess your eye but that sounds really gross) about how this book is put together...*

*Online market research consists of many different parts. As a retailer you have to understand how each part works or you'll end up missing out on very important rules and concepts that will help you grow your business.*

*So I made this Book a little bit different from most eBooks. This book is designed especially for beginners. It's been constructed in a manner that will take you from no research knowledge to using professional research techniques faster than any training I know of.*

- **Part 1: Basic Training and Fundamentals:** *In these lessons you will learn very important principles and market research techniques that you will use over and over again. If you are completely new, be sure not to skip this part! There are details here not covered in Parts 2 and 3 that you'll use throughout your research.*
- **Part 2: Step-by-Step Tutorials:** *In this section I will walk you through, step by step, how to research products from start to finish, from finding a niche, to building a valuable keyword list, to deciding which products are the best to start with!*
- **Part 3: Quick Reference:** *When you are ready to get into full research mode and don't need any more step-by-step instructions you can use this section as a "recap." I don't know about you but I tend to get forgetful from time to time. If you do too, then use this section as a reference.*
- **Part 4: Downloads & Links:** *All of the links and references throughout the book can be found right here in the downloads. This section links to a live page on our site so we can make sure all the links are always up to date for you.*

*So strap yourself in and get ready for the educational ride of your life! Ok, maybe that was overselling it a bit. How about...this book is packed with really good stuff that is gonna have you researching on the Internet like a pro in no time!—and that's a fact!*

*Many Thanks from your friends at **Idea Time, LLC***

## **Getting Ahead**

### **...By Getting YOUR HEAD in the Right Place**

Everyone has different motivations for starting an online business. For some, each day they spend working their normal 9 to 5 grind is another day in their own personal hell. For others, the day job isn't that bad but it's just not cutting the mustard. Regardless of the motivation we all have one thing in common—we *really* want to live the dream.

We've all heard the stories; how "those people" made thousands of dollars, *virtually over night*, by putting some things for sale up on eBay; how "so and so" started an online store and in no time at all *became a millionaire*. It's pretty exciting, right? The idea of quitting your job, working for yourself, making enough money to get the things you've always wanted—buy your family the things you've never been able to afford. Those notions can be downright intoxicating!



There's no doubt that the urge to become self-employed is extremely seductive. Couple that with the stories of how "all of those people" are living the dream and you can find yourself salivating like a starved hound over a hunk of meat.

**Stop and relax for a minute.** You might be reading this book because you've found out the hard way that running an online business is not as easy as some people want you to believe. If not, then I'll tell you right now *running an online business is not as easy as some people want you to believe*. I wish I could tell you that spending money and time to start your new business would guarantee some cash flow in the next few weeks or that you could quit your job and work from home fulltime within a couple of months but running a business doesn't work that way—and an online business is no exception.

## Weighing in on Reality

You know, in some ways, starting your first online business is kind of like losing weight—except you have to do more backups than sit-ups! But think about it. When you are sick and tired of being overweight you start looking for ways you can shed those unwanted pounds as fast as you can, right?

By nature, most of us are impatient. Even though it took months or years of eating poorly we don't want it to take that long to get back into shape. So what do we do? We start watching those infomercials on television or ads on the Internet that show all of these wonderful products claiming to melt those unwanted pounds away in just a few short weeks. They promise exactly what we are looking for: *a way to lose weight fast without having to do any work.*

Have you ever bought any of those miracle weight loss products? I have. In fact throughout my life I've tried so many ultra lean fat burning metabolism over-driving pills that I'm surprised smoke doesn't come out of my pores. I've acquired so many exercise do-hickeys that if I were to wear them all at the same time, I'd look like a fitness one-man-band. I'm sure that I'm not the only one either.



I mean, come on! Who wouldn't like to eat what ever they wanted, not have to work out and still lose weight, with a beach body to boot? Sounds good to me. Where do I sign?

But then what happens?

Well you end up spending a lot of money on this amazing quick start system that doesn't work. It's only after you've wasted a few hundred dollars that you read the fine print where it say's "For best results supplement this pill with a low-calorie diet and exercise an hour a day, six times a week."

*What the %@#!* What's the point of even taking the pills!?

It didn't take me long to realize that the only way I was going to see some weight loss using these super-fast, no work required products, was if I weighed myself (with my wallet) BEFORE I purchased and then weighed myself (with my wallet) AFTER I purchased. The only way to lose weight and keep it off is hard work and dedication. You have to continually work at it if you are serious about getting extreme results. There are no super fast fixes or quick-result products that can do everything you have to do to succeed—*and an online business is exactly the same.*

There are no get-rich-quick solutions that will allow you to start up a business and see extreme profits in a short period of time. If these things existed in real life then we would all have six pack abs and live in mansions, wouldn't we? A real business, the kind you want, will not happen in a few weeks or in a couple of months.

See, snake oil salesmen know that we, as humans, are always looking for immediate gratification. No one likes to wait for the things they want right now. This is why in every market there are products and programs to make us think we are getting the "secret formula...shhh" that will make our dreams come true. They'll always be there because there will always be people wondering "what if it does really work?" *Don't believe the hype.* Super-secret-make-a-million-quick programs will make you rich about as fast as super-slim-workout-in-a-bottle products will make you skinny.



## Is online selling a Scam?

Would you consider going to your local grocery store and buying food for supper a scam? Selling products online is a legitimate legal retail business. It's commerce that takes place over the Internet electronically—otherwise known as *eCommerce*. Scammers have diluted a lot of the reality of selling online with inflated testimonials and lots of “make money fast” hype. New sellers who fall for this propaganda usually fail and then turn sour toward selling online thinking that it's all a big scam when it's far from it.

The fact is online retailing is a multi-billion (yeah billion with a b) dollar industry that isn't going away...it's just getting bigger. There is so much opportunity right now for new home-based retailers to break into this Internet market that bigger businesses are starting to take notice.

One Forrester™ report stated that *“As retailers begin to wade through their copious data warehouses and understand the who, what, when, where, why, and how of this segment [online shoppers], they will benefit from targeting these customers.”*

....North American Consumer Technology Adoption Study by Sucharita Mulpuru

This is advice from a leading Market Research Firm to big retailers saying *you need to start thinking about online customers!*

Forrester Research projections...

eCommerce Revenues will exceed

250 Trillion Dollars.

Online Retail is not a scam.

It's simply a new market to set up shop.



## **Reality: What you can expect from a new business**

Ok, so if eCommerce is a multi-gazillion dollar industry, then why is it that more new retailers fail than succeed? I've found the most common reason that people fail is *unrealistic expectations*. They were fooled into thinking success would happen quickly so their goals were much too lofty; they expected too much too fast.

*Here's a dose of reality...*

- ◆ **Expect to spend *more* money than you'll *make* (for the first 1-4 months.)**

Businesses cost money to start and maintain. Even though online retail is a low-cost business model, you're still going to have stuff you need to get to start your business and reoccurring monthly expenses to maintain your business. The first few months of operation generally do not yield much profit for new sellers.

- ◆ **Do NOT expect any *significant income* for the first 6 months.**

Typically, online businesses take up to a year to really build up a solid traffic base and generate a steady, reliable flow of profits. If your goal is to work online fulltime then you've got to see a steady stream of revenue that you can count on *before you can quit the day job*. Give your business a solid year to mature and grow before you tell your boss what you really think of him.

- ◆ **Expect to spend some time learning and testing.**

If you've never owned a business, never been the boss, then realize that you are setting yourself up for a double-whammy. Not only will you have to learn the ropes of eCommerce but you'll also be learning how to really run and manage your own business. Being your own boss isn't all peaches and cream. Education is the real key here. Learn it...then try to apply it to your own business.

- ◆ **Expect to make some mistakes along the way.**

You will make a mistake here and there but don't sweat it too much. It happens to all of us. The kind of mistakes you make, however, will be less harmful to your business when you have more education—*so study up!*

## **Welcome to the world of online retail!**

My approach to teaching is very practical and very realistic. I won't feed you fluff. I don't say all of this stuff about scams and how "it's harder than you may think" or how you won't make money in "just a few short weeks" to scare you away from online selling. Quite the contrary—I really do want you to succeed and in order for that to happen we have to start you off in the right direction, the realistic one.

An online business is just a real a business as any store you pass driving through town. The difference is the road passing in front of *your business* is the Internet super-highway and it carries lots and lots of customers. You'll be open for business 24/7—which means much more potential for sales than any physical brick and mortar store could ever hope for.

The really great thing about a home-based business is that you can start it at your own pace. We all learn at different speeds. You may be a fast learner who is able to apply what you'll learn here very quickly or you may consider yourself a slow learner requiring a fair amount of time before it all really starts making sense. *It doesn't matter.* What does matter is you're spending time to educate and prepare before you jump into unknown territory. This is going to be a huge advantage to you and your business, probably more than you realize right now.

Next up let's take a look at the most common mistakes people make when they try to pick products to sell online or as I like to call them—*the Seven Deadly Sins of Product Selection!*

## Seven Deadly Sins of Product Selection

Business 101 teaches us the true, albeit vague rule that market research consists of examining three important areas: Supply, Demand and Competition. The same theory still applies with online market research but as with most things in life once you get into practical application of a theory you end up running into a lot of details the theory doesn't really cover.

I'm sure in your quest to determine what to sell you have heard many an expert say "...you gotta find a product with high demand and low competition" and start selling that product. Well that is *kind of true* in the same sense that you could say "...In order to build a house you just gotta put up a wooden frame, add some walls then top it with a roof."

Could you build a house with those instructions?

*Of course not!*



Just like there are more details to building a house than simply saying you need to put up walls and a roof, picking your first product to sell involves more than simply looking at a product's competition and demand. Whether you plan to sell using auctions or want to start with an online store you're going to be faced with the same question that every single online retailer has had to answer... *What am I going to sell?*

Picking the wrong products to sell can doom your business to failure before you even have time to figure out what went wrong. What's worse, making poor product choices can end up costing you a lot of money. You could eat up your entire business budget trying to sell a bad product only to find out you have to start all over again with a new

product, minus the money you had set back to start your business to begin with! Not good.

I've worked with thousands of new online retailers over the years and there are common mistakes people often make that I want to share with you. Some are obvious and some are not so obvious but all of them can be devastating to a new business.

## **1. Rushed Decisions**

*The need to make money right now* because your bank account is approaching critical emptiness, unfortunately, will not make the money appear any faster. A lot of people I've had the pleasure to talk with have come to me with heart wrenching stories of why they decided to start an online business.

For example, Pat was one individual who had gotten laid off from her job. Her husband was bed ridden and couldn't work. Bills were getting way behind and they desperately needed money—in a big way.

Pat didn't actually have any money to start her online store. She borrowed money from her brother. She wasn't comfortable setting up a store herself so she paid a company to help her get a website up and running. The company had no problem getting her a store launched and ready for sales but they needed her to tell them what products she planned to sell. She didn't have the time or knowledge to do any market research and, as most coaches do, they recommended she find a product with “a good strong demand and low competition.”

So Pat, feeling very rushed (since she now owes her brother money along with her current debts), randomly picked a few products that seemed like they might be good products to sell. She gave the company a list of the products and they promptly posted them on her online store.

Days, weeks and then months went by and Pat didn't make one single sale. Not only did she not make money, she was even further in debt. Keeping an online business operational costs money *regardless of whether or not you are making money* doing it. She thought that the monthly expenses of keeping her store in operation would be taken care of when the store launched—because she would start making money. She planned to pay for the monthly business costs from her profits and have the rest of the profits left over for her own bills.

Pat and I talked for a little over an hour. I took a look at what she was selling, asked her a few questions and immediately knew what was wrong. She had picked some products that were highly competitive, in a market that was overrun with big retail chains. It's not impossible to compete with those kinds of products but it costs a lot more money and knowledge than Pat had for her first business.

It's sad but I've heard this story or similar ones way too many times; people who are in a very big hurry to make money, not because they are greedy money mongers with pots of gold in their eyes, but because times are rough and they're not sure what else to do—so they feel rushed to start selling a product, any product to make money right away.

In this book, I'll teach you how to do simple and advanced market research on the Internet using tools and techniques that won't cost you any money. But if you're in a hurry to make sales because you're seriously strapped for cash *then you may not be ready to start a business yet*.

Starting an eStore or listing auctions on eBay will not be free. You have to be prepared to invest money just to get your business started. It's also a very good idea to have some extra money to help float you through the first couple of months when sales will be slow in coming.

Want some good advice? If money is really tight right now and you are trying to start your first business:

- a) **Don't buy a merchant account, website hosting or start a store yet.** All of those necessities require monthly fees (and sometimes setup fees) in order to remain active. Don't buy them until you have thoroughly researched and decided what you are going to sell. If you spend what little money you have on them now, you'll just be paying fees while you are still figuring out what you are going to sell.
- b) **Save between \$500 and \$1,000 to use for business startup expenses.** If \$500 is more than you can afford, then you are definitely not ready. Start saving now. Put back a little money each week in your own personal *business startup fund*.
- c) **While you are saving money, start researching!** There is plenty of work to do so don't just wait to start everything once you have the money in hand. Start your market research and figure out what you're going to sell. You can also check out your options for services you'll need such as: merchant services, hosting accounts, storefronts/shopping carts, etc. Use the time you have to save yourself money by getting a feel for what kind of options you really have (cause there's a lot!).

**Bottom line:** Your personal situation may be dire and you need profits as fast as possible but rushing things will only hurt you. Picking products at random, without researching to see if they will be good products to sell, may make you think your business is up and running very quickly but actually you are just going through the motions of a startup business and setting yourself up for a big let down.

## 2. “I don’t have to research. I already know good products to sell.”



Some people seem to be under the impression that they have a *special mutant power* that enables them to decide what they should sell without performing any research.

You think I’m joking, don’t you?

Well, of course no one actually *\*thinks\** they have mutant powers (or at least they haven’t admitted it to me yet) but I’ve sure talked with an awful lot of people who think they have it all figured out right from the start. They think they know *exactly* what products to sell and they don’t need to waste any time researching. Their products of choice are usually something like...

- DVDs
- Consumer Electronics
- Designer Clothing, Handbags and Shoes
- Computers
- Gaming Systems (Xbox’s, Playstations, etc...)
- iPods and other Music Players

It is true that those types of products are very popular and considered to be “hot sellers” but that does NOT mean they are good products to try and sell *in your first online business*. In actual fact, those are some of the MOST difficult products to sell for beginners and the cause of many a failed new eStore and auction listing.

It’s easy to fall prey to your own ideas of what may be a good product. You might think to yourself, *I know for a fact, lots of people love electronics. That means*



*they have a huge demand, thus, they're going to be easy to sell!* Why should you spend time researching products that you know have a really high demand, right?

Some product markets are more expensive to sell in than others. It's true. High demand and popularity isn't enough to sell a product if you can't afford to spend the money it will take to compete in that space. Advertising costs, minimum order requirements and other costly considerations have to be looked at closely before picking a product to sell.

With enough money you can sell anything, but I think I'm right to assume that you want to keep your business startup costs down as low as possible and sell products that can make you money without killing your wallet.

This is *exactly why research is so important*. Proper and thorough research will show you how expensive a product will be to sell BEFORE you try to sell it and BEFORE you start spending money starting your business full force. You'll be able to find out if you can really compete in that market or if you should avoid it all together.

**Bottom line:** Realize that your product ideas are just ideas *until you research them* to see if that's what you should start selling online. You might just find that your first idea isn't quite as good as you thought.

### 3. I HAVE to sell products I'm PASSIONATE about.

There's absolutely nothing wrong with selling products you like. In fact, that's a best-case scenario—running a business selling products you love! The problem though is that the products you have a passion for may not be good products to sell in your first business.

The idea of picking a product you are passionate about has gotten warped. I'm hearing many new sellers say, "I was told I should sell something I love. I know a lot about *product X* so I'm going to sell *product X*." And without any real market research they plow head long down a path that they often soon regret.

Your passion or your interest for a product does not, *in any way*, mean the product will be easy to sell or profitable for your business. As a new home-based business owner you have to start thinking about generating real revenue. Be mindful of expenses and research to ensure your product choices will meet your needs.



I'm willing to bet that big retail chains like Sears or Best Buy don't hold quarterly board meetings where all the principal officers and CEOs sit around and write out a list of what products they have a real passion for, then take that list and order their product lines for the upcoming season!

Instead they have fulltime R&D teams whose job is to find out what is trendy, what the shopping public is looking for, and what they can affordably offer and make a handsome profit. They do lots and lots of market research to make sure they meet their business goals—and successful online sellers do the same thing.

The thing I really hate about the “passion product” theory is that new sellers often become closed-minded and pass up great products because “they don’t like them.” If they don’t like or know what a product is then they don’t want to sell it—and *that’s a huge mistake.*

Here are the two main reasons people have been told passion products are the way to go:

1. If you enjoy the product it will make your business more fun to run!
2. If you know about the product you can talk from experience about it, offer some insights and close more sales!

**Let’s start with “fun to run”:**

Products you have a passion for make your business more fun to run. I mean, seriously, when you think about this it’s kind of silly. When you consider your normal daily operation it’s like saying:

- It’s more fun to process orders on products you like than with other products.
- It’s more fun to ship products you like than to ship out other products.
- It’s more fun to do accounting knowing the numbers are referring to products you like rather than products you may not care as much about.

I mean, really? Is it just me or would a fun business be *one that is profitable* regardless of whether or not you’re selling iPods or toaster ovens?

I can tell you with certainty your business will NOT be “fun to run” if you end up spending money offering products that aren’t selling. It’s no fun at all investing your heart, soul and money into something and it fizzles instead of pops. It’s no fun to check your orders every hour, day after day, wondering when they’ll start pouring in but they never pour.

**As for “talking from experience” about a product:**

Think of your own shopping experiences. How many times have you decided to purchase a product because it appeared that the seller or storeowner really liked the product? I would venture to guess that it's probably *not that often*.

You do need good content and descriptions to sell a product. There's no question about that. In the online world, all people have to understand a product are descriptions and pictures. But does that mean you have to be an expert on the product you sell?

Keep in mind, the wholesalers who supply your products will also provide you with the necessary product descriptions and materials you'll need for that product. They know what details a customer will want to know and will provide that information to you. Additionally, you can easily become knowledgeable on any product in the market by researching it online.

*You don't have to be an expert on a product* in order to successfully sell it.

**Bottom line:** Your passion or your interest for a product does not, *in any way*, mean the product will be easy to sell in the world of retail. I'm not suggesting you avoid products you enjoy; just don't let your passion drive your selection. If you want to sell products you are passionate about then start by researching those products. Find out if they are good products to sell before you spend money setting up your business around them. If they turn out to be good, then that's wonderful, but if your research shows you can't really compete, then you have saved yourself a lot of money and heartache.

#### **4. I'm only looking for "Hot Products."**

I've often been asked, "*What's a hot item to sell?*" Or people will tell me "*Well, I plan on selling what's hot; that way I know I will make some big sales right from the start.*" The trick to starting your online business quickly and on the right track is learning what types of products you should research/sell and *what types of products you should avoid.*

Have you ever heard of a product "hot list" or "hot sellers" or "hot selling items" list? There are places on the Internet that show *what's hot* in terms of selling products online. They show which products in their market space have resulted in the most sales. Products that are selling like hotcakes! One would think that hotcakes would be a good item to sell if everything is selling like hotcakes.

What an interesting prospect, though. Simply go to a website and browse through a list of hot selling products and pick one of those products. No research required, done and done!

If a website or service is advertising hot selling products and you were able to find that list, how many other new retailers do you think are looking through that same list? 10 retailers? 100 retailers? It's usually more like *thousands of retailers.*

When you find product hot lists, don't think for a minute you are the only one getting excited about selling Mp3 Players. There can literally be thousands of retailers salivating over a relatively short list of hot selling products. And just like you, they are all hoping to get a piece of the action.

Talk about built-in competition!

Do you remember the big retail companies with those R&D departments we talked about in tip three? Well they know what those “hot sellers” are too and they have some mighty big budgets. So big, in fact, that they quite often stock up on those “hot sellers” buying in large volume for major wholesale discounts and selling for really cheap so they can move that stock out as quickly as possible.

New sellers often forget about this when it comes time to pick a product and just trust that if the “hot list” says to sell it, then I should sell it. Not good.

Market research will uncover great niches that you can compete in with even the tightest of budgets, niche markets that will not force you to buy in volume to keep up with the top retailers, niche markets that you, as a new retailer, can sell in and secure your place as a real contender.

Long story short, hot lists are aptly named because most new retailers who try to sell what they suggest usually get burned!

**Bottom line:** If you’re a new seller planning to pick a product from a hot selling item list, you better break out the shark cage because you are going to be jumping into the middle of a feeding frenzy of online retailers and *your competition will eat you alive!*



## 5. True wholesale means I can compete with any product I pick.

When you work with any legitimate wholesaler, you get real wholesale prices. In fact you get the best wholesale prices you can get. So some people assume, it doesn't really matter what they sell as long as they are getting real wholesale. They assume that the wholesale cost for that product is the same for every retailer. They assume they'll be able to set the same prices as their competitors so long as they work with a legitimate wholesaler.

You've probably heard of drop shipping (if not we'll talk about it in more depth later on in the book.) Most people start their business using drop shipping because it doesn't require carrying (or buying) any inventory. It's an attractive model to new retailers because it makes their business fairly "risk free." It allows you to back out if you decide this whole "*online business thing*" isn't working out.



You can quit selling and not be stuck with a garage full of *presents* for your friends/family.

Well let's say you find a genuine drop ship wholesaler for a really hot product. "Yippee! Now I'm getting real wholesale and can start marking my retail prices as low as those other retailers!"

But then you look at your wholesale price sheet, coming directly from a real live genuine drop ship wholesaler, and find that your wholesale cost is **MORE** than some of these other retailers are selling it for! How can that be?

When you order from the supplier and have the item drop shipped to your customer you are ordering in **SINGLE** item quantities. That means you are working with that supplier one product at a time—which means you are getting wholesale on one item at a time. This is the nature of drop shipping.

Wholesale cost is related to volume, meaning wholesalers offer price breaks, discounts and different wholesale pricing structures when retailers start buying in bulk quantities. As a retailer, the larger your orders, the more wholesale discounts you get.

For example, a wholesale pricing model could look like this with a wholesaler:

- **1 item** = \$10 wholesale per item
- **20 items** = \$7 wholesale per item
- **50 items** = \$5 wholesale per item

*The more you buy, the cheaper the cost per item.*

Big retail companies and some advanced sellers generally do not have their entire line of products drop shipped for them. Some have big budgets, big warehouses and employees to handle orders and shipping.

So if they buy 5,000-item case lots they are instantly placed in a completely different wholesale price bracket than retailers who are selling one item at a time and having the product repacked, relabeled and shipped for them (drop shipping).

**Bottom line:** While it is crucial to the success of your business that you ensure you are working with real factory authorized wholesalers...understand that even true wholesale pricing doesn't mean you can compete with every product online. *Wholesale prices change when the retailer begins ordering in bulk, simple as that.*



## 6. I won't sell "Off Brands." Name Brands only for me!

Coca-Cola, Nike and Sony are all household names. But are brands like these popular and well known because they are the best brands around or is it because they have spent gazillions of dollars over the years pushing their brand's identity onto the public in all conceivable forms of advertising media?

Is Coca-Cola and Pepsi the only type of soda people drink?

Are there other shoes that people purchase other than Nike, Reebok and Adidas?

Is every piece of electronics in your home made by Sony?

Brands often translate in the mind of a buyer as quality. If you buy X Brand Product, you can trust it to be a well-made piece of merchandise. We all know this isn't entirely true ALL of the time; but in general, this is what most consumers have come to trust when buying certain brands.

As a retailer deciding what product lines to carry in your business you might be thinking to yourself *I only want to carry Name Brand items in my store. Quality counts!* And you would be right—quality does count. If someone buys from you and ends up with a junky product, they won't come back and buy from you again.

The mistake, however, new sellers often make when looking at brands is thinking that if they do not recognize a brand it must be a junk product—and *this is FAR from the truth.*

### Two things to understand about brands:

- a) You may not recognize a brand, but hundreds of thousands of other people do.
- b) Lesser-known brands *do not always* mean lesser quality products.

**a) You may not recognize a brand, but hundreds of thousands of other people do.**

How many brands can you identify for any given product category? Some people can rattle off a large number of name brands in product categories that they are passionate about, but remember, when selling online you have to be open to product categories and niches that you may not know a lot about at first. So while you may be able to list 10 top brands in consumer electronics, you may not be able to list 10 top brands in outdoors/camping equipment.

The majority of new retailers are only familiar with brands that they see in the media. The fact is, though, there are quality brands that are not heavily advertised on television and on billboards—“off brands” that you may not recognize that can make you a lot of money and make your customers very happy campers indeed.

**b) Lesser-known brands *do not always* mean lesser quality products.**

Lesser-known brands don't always mean lesser quality products. In most cases it can mean less cost for you as a retailer. As a consumer, when you buy widely known name brands you are paying more because it bares that brand name. In many cases you can buy the exact same quality product from a lesser-known brand and pay less.

Headache medicine is always a good example of this. Most people recognize Tylenol as an industry leader. But on the store shelves, right next to Tylenol, there are off-brands (commonly called generic brands) that you can purchase cheaper than Tylenol. Those generic bottles of pills often have *identical ingredients*!

The quality of the product is the same despite different names and there are frugal shoppers who know this.

Sure, some shoppers will only buy Tylenol because they need that feeling of trust, but some shoppers will buy the off brand because they are looking for something more affordable. Both brands rake in money for the retailer and sometimes they are even supplied by the same manufacturer!

Look at retail giants and the brands they carry and you will notice that even they carry brands you don't recognize. There are brands of products being carried that you don't see commercials for on TV but yet they still stock their shelves with them. Why?—because they sell!

As a new retailer, if you limit your product choices to only brands you know then you greatly reduce the amount of product choices you could be selling. You bypass wonderful niches that can make you a lot of money.

So keep an open mind during your research and know that...



*A brand by any other name can SELL just as sweetly.*

## **7. I'll just sell what a research tool says I should sell.**

Don't get me wrong, I love some research tools. There are some great ones out there that really CAN help do a lot of time-consuming grunt work. Research tools can quickly gather information and save you from having to hop around from website to website to gather it yourself. Research tools can be huge time savers!

As a beginner though, you have to be careful to not use a research tool like a magic eight ball: "Should I sell this product...signs point to yes!" Remember, you are getting ready to base your entire business model off your product choices. Pick bad products to sell and your business could die a slow expensive death.

Market research is way too important to leave it *all* in the hands of a research tool. And quite frankly, *there are NO research tools* that can gather and analyze everything you need to consider before making your final product choices.

Some new sellers make the wrong assumption that research software is the answer to all of their problems. They assume that if they don't know how to research, no problem, the tool can do it all for them. But even with a powerful research tool they quickly find that they flounder with making a decision on what to sell because they don't really understand the valuable information the tool is showing them.

Let's pretend for a moment that market research software is a razor sharp sword. If I handed you a razor sharp sword and threw you into a room full of evil ninjas and yelled "Now kung-fu fight!" how well do you think you would do, even armed with a razor sharp sword? Let's assume you had no training and no experience fighting, just a person with a sword surrounded by trained killers. Yeah...its not gonna be pretty.

Now, let me teach you the art of fighting and get you to a point where you can protect yourself with just your fists of fury. Now enter a room *with or without* a razor sharp sword and those evil ninjas will have a run for their money!

Your competitors of course won't be out to literally kill you, but they can kill your sales. Your top competitors (and there will be seasoned sellers in whatever product area you sell in) will know how to research and analyze that market to get the most out of it. You have to prepare yourself and learn what they already know. You have to learn how to find and interpret good market research data.

**Bottom Line:** Tools are not solutions to a problem; they are aids to help you solve a problem. You have to know what you are doing before you can truly benefit from using any research tool.

In this book we will cover everything you need to know about online research, from basic education, supply, niches and advertising to practical steps of research you can do to find valuable market research data online.



Don't worry grasshopper, by the end of this book you'll know how to take a product from "is this a good idea" to "this is what I'm going to sell!" and compete with even the most seasoned ninjas...err, I mean online sellers.

## Overview of Lessons

Understanding how to research a product, actually perform market research, is a very powerful skill set for online retailers. Believe me, all successful online sellers have fully researched what they are selling. They know how and where to market the product, who their real competition is (and whom they don't have to worry about), how to attract the most customers, what keywords to use and much more. *This is exactly what you are getting ready to learn.*

Don't fret about being a new retailer either. I've had people ask me if it's too late to get started, if all of the "good products" are already taken. The answer is NO! eCommerce is still in it's growing stages. If this is your first online business, you're not starting late in the game. Quite the contrary, you're stepping into an amazing opportunity and given the fact that you are actually taking the time to learn something as critical as market research, you'll actually be catapulted ahead of the curve.

There are literally millions and millions of different products to sell online and only a fraction of them are being tapped into by online sellers. When you learn the ropes of researching you'll find niches that most new sellers pass by completely—niches that can make you a lot of money.

Is research hard to do? No. That's the real kicker here. Many people avoid research because they figure it's going to be complicated and full of all kinds of numbers and percentages and calculations and statistics that are well outside their grasp of understanding—and it's not. ANYONE can learn to research.

It's like learning anything else. At first, all new concepts and ideas take some time to sink in. But once you understand what you are doing, you'll find that researching products is just as easy as searching the Internet or typing an email. It's like riding a bike; the hard part is getting up on the bike and learning to balance, peddle and steer at the

same time. Then once you've learned it, you're zipping down the sidewalk happy as a lark. Research is the same. Once you've learned how to start doing it, it just keeps getting easier and easier.

It's actually a lot easier for online sellers to perform market research than it has been for traditional brick and mortar stores. Never before in the history of retail has market research been so accessible to small retail businesses. The Internet, while it does have its flaws, is an extraordinarily powerful research tool.

Online retailers can literally direct customers to their business finding targeted traffic looking for the products they sell. Retailers can quickly find out what people are looking for, searching for and wanting to buy. From the comfort of their home, they can find mountains of valuable information on any product they want to sell.

Brick and mortar stores have never had this luxury and it's a real blessing to smaller, home-based businesses to have such an amazing resource right at their fingertips. *And the real beauty is most of this research is absolutely free if you know where to look!*

You will be using market research to identify good products to sell in your new business. You're going to find what I like to call "Kick Start" products that can literally *kick start* your business into making sales and attracting customers almost right from the start. With market research you can even uncover the truth behind products you are interested in selling—so you can see if they are worth selling before you spend a single dime.

With market research, you'll uncover an enormous amount of information about selling products before you actually spend money selling anything at all! It just makes so much sense if you are on a tight budget.



It's like being a detective in a way. You're looking for clues, data and information to help you paint a revealing picture—in this case a revealing picture about particular products so you can tell the good products from the not-so-good.

All of the information you gather will give you valuable insight to that product, which usually isn't obvious at first glance.

## **Keyword Research**

Understanding keywords and how they relate to Internet selling is crucial to your success as an online retailer. Keywords are truly *the key* to unlocking the right information about any product. Keywords are often misunderstood and used incorrectly during the research process.

### **In the Keyword Research Lessons you'll learn...**

- How to find the keywords your *potential customers are using*
- How to build a **GREAT keyword list** for your product
- How to perform *Lateral and Vertical* Keyword Research
- Where to find FREE keyword research tools online
- And more...



The ability to analyze keywords is an important skill for online selling. You'll use keywords in just about every aspect of your online business—from market research to advertising to writing content for your site/auctions—everything that counts in closing sales.

We'll cover all of the basics you need to know in Part 1 of this book and then in Part 2 we'll roll up our sleeves and walk through the research step by step. By the time we're finished you will have all of the information you need to start gathering relevant keywords for any product you plan to sell—*and you'll know the whats, whys and hows of keyword research!*

## **Niche Research**

Nitch, Neesh...sheesh! No matter how you pronounce it, niches are the place to be *as a new seller*. Niche research will help you identify great products to sell and even help you uncover products that you probably have never considered. Niche selling is the 'secret weapon' of many successful sellers and your best chance of starting a successful business quickly.

### **In the Niche Research Lessons you'll learn...**

- A simple 3-step process for locating niches *in any product category*
- Reasons why certain categories should be avoided
- How to find niches with the most potential profit
- How to pick niches that'll give you the most bang for your buck
- And more...

Everyone always says they are looking for ‘their niche’ but many people don’t know how to go about finding it. When you fully understand niches and how simple it is to zone in on them, a whole world of product possibilities become open to your new business.

## **Demand Research**

How many people are looking to buy the products you are researching? You’ll find this out by researching the products online demand. Demand research is more than looking at numbers and going with the highest. When you learn how to research a products real online demand, you’ll be able to find many different groups of people wanting to buy that product so that you’ll have accurate market data to work with.

### **In the Demand Research Lessons you’ll learn...**

- How to really determine a products potential demand
- How Sample Groups work
- How to differentiate between shoppers and lookers
- How much demand you really need for a product to be successful
- And more...

Demand research will help you identify whether or not a product is even worth pursuing before you spend too much time researching that product. You’ll incorporate your keyword research with demand research to find out if you’re really onto something good!

## Competition Research

Competition isn't as bad as some people make it out to be. You're going to have competitors on any product that you sell—*and that's fine*. The trick is to be able to identify who your real competition is and who are people that are just taking up space and not worth worrying about.

### In the Competition Research Lessons you'll learn...

- How to locate your top competitors in auctions and eStores
- A **7 Point Inspection** you can use on any competitor
- How you can use your competitors to help you
- How to determine if competition is too high or just right
- And more...

The great thing about having competition is you can learn so much from them—more than simply what they are selling that product for! From advertising strategies, keywords you haven't considered and much more; your competitors are more than just a company selling what you might be selling.

## Pricing Research

Price isn't necessarily king when it comes to selling online but it is in the royal family. You don't have to have the lowest prices on the block in order to make sales. During your pricing research, you'll be able to determine if you can actually profit from a product you are selling and whether or not you can (or even should) try to compete with that product in the current market.

### In the Pricing Research Lessons you'll learn...

- 3 things you need to know *to get the best Wholesale prices*
- The easiest way to figure your real profit potential on any product
- How to use free tools to do your 'number crunching' for you
- Pricing tricks used by sneaky sellers
- And more...

More than just comparing costs, pricing research involves understanding how shipping and retail relate to wholesale, pricing research determining what you'll actually be investing into selling that product to see if you can really profit!

## **Advertising Research**

Advertising is as important to retailing as gas is to your car. If you don't put gas in your car what will it do? Not much right? It'll just sit there, lifeless. Your new online business is the same way. If you don't do any advertising letting people know you have what they want then your business will just sit there on the internet and no one will know you are there. No customers = no sales.

### **In the Advertising Research Lessons you'll learn...**

- The basics of Pay Per Click Advertising
- How to find products you can affordably advertise
- Picking products that will produce customers quickly
- Quick tricks for gathering keyword data from your competitors
- And more...

Understanding how advertising works and incorporating advertising research into your market research will help you fine-tune your product selection and get your business up and running faster than most.



**Important!** This Section covers fundamentals; things you need to know before you can effectively research products using the internet. In Part 2 of this book you'll find step by step training...but before you can learn the How-To's you need to know the whats and the whys.

## Lesson I

## Keyword Research Fundamentals

Imagine what a mess it would be if there were no search fields on eBay, on Google or anywhere on the Internet—if people all just threw their products or offerings into one big pile leaving you to sift through it to find what you were looking for. What a nightmare! Fortunately, this is not the case because in the online world everything gets sorted, searched and found by what are known as *keywords*.

Realize it or not, anytime you perform a search on the Internet you are using keywords. When a person shopping on the Internet is looking for toys to buy they have to find a place that sells toys. So what do they do? Well, they do just what you and I would do...they'll start by opening their Internet browser, going to their favorite search engine and typing in say, “toys for kids” to see what they can find.

Internet search engines, like Google and auction sites like eBay, use the keywords you type into their search field to determine what you are looking for. The results that are returned (whether it's a website or auction listing) are based on the keywords you've entered.

**Example:** if I were to type in the following into a search engine search field...

Toys for kids

...the search engine would look for websites that contain those words.

Most search fields, however, will remove common words that make up sentence structure so that the results are not filled with garbage.

It wouldn't look for every word contained in the sentence above because that would bring back anything with the word "for" in it—and that would mean literally millions of results completely unrelated to anything you were searching for.

Instead, search fields look at *the important words* that make up the sentence. They look at which *keywords* represent the gist of what you have just typed in...

**Toys for kids**

In the phrase "toys for kids" the actual keywords are:

- Toys
- Kids

Understanding what keywords are is a pretty simple concept to grasp right? They're just words we use every day when we talk or type. However, don't underestimate their enormous power when it comes to online market research. Just about everything you do when researching a product will revolve around a good understanding of keyword research.



## Search Engine Stuff

In order to really understand keyword research I've found it helps to have a little knowledge about search engines and how they do that thing they do. Keep in mind: this is a very basic and over-simplified look at search engines. I'm keeping it watered down on purpose though. I just want to show you a few things that will help you get started researching online much faster.

Search engines, like Google or MSN are simply gigantic, searchable databases. They contain millions and millions of websites. When a new website gets submitted into their database the search engine (eventually) sends out clever little programs referred to as "spiders." The main purpose of these spiders is to run around the Internet and catalog information about each website and page that they visit. Among other things, they look for keywords to help them determine what the website is about. This is referred to as "crawling" your website.



So yes, there are actually spiders crawling around on the web.

Search engines send out these spiders to gather information about websites (new and old) that are in their big databases. When the spiders return with all of the website info, the search engine decides which sites are going to be the most relevant to show up in the results when people type keywords into the search field.

When you do a search for: *Toys for Kids*, the search engine looks in its database for websites that they feel are the best match for: “kids” and “toys” and will display those sites in the search results.

The interesting thing about search engines is that you can sometimes get different results with just a slight variation to the keywords in your initial *search query*. (*Search query* is fancy talk meaning: typing in keywords into a search field and clicking the search button.)

**For example**, I could get different website results when I type in *Toy* than I might get when I type in *Toys* (with an s).

This is all related to how search fields are programmed to sort, categorize and search based on keywords. Some search engines take this into account and some do not. Search engines are just tools that can’t always differentiate between certain keywords. While they are designed to make the search experience as easy and relevant as possible, sometimes they fall short.

**For example**, if you were searching for *bikes* you might get completely different results returned for *bike* than you would get for *bicycle*.

Some search engines don’t know that “bike and bicycle” is the same thing. They don’t know that *bike* is simply a truncated version of the word *bicycle*. They see that someone has searched for *bike*, so they look in their database for which sites would be most relevant for the keyword *bike*.

Similarly, when someone types in *bicycle* they look through their database to see what sites would be relevant for the keyword *bicycle*. Search engines and search fields can’t always make the connection.

## Search Field Tricks

Did you know that just about every search field allows you to do what's called *Advanced Keyword Matching*? It's true. And as an online researcher it's good to know how you can adjust your own Internet searching to get more qualified results. You can do little things to your search to help filter out unwanted results. (*Also...this is good stuff to know when it comes time to advertise later on down the road.*)

Most of the time when people search on the Internet, they do what is referred to as a *broad match search*. You simply type in what you are looking for, then leave it up to the search engine to bring back everything that contains those master keywords.

*Example:*

Toys for kids

The problem with broad match searches is that they are not always very accurate in terms of bringing back relevant results. I'm sure you've experienced this when searching online. You type in a few keywords and some of the sites that show up in the results don't have much to do what you are looking for.

Well, the reason for this is broad match searches return results for sites that, at the very least, have one of the keywords in your search query.

**For example**, doing a broad match search for *Toys for kids*, you could end up with some websites in the results that sell *kids'* furniture because it has the keyword *kids'* in it.

So let's look at some search field tricks you can do to fine-tune your search results...

## **“Phrase Match”**

A phrase match search is an advanced search function that tells the search engine to return results that contain *ALL of the words* in the keyword phrase you have entered into the search field. You simply add quotation marks “ ” in front and behind the keyword phrase...

**Here is an example of a phrase match search:**

“Toys for kids”

In a phrase match search, the results will contain all of the keywords confined within the quotation marks. However, *it will also look for results that may have keywords outside of that phrase.*

For example, the search could also return results such as:

- Educational *Toys for Kids*
- *Toys for Kids* under 3
- Harmful *Toys for kids*

## **[Exact Match]**

An exact match is an advanced search function you can use when you want to tell the search engine to ONLY look at results that have these EXACT keywords. In order to do an exact match search you simply put [brackets] in front and behind your search phrase...

### **Example of an exact match search:**

[science toys for kids]

In this example, all of the website results will be filtered to show you the websites that contain *Science Toys for Kids*. It will display all of these websites first in the results so you don't have to sift.

Exact match searching is great for honing in on competitors' sites who are selling the exact product you will be selling, right down to the brand, model number, and color or product id.

### Negative Match/Positive Match

Negative/positive matching is an advanced search function you can use when you want to tell the search engine to ignore certain results and/or include certain results. This is handy when your keywords are words that can mean two different things.

For example, “Fencing” could be a keyword to talk about swords or it could be talking about wood or chain link fences.

#### Example of negative and positive match search:

Fencing –swords +wood

The above search would filter out a lot of sport fencing related sites because I told the search that I didn’t want to include *swords* but did want to include *wood*.

#### Tip:

When using Google *don’t put a space between the + or – sign and the keyword*, but do put a space before them. Fencing +wood

Phrase match, exact match, negative match and positive keyword matching are all great ways to fine tune your online research results. They can help save you a fair amount of time so you don’t have to sift through a lot of irrelevant search results. And as I said before, they will come in handy in the future when you start running ad campaigns—but

that will come a bit later. First you have to have a product to advertise so let's get back on track with product research and keywords...

### **A Product's Keyword Market**

Currently I live in *sometimes* sunny Florida but I was born and raised in Southern Illinois. When I drive back home I pass through Georgia, Tennessee, Alabama, Kentucky and Missouri. A number of years ago I was working on a project that allowed me the opportunity to spend some time in LA and New York.

I don't consider myself well traveled but I've been to a few places. If you've done any traveling, you know this to be true—people do not talk the same from one place to the next. Something as simple as a beverage can be referred to as a “pop,” “soda,” “sody,” “cola drank” and so on depending on where you are. What sounds silly or odd to one population is commonplace to another.

When you have hundreds or thousands (or millions) of people from all over the country (and world) searching the Internet for the same product, there are going to be variations to what they choose to type into their search field. *People don't all think the same way, talk the same way and so—do not search the Internet the same way.*

#### People do not always:

- ✓ Think the same way
- ✓ Talk the same way

Therefore...people do not always use the same keywords when they search the Internet for a product.



Every single product has its own *keyword market*—*different* keywords that people are using when they search for that product online. Online retailers who are serious about making Internet selling a full-time business have to learn how to gather and analyze a product's keyword market. You have to know how to collect the many different keywords and keyword phrases that people use when they search for a particular product online.

### **Importance of Creating a Keyword List**

For every product you research you'll create a keyword list. A good keyword list contains the many different ways people online are searching for that product. By knowing how many different keyword variations there are for a product you'll know what kind of customer base you can potentially have for that product—before you even start selling it!

For example, if you were thinking about selling fish tanks you would want to find out how many ways people are looking for fish tanks when they search online.

You might find:

- 4,000 people typed in *fish tank*
- 2,500 people typed in *fish tanks* (with an s)
- 700 people typed in *aquariums*
- 500 people typed in *10 gallon fish tank*
- And so on...

**Each different keyword or keyword phrase you find for a product can represent *different groups of customers*!** The more relevant keywords you can add to your list, the more potential traffic you can tap into.



## **It All Starts with a Root Keyword**

Identifying any product's keyword market starts with what is known as the *root keyword*, which is also sometimes referred to as the “*top-level keyword*.” The root keyword is usually just the type of product that it is—it's the product's most common name or subcategory, a general keyword that people most likely use when talking about that product.

**For example**, if I wanted to research Canon “point and shoot” digital cameras, my root keyword would be the one I would probably start researching as simply *Digital Camera*.

Root keywords are where you start when you begin to compile a keyword list. They give you the base to begin locating multiple keyword variations to help you identify that product's true keyword market.

## **Vertical Keywords**

When you've picked your root keyword you want to start with, your next step is to gather keyword variations that contain that root keyword. Keywords and keyword phrases that contain your root keyword are known in the online research world, as *vertical keywords*.

Going back to the fish tank example, there are a variety of vertical keywords for the root keywords *fish tank*...

- **Fish tank**
- **Fish tanks**
- 10 gallon **fish tanks** (and other sizes)
- Salt water **fish tanks**
- Portable **fish tanks**
- Novelty **fish tanks**
- **Fish tank** stands
- **Fish tank** filters
- And the list goes on....

Gathering vertical keywords for the product you research is very important. Vertical keywords not only help you identify what keyword phrases people are searching for online, but they also give you insights to other products you may want to consider as additions or additions to the products you sell.

Vertical keywords will be the majority of the keywords contained in your keyword list. This is the essence of keyword research—figuring out how many different ways people search for products you are going to sell, finding different pools of customers you can tap into!

## Lateral Keyword Research

So what happens when you find an exhaustive list of vertical keywords? Does your vertical keyword list represent all of the potential shoppers for that product? No, usually not. With vertical keywords, you are finding a list of keywords based on one root keyword, or set of keywords—such as *fish tank* in the example above. But remember, not every potential customer will call a product the same thing.

The most relevant *lateral keywords* are other names people may be calling the same product. You are essentially finding *synonyms* to the root keywords you are researching. Remember, when you research a product your goal is to figure out different ways people are actually searching for that product.

**For example:** I might call a fish tank, a fish tank, but there might be thousands of other people searching online who call it an *aquarium*.

Additional examples of lateral research results:

- Bike- bicycle
- Handbag- purse, pocketbook
- Luggage- suitcase, tote bag, carry-on, baggage

The really cool thing when you find relevant lateral keywords for your product is that you will have a whole new vertical keyword list associated with that new root keyword. For example, I would have an entirely different list of keywords for the root *aquarium* from what I would have for the root *fish tank*—but that can mean a whole new base of customers!

Like I said, the most relevant lateral keywords you will gather will be other names associated with that product but you can take lateral research even further. Lateral

research can also be used for finding keywords and phrases for people interested in something to do with that product.

For example, other keyword(s) that would be considered lateral research for fish tanks could be:

- How to clean a fish tank
- getting started with salt water aquariums
- caring for fish
- Types of fish
- Types of fish food
- Underwater plants
- etc...

The power you have, to really tap into a variety of customers online looking for your product, really starts to uncover as you begin thinking in terms of keywords. Keywords are truly the KEY to finding shopping customers online and retailers get very creative when it comes to finding new groups of potential customers to tap into online.

With an online business, you have so much more ability to drive traffic, try out new ideas and search for new customers than any brick and mortar store has ever had in the history of retailing. Learn to love keywords. They are your best friend as an online seller and the more you know how to research a product's keyword market, the more customers you will be able to uncover that many people may not know about.

## Lesson II

### What Kinds of Products Should I Research?

How much free time do you have to start your new business? Do you have a day job, a family and/or other responsibilities that require the bulk of your attention every day? If you're like most people, you are starting your new business with limited time during the week to actually focus on your business. You have decided to take what free time you do have available, maybe even chopping some hours out of your normal sleep schedule to try and get a second source of income flowing, that will eventually turn into a fulltime source of income.

If this sounds like you, then you're not alone. The good news is, starting an online business can happen at your own pace. You can, very effectively, start a profit generating business in your own time. However, the bad news is, since you don't have a whole lot of available hours in a day to invest in your new Internet business venture every minute of time you spend trying to get started needs to have purpose. Every step you make needs to move you in the right direction.

Product selection is arguably one of the most important parts of running a successful business. You pick the wrong products to sell and your new business becomes a money drain instead of a money machine. Think of it this way...imagine your new online business as a car that's headed out on the Internet superhighway. The products you pick are like the fuel that will help get you where you are headed. If you don't put good gas in your car it's gonna sputter, backfire and then sit there, lifeless on the side of the road. Your business is the same. If you start by putting the wrong types of products in your store or auctions, your business will sit there lifeless, making no sales.

*So what kinds of products should you research?*

## What NOT to Sell and Why

Before we talk about what kinds of products to research and ultimately sell, let's spend some time looking at what NOT to sell. Now, don't misunderstand me. I'm not harping on these products because I think they are bad products. I'm just assuming you are trying to start a profitable business with as little upfront cost and out-of-pocket expense as possible.

A little known fact is that ALL products cost money to sell. Yup, it's true. And some products are more expensive to sell than others. New home-based businesses usually don't know this because it's something that most "gurus," "coaches" and "online business made-easy programs" don't tell you about. In fact, most of the "how-to" companies actually display hard to sell products on their site *as a hook* to get you into online selling in the first place.

You see this all over the Internet and other forms of media..."you can make thousands of dollars selling things like: digital cameras, DVD players, designer clothing" and so on. They ALWAYS list those types of products on purpose as a marketing ploy. Most men like electronic gadgets and most women like designer clothing. They show you what the statistics reflect as "hot items" that everyone loves. There are certainly retailers making millions and millions of dollars off those products but that doesn't mean they are easy to sell.

So what kinds of things can make a product hard to sell?

### a) Wholesale Considerations:

Let's say you have decided to work with a drop shipper (a wholesaler who will ship the product to your customer for you *per order* so you don't have to carry inventory). Drop shipping is cheap and great for new businesses but you have to take the good with the bad.

With some products, drop shipping doesn't work very well...

Product	Your Wholesale Cost for 1	Best Buy Retail	Circuit City Retail	Walmart Retail
DVD Player	\$71.00	\$57.99	\$59.99	\$58.86
Digital Camera	\$132.50	\$99.95	\$97.00	\$100
Mp3 Player	\$62.87	\$45.99	\$39.99	\$49

(Note: these are example prices only)

If you plan to start with drop shipping and your wholesale cost for one item is more than that of the majority of other retailers (who are showing up very prominently in the search engine results) then it's reasonable to say that it's going to be a hard product to launch your business with. This is something most people forget to mention.

In order to successfully sell most *consumer electronics* you have to be able to spend some money on inventory. You have to keep up with the current going market price of the product. Even though it IS possible to sell a product for more than the current market value it's very hard to do. You'll end up losing more customers than you'll get.

In order to compete in high price driven markets, you'll have to be prepared to purchase in quantity. We'll talk about this later in detail but from a wholesale point-of-view, the more products you buy from a wholesaler the cheaper your wholesale cost is. As a new online business you may not be able to afford to buy any inventory at first. If this is true of you, then you'll want to avoid products that practically require you to buy in volume just to compete.

Common product areas that you pretty much have to buy products up front (in bulk) just to keep up with the current prices are:

- DVD Movies (especially current release DVDs and other formats)
- Most Consumer Electronics (such as TVs, Video Players, Audio Players, Cameras, Car Audio, Computers/Laptops)
- Designer Clothing, Handbags and Shoes
- Tools (especially Power Tools)

Your goal with picking your first product to sell isn't to pick a product that you are going to have a hard time selling; it's to pick a product you can affordably sell and actually make a steady income with. So in product markets that will require you to buy in volume just to get the wholesale discounts you'll need to compete, if you can't afford to buy inventory yet, they are product areas you'll want to avoid.



## **b) Products with Contractual Obligations:**

Some often considered “hot products” are next to impossible to sell because of the reseller contracts that are set in place (usually specifically to keep out small businesses). A good example of this is iPods.

I personally really like iPods. I have bought a couple of them myself; but I will never attempt to sell them. While iPods do have a huge demand and have made many a retailer rich, the problem is meeting Apple’s up-front requirements to sell them....

Here is a sample from Apple’s *Reseller Authorization requirements*...

### **Apple™ iPod- Reseller Authorization**

*“Apple’s Reseller authorization is designed for businesses that offer a selection of software and hardware solutions sold at their retail locations, or the configuration and sale of specialized business solutions such as accounting by calling directly on customers.”*

***Basic reseller requirements include but are not necessarily limited to the following:***

- ***Purchase at minimum \$100,000 of Apple hardware each contract term.***
- ***Provide presale and post sale support at reseller locations(s) or customer site(s) through a consultative “face-to-face” sales approach.***
- ***Offer hardware, software, and network customization to meet the needs of customers.***
- ***Develop and execute activities that feature Apple product.***

Did you catch the part about having to purchase a minimum of \$100,000.00 dollars worth of iPods in order to be a legal reseller of iPods?

### c) Products with Strict Reseller Policies:

Most designer handbags, clothing and shoes have very strict resell policies set in place to thwart online selling. One reason I've heard when talking with the manufacturers is that they feel that too many online sellers will decrease the perceived value of the product or in some cases actually decrease the value of the product all together (lots of retailers competing often push the price down lower and lower until it's no longer a profitable product to sell).

So what they do is set some very strict resale policies. Coach handbags, for example, *do not even make their product available to online stores other than Coach.com.*

Check out this note from their corporate site...

#### **Coach™ Designer Handbags**

*“Coach ONLY offers its merchandise for sale through the following methods of distribution”:*

- Coach stores
- Coach factory stores
- Coach catalogues
- authorized department stores
- authorized specialty stores and catalogues
- limited duty free locations
- **on the Internet at *coach.com*.**

*“Coach DOES NOT offer its merchandise for sale through individuals, street vendors, unauthorized retail locations, at house parties, or **any website other than *www.coach.com*.**”*

Some products you can sell online provided you also have a physical storefront but you still have to be willing to purchase in large volume (volume like we saw with iPods). A way some retailers get around this is purchasing in bulk lots from liquidators, which works well, but again, requires up front money most new sellers can't afford.

Other *high volume requirement* or *physical location requirement* products are:

- Designer Clothing/Shoes
- Cell phones
- Gaming Systems (Xboxes, Playstations, Nintendos)

So it's not always about competition when it comes to picking a bad product. You will find that some products are just out of your league to sell as a new retailer. It will be impossible to find a legitimate wholesaler who can work with you because the contracts and rules set forth by the manufacturer are designed to attract bigger accounts.

If you're like most new sellers you have to spend your money carefully because you don't have a whole lot to invest in starting your business. This doesn't put you at a disadvantage; it simply means you have to be mindful of your choices.

Right from the start you have to pick good products that you can affordably advertise and compete with in the current market—without having to spend money on truckloads of inventory.

## Hard Categories for a New Seller

As a professional wholesale researcher, I've spent years locating Authorized Wholesalers for every product category you can think of. For various reasons, for some categories of products it is really difficult to find a wholesaler you can work with.

- **Antiques:** Antiques span just about every main product category but they represent "used" valuable products. While it is true that antiques have a large consumer base, the problem from a new retailer perspective is supply. Understand that in order for your business to make enough money, consistently, to really flourish and supplement your income (or be your main source of income) you will need to have a steady supply of products to sell online. This means you will be working with wholesalers and wholesalers generally only work with new, unopened products. So unless you plan to do a lot of antique hunting, I wouldn't recommend this product category for starting your business.
- **Books:** Powerhouse companies like Amazon.com have made selling books online a bit difficult for the newcomer. There are some big wholesalers in this product category that can offer a very large selection of quality titles, but again, will you be able to compete with such a big online presence as Amazon? Advertising and marketing will play heavily in this product group. The demand is obviously there but the competition will be stiff.
- **Car/Boat/Vehicle Accessories:** It's actually difficult finding wholesalers in this category if you are just looking for popular name brand accessories but there are some out there who are willing to work with online sellers. The problem I've seen thus far is too many of the bigger brands have many established retail accounts with larger storefronts and are not making the move over to online selling for fear it will hurt their current retail chains.

- **Cell Phones and Smart Phones:** Do you have any interest in becoming an authorized dealer? You'll need to in order to work with the majority of real distributors of cell phones. There's a lot more overhead to selling actual cell phones than simply hooking up with a wholesaler and listing them online. Many of them do require you to become authorized through their certified programs. Accessories are fine but actually trying to retail phones will be problematic.
  
- **DVDs and Movies:** I would recommend avoiding this category as a new retailer. Most wholesalers of DVDs don't offer single item drop shipping because the price points are not worth it for them...or their retailers. The real competitors in this category have no problem purchasing in volume, so in order to really break into this market you have to be prepared to purchase in larger volumes as well which means you must have money upfront to invest.
  
- **Video Games:** This is a popular product area new sellers are often interested in but one that should be avoided for a number of reasons. The primary reason is that you will have extreme difficulty locating a legitimate wholesaler of gaming consoles willing to work with you unless you are willing to purchase in very large volume *or have a physical retail store*. Games and accessories are the only real direction you can head in this arena but since video games are so popular with the mainstream audience, your competition will be stiff and you'll find that most of the competitors are buying in volume.

Many new sellers get pretty nervous when they find out that they are going to have a hard time selling certain mainstream hot products. They had their heart set on opening an electronics gadget store or selling their favorite designer clothes and when they realize that those products are going to be a hard market to break into, they wonder if there is anything left to sell.

The answer of course is yes. In fact, when you tear your thoughts away from consumer electronics and designer clothing you're going to find there is a whole other world of products just waiting to be tapped into.

Just because a product doesn't have the attention of an iPod or handbag could there still be a large market of people looking to buy it?

Could there perhaps be people out there who buy products that you don't see commercials for on TV?

If big retail chains don't carry a product, could there still be consumers looking for it?

Yes, Yes and YES!

There is a cornucopia of product choices you can tap into as a new retailer but you have to know what you are looking for and why a product doesn't have to always be considered a "hot seller." You have to row your boat in the right direction so you don't pass by really great products—products that can make you a boat load of money!

## Start by Chasing Your “Tail”...Really, it’s ok!



Think for a minute, about how many products there are in the world. Seriously think about how many different products there are in the world. Even more important, think how many people there are in the world with different tastes, passions, hobbies, needs and wants.

While it is true that products come and go over time, it’s also true that most products cost a lot of money to produce. Companies rarely risk the expense of producing products without considering public interest. In other words, most any product that is produced was created because research indicated that there was a customer base, a market for that product.

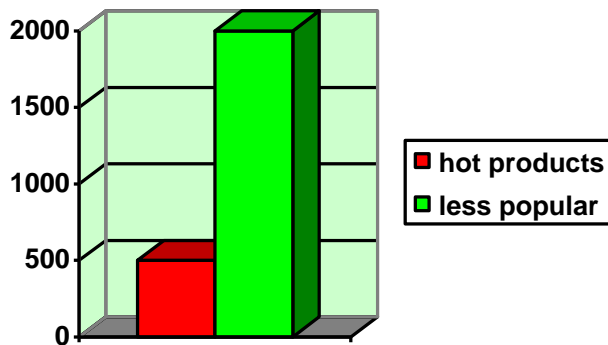
This isn’t to say that all products being created are going to be great sellers, but instead keep in mind that products you may not know about or recognize can have a loyal customer base of *hundreds of thousands of people*.

Chris Anderson made a ripple in the eCommerce community with a book entitled “*The Long Tail*”. What’s interesting about this book is that it promotes and supports an idea that many *successful* small home-based online retailers have been implementing for quite some time. It’s the “secret” I guess you could say, of their startup success.

The “long tail” concept is now used to describe many different things. But if we just focus on choosing what to sell, the long tail is a comparison between the amounts of money lesser demand products can make compared to super-trendy hot selling products.



Let's say over the past three months all of the retail sales made in the US = \$50 billion dollars. The long tail might show us that \$10 billion of that total came from hot selling products while \$40 billion came from the overall money made from products that have a lower demand. *But how can that happen?*



Well, simply put, there are just far more products in the market that are considered lower demand “less popular” products than there are mainstream products that make up the trends or fads of the time generating a lot of buzz and becoming “hot products.”

In fact, there are so many more “less popular” products compared to hot mainstream products, that when you add up the revenue generated by the less popular products they eventually begin to account for *more sales* than what the smaller group of popular products can generate. *This is the “long tail of eCommerce” and where you’ll cash in as a new seller.*



## Big Retailers Cannot Compete in the Long Tail

I've heard many new retailers say its hard to pick something to sell because places like Walmart carry everything—and how can you compete with those guys?

Well, it is true that big retail chains are multi-million dollar operations with extremely competitive prices. However, they can't afford to carry every product in the market because they too have budget constraints *and limited shelf space*.

From a business standpoint, places like Walmart cannot afford to pick products that only appeal to only hundreds of thousands of people. They HAVE to have products that cater to the LARGEST audiences. Big retailers generally have hundreds (some thousands) of employees and stores spread across the country. They often pay millions in television advertisements, billboard ads, radio ads, catalogs etc. and even more millions of dollars in operating expenses. When it comes time for those big retail chains to choose product lines, they focus their research on trendy products that will have the most demand in their market; their business relies on super-popular products that will bring them the most traffic and sales.

Don't think for a minute that bigger retail chains have cornered the market on all products because they haven't by a long shot. They don't have a limitless budgets to spend on inventory nor do they have unlimited space to store and stock up on every product under the sun. *That means there are millions of products that they simply cannot carry—they do not have the room to do it.*

Believe it or not, as a new home-based retailer you have advantages that bigger chains don't. You don't have the expensive operating overhead, you won't have employees, you don't have to worry about shelf space, and you won't be purchasing product in extremely large volumes and all of that stuff the big guys have to contend with. Your costs are *enormously lower* than physical brick and mortar businesses. This actually gives you a huge flexibility in product choices.

So what's the moral to this short tale about the long tail? Don't sell popular products? NO! The term *less popular* doesn't mean less money to your new business. Less popular in the eyes of statistics can only mean a few hundred thousand people as a customer base (and that can translate into lots of profit for an online seller).

All of these "less popular" products that make up the long tail actually have another name. They are often referred to as niche products.

### **Nitch? Neesh? *Sheesh!* Let's talk about Niche's**

No matter how you pronounce it, niche products are the home-based retailer's best friend. They'll be your best chance of starting an online business that can actually start making money pretty quickly. They also happen to be the bread and butter of just about every successful online business selling today. *So what are these infamous niche products we keep hearing so much about?*

Well, a niche product is a product that appeals to specific groups of people. Niche products are often related to hobbies, interests, special needs and wants that are not necessarily considered "mainstream." Different strokes for different folks, if you will.

Niche products open up a whole world of product choices and possibilities for the new online seller. With niche product research, you have to start thinking about product areas that you may not have ever thought about before.

You can't be too quick to pass judgment on a product thinking "*no one would want to buy that thing.*" You don't know. There may in fact be thousands of people looking for that exact product.

Finding niche products may be a little different from what you think. Probably one of the biggest mistakes in niche research is confusing niches with product categories. Niches are not general product categories...

Main Product Categories	
Antiques	DVDs & Movies
Art	Entertainment Memorabilia
Baby	Games
Books	Gift Certificates
Business & Industrial	Health & Beauty
Cameras & Photo	Home & Garden
Car/Boat/Vehicle Accessories	Jewelry & Watches
Cell Phones & PDAs	Music
Clothing/Shoes & Fashion Accessories	Musical Instruments
Coins & Paper Money	Pottery & Glass
Collectibles	Sporting Goods
Computers & Networking	Sports Memorabilia
Consumer Electronics	Stamps
Crafts	Toys & Hobbies
Dolls & Bears	Video Games

**None of the above product categories are actual niches.** They contain niches but on their own they are much too big to be a niche. I've had people tell me that *the niche* they are focusing on is gardening. Gardening is a *big product category* that can be broken up into many different subcategories, such as flower gardening, vegetable gardening, rock gardening and so on. It's not a niche.

## Digging for Niches

So how do you find a niche? How do you locate a niche product? When you are locating niche products you're pretty much taking a big product category and then breaking it down to its specific subcategories. Then you break those subcategories down even more to find little groups of products, or niches, that have an audience of buyers.



Generally speaking, I find that if you *dig about three levels down from a main category* you start approaching a niche for that category.

Let's look at an example:

### **1) Identify the Main Category: \*Gardening**

*\*Gardening contains too many subcategories to be a niche, but it is a starting point...*

### **2) Identify a SubCategory: \*Flower Gardening**

*\*Flower gardening is still too big though to be a real niche. Consumers who dig flower gardening (no pun intended) probably don't grow every type of flower known to man.*

### **3) Identify a Niche: \*Rose Gardening**

*\*Rose gardening is a niche appealing to a particular group of people who need products specifically for growing and maintaining roses.*

Some other examples of digging for a niche could be....

Main Product Category	SubCategory	Niche
Gardening	Flower Gardening	<b>Rose Gardening Products</b>
Home- Kitchen	Small Kitchen Items	<b>Cutting Appliances</b>
Sporting Goods	Seasonal Camping	<b>Winter Camping Gear</b>

It's important to note that there are always going to be lots of different subcategories within product main categories and lots of niches within those subcategories. That means there can be a number of different directions you can dig when locating a niche.

For example, here are just three directions I could have headed with Kitchen Appliances...

Main Product Category	SubCategory	Niche
Home- Kitchen	Professional Grade Items	Blenders/Mixers
Home- Kitchen	Small Kitchen Items	Cutting Appliances
Home- Kitchen	Stove Top Cooking Items	Pots/Pans/Skillets

When you consider how many main product categories there are and the enormous number of subcategories they represent—and the millions of products contained within those subcategories—it becomes pretty apparent that there are PLENTY of product options outside of the “mainstream” that you can tap into.

## Lesson III

### Demand Research **Fundamentals**

I love toast. It's a culinary marvel. Crispy golden browned goodness on the outside, mouth watering deliciously soft on the inside. Add some apple butter, cut it in a triangle, take a bite and it's like a circus in your mouth! If I had to choose between a good toaster oven and a good woman, I would probably pick the woman, but only if she owned a good toaster oven! I'm willing to bet that there are other toast-a-holics out there just like me—and I bet toaster ovens would sell like...like hotcakes!

Now if I'm really keen on spending time and money setting up Captain Toasty's Oven Outlet "*The Toaster Store with the Most and More*" then one of the first things I have to do during my market research is find out how many shopping customers are actually looking to buy toaster ovens. Are there other toast addicts out there like me? I need to figure out what the *demand* is.

Remember that in order to find stuff online people go to a search engine, such as Google, and then type in what they are looking for. People looking to find toaster ovens might type "toaster ovens" into the search field, click search and then look through the resulting websites to see if they can find what they want.

*Think about this for a minute:*

- If people search for (the same) product using different keywords.
- Keywords = customers.

...then when you research a product's demand, what you are really researching is how many people are *searching for the product* and how many different keywords they are using to try to find it.

## You Can't Gather Keywords on Your Own

Finding out what other people are typing into their search engine browsers may seem like an impossible task, but it's not. There are, in fact, *keyword research programs* available online with the sole function of counting and keeping track of what people are typing into various search engines over a given period of time. Some of them even come fully loaded with all kinds of nifty bells and whistles.

Uh oh, does he want us to buy something? No, there are actually free keyword research programs still living and breathing on the Internet that work just fine for the information you'll need to collect. We'll discuss them more in Part 2 of this book.

Keyword research programs perform an invaluable task for us as home-business owners. For finding a product's demand, their ability to show us how many people are searching for a keyword or keyword phrase will give us an indication of how many people are looking for that product. It will give us insight into that product's *online demand*.

Let's pretend that I've just opened up a keyword research tool and typed in "toaster ovens." The results that come back would show me a table that looks something like this:

Keyword Research Software Example:

Count	Keyword Variations
14486	toaster oven
2366	toaster oven recipe
2122	Black and Decker toaster oven
1889	buy toaster oven
1139	convection toaster oven
	... <i>keyword variations continue</i>

These days, keyword research programs do more than simply count the number of people who typed in the root keyword you entered. Now they also provide a list of *vertical keywords* as well (other keywords and phrases people use that contain your root keyword).

For most keyword research tools you will see two columns: One is for *the count* and the other is usually called *variations*.

- **The Count:** you see in most keyword research tools represent *unique searches* that have been made online for those keywords, in other words the number of people who searched using those terms. (*Note: this number is not representative of ALL Internet users...I'll explain this more in a bit.*)
- **The Keyword Variations:** are related searches that people have performed (a.k.a. *Vertical Research* data).

Pretty cool, right? Keyword research tools show you how many people have searched for a product and they also show you other searches that people are making containing the root keyword you started your research with. This is such a huge deal for your new business and all of your online research.

But does the data you find in keyword research tools mean that there are X number of people, out of ALL of the people searching online, typing in those keywords? Is it telling you exactly how many people around the world are typing in those keywords on the Internet? No.



## Sample Groups

An easy mistake many people make when they begin researching online is thinking that the numbers presented by a keyword research tool represent *all Internet users* worldwide or even nationwide. This is certainly not the case but that doesn't mean the information is any less valuable.

No research tool can tell you precisely what everyone on the Internet is searching for because there are far too many search engines and databases owned by many different companies. Those companies don't have much desire to unite and share all of their search engine data. So when someone builds a keyword research program, what they do is gather information from large groups of Internet users.

These groups, however, can be from a few different search engines and very large pools of people, usually ranging in the millions of Internet users. This method of pulling data from a portion of the population, when it's not really possible to query the entire population, is known in market research as *sampling*.

Sampling is not a new concept. It has been used in science and research since before the Internet was around. It was discovered a long time ago, that by researching groups of people that make up a population, you can get data that is similar to how the entire population would answer as a whole.

The size of a sample group that keyword research software pulls from is what's important. The bigger the sample, the more accurate the results will be. Nowadays, most research software pulls information from millions of users, which give us some really good information about the products we research. Some of the better ones also pull data from multiple search engines across the Internet, which means sample data is taken from many different user populations.

It's really not critical for you to understand the details of how sampling works to research products online. There are actually a lot of different types of sampling and statistical relationships that are great for putting people to sleep but not necessary to know for the scope of this book or picking your first products to sell.

What's important to understand is that keyword research software results are NOT exact numbers representing what *everyone online* is looking for. What they are showing you is the results for a sample group of Internet users.

When you consider the fact that sample groups are only a portion of Internet users, it makes sense to say that the unique searches for those keywords from *all Internet users* nationwide or worldwide would be even higher.

### **High Demand, Low Demand**

The classic retail rule-of-thumb, *sell products with high demand and low competition*, makes you think that products simply fall into two generalized categories:

- High demand products
- Low demand products

It makes you think that high demand products are the only products worth selling and when comparing demand numbers the obvious choice would be to pick the product that yields the highest count—but that's not true by a country mile in the world of online selling.

Consider this table of product research results:

Product Type:	Folding Chair	Garden Gnome
Demand Count:	17,000	8,500

In the example above, if you pick a product based on the highest demand you would determine that folding chairs are *high demand* products and garden gnomes are *low demand* products—therefore garden gnomes would be bad products to sell and folding chairs would be good products to sell.

Now consider this table:

Product Type:	Camping Tent	Folding Chair
Demand Count:	39,000	17,000

In this table, now folding chairs are the bad *low demand* product and Camping Tents are the high. You could do this all day long, playing king of the mountain looking for the products that have the highest demand count and thinking that all of the products with lesser numbers are not good products to sell.

This kind of thinking trips people up all the time. They get in a rut with their research constantly looking for that product with the biggest numbers and ignoring all others. Research numbers are relative.

Remember:

Don't dismiss product ideas based solely on low demand numbers.

Compared to mainstream products, *Niche Products* are Low Demand.



## Identifying Shoppers and Browsers

If you see that 95,000 people have searched for the keyword phrase “digital camera,” you have to wonder how many of those people are actually shopping for a digital camera. Is it possible that some of those people are just browsing for information and not interested in purchasing anything at all? It sure is possible.

Demand numbers are really helpful when you can successfully determine which numbers, or more importantly which keywords, represent actual shopping customers. When you can do this, you can really start to estimate that product’s potential demand online.

A really big part of gathering good demand data is understanding *keyword relevance*. For demand research, keyword relevance simply means identifying the keywords that shopping customers are most likely using when looking for that product online.

Not all of the keywords you find using keyword research tools are going to be highly relevant when figuring out demand. More often than not, the keywords with the highest counts (the ones that show the most people searching using those terms) will *not* be 100% relevant for determining the product’s true demand.

Let’s say you want to start a business selling baseball equipment. Your first instinct would probably be to start researching the root keyword “baseball” to see what type of results get returned, to see what kind of keyword variations people are searching for.

Your keyword count and variations might look something like this:

Keyword Research Software Example:

Count	Keyword Variations
150,054	Baseball
35,620	Baseball bats
21,220	Fantasy Baseball
15,450	Baseball equipment
14,225	Baseball gloves
12,000	Baseball cleats
9,000	Baseball Uniform
4,325	Baseball pitching machine
	... <i>Variations continue</i>

It's clear to see that *baseball* yields a very high count of over 150,000 searches. That's a lot of people. Does that mean that a baseball store is a no-brainer with all of that traffic available? Is this number count for the keyword *baseball* relevant to your demand research? Not necessarily.

You really have no way of knowing how many of those 150,000 people who typed in *baseball* are shopping for baseball stuff. In fact, it's highly likely that some of those people who typed in *baseball* are looking for last night's scores, team information, rules, stats...who knows? That means the term *baseball* is not going to be 100% relevant for determining the demand for baseball products.

As I look on down through the list though, there are some interesting vertical keywords that I'm seeing people use. I notice that one of the first keywords is *baseball bats*.

So let's see what happens if I change my root keyword from *baseball* to *baseball bat*.

Now we are getting somewhere!

Count	Keyword Variations
35,620	Baseball Bats
6,936	<b>Easton</b> baseball bat
6,098	<b>Youth</b> baseball bat
4,132	<b>Wood</b> baseball bat
3,254	<b>Wilson</b> baseball bat
2,357	<b>Cheap</b> baseball bat
	... <i>Variations continue</i>

*Easton, youth, wood, Wilson, cheap*—these are all descriptive keywords that are specific to the product *baseball bat*—more specific than someone looking for just *baseball bats*.

When people search online and type in specific information about a product such as:

- Brand
- Color
- Size
- And other specific features...

it's very likely they are *shopping customers*! Shopping customers who know what they are looking for will often search the Internet using specific keywords to identify features they know they want. When you see keywords with specifics, they are very likely to be shopping customers looking to buy!

When you begin gathering keywords you will locate three different types:

- General Keywords
- Relevant Keywords
- Highly Relevant Keywords

**General Keywords:** *example- Baseball*

General keywords are usually generic, main category type keywords such as *Baseball*. These are keywords that you can't really predict exactly how many of the people typing them into the search field are shoppers.

**Highly-Relevant Keywords:** *example- Wilson Baseball bat*

Highly-Relevant keywords are what you really want. These are the golden keywords containing specific information. They let us know that the person who typed it in knows what they want—and is very likely to be a shopper!

**Relevant Keywords:** *example- Baseball bat*

Relevant keywords are more product-specific. If I were researching baseball bats, then the people who typed in the product type baseball bat will be more relevant to me than those who typed in the general keyword baseball.

All three types of keywords are handy to have on a product's keyword list; however it will be the relevant and highly relevant keywords that will give you the most accurate idea of how much potential demand you will have for that product.

## Lesson IV

### Competition Research Fundamentals

Dang it there's tons of stores already selling that!

Crap, I can't sell this... look at all of these listings for it on eBay!

Stupid Walmart! Must you sell everything I want to sell!!!

Ah the new retailers lament...

Once again the “high demand and low competition” rule can be misleading. The seemingly logical approach most new sellers take when it's time to research their competition is looking for that special product other retailers are not hip to yet—a product that no one else is selling. After all, low competition means not many people are selling it, right? Then when they hop on various search engines or auction sites and find that there ARE a number of other people already selling that product, its back to the drawing board looking for something else to sell that has low or no competition.

This type of thinking is a good way to get started on the wrong foot. Instead of diving in and looking to see how many people are selling a product, the first questions you really need to understand are:

- Are there products with *no competition*?
- What is considered *low competition*?
- What constitutes *high competition*?



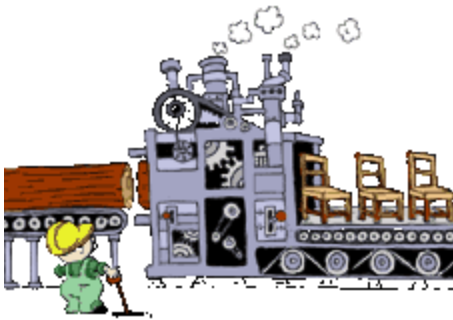
## **A Necessary Evil *That's Not Necessarily Evil***

You know, we humans are an awfully territorial bunch. But it's natural. Our businesses represent income, income that we need to survive in today's world. The problem is our territorial instincts often get in the way of the reality of the situation.

Looking for a product that no one else is selling so that you have no competition gives new sellers an unhealthy tunnel vision during their research. I can't tell you how many times I've had people tell me they are looking for a product *with no competition at all*, a "secret product" that no other business knows about – a little treasure trove of a product that I can sell and everyone will have to come to me to buy it! Har Har Har! It's kind of cynical when you think about it.

The reality is, a product will not survive in the market if there are not multiple retailers selling it. Instead of looking at competition from a retailer's perspective, let's start by looking at it from a supply chain perspective...

Producing products is kind of like what you see in old cartoons. You remember the ones; a tree gets dropped into one side of the factory and then a few machines, piston pumps and smoke puffs later a chair spits out the other side.



While utterly simplistic the idea is pretty much right. Manufacturers take raw materials and, through a series of machines and processes, a product is born. But as with all births there's a hefty price tag to bring those new products into the world.

**Manufacturing a product in mass quantity costs a lot of money.**

After a product is made, wholesalers buy the product from the manufacturer by the truckload. They stock the product in their giant warehouses and prepare the product for distribution to retailers.



The manufacturer has made money from the product, but now the wholesaler has spent a lot of money on that product for distribution. Just like with any business, wholesalers have expenses and operating costs to contend with.

**Distributing and warehousing products in mass quantity costs a lot of money.**

Let's say the wholesaler bought 5,000 chairs from the manufacturer. They've got to get those chairs out and sold to the public as fast as possible. The faster they sell, the quicker they make money to cover costs, make a profit and order more chairs to repeat the process.

If there was only one retailer trying to sell those chairs, how quickly do you think they would get sold? More importantly, how much of the shopping public can one retailer attract?

There are literally millions and millions of people shopping online everyday and they all don't use the same search engine or shop in the same areas online. Wholesalers know for a fact that one retailer alone will not be able to access enough traffic – enough shopping customers – to sell all of the stock that they carry. Even in the physical world of brick and mortar stores, one store can only service a certain demographic of people. In the online world the audience is bigger...but so are the search options. There are

thousands of different ways to promote a store and get traffic online and one online store cannot get all of the traffic. It's just not possible to do.

In order for a product to thrive in the market, wholesalers and manufacturers need *many retailers* selling the product. Without multiple retailers there wouldn't be enough sales to support production and distribution costs. Without multiple retailers the supply chain breaks. Actually the supply chain goes bankrupt because it can't afford its own operating costs.

Multiple retailers selling the same product is a natural and very necessary part of the supply chain cycle. When you understand this then you understand that there can obviously be many retailers selling the same product and every retailer is making money.

Through the process of deduction, it's obvious that many retailers can all be selling the same product and still make sales.

- If retailers are not making money, then that means they are not making sales.
- If they are not making sales then that means wholesalers are not making money.
- If wholesalers are not making money then manufacturers don't make money.
- If nobody is making money the product goes out of production.

So don't be too quick to pass up a product because you see others already selling it. Even if you think competition is evil, understand that it is a necessary evil.

## Competition Limbo: How Low Can You Go?

Realizing that just about any product you pick to sell *will have other retailers already selling it* is a good first step in understanding competition. But even though competition is a natural thing to expect you do have to be able to measure whether or not there's too much.

When you hear *high and low competition* it instantly makes you think that there must be some number you are looking for in order to determine if you can compete. Commerce doesn't follow those rules though. With competition, it's not always a case of looking at solid numbers.

It's kind of hard sometimes to wrap your head around how big the online shopping world actually is. People have their own favorite search engine they like to use or their own favorite places to shop. And because most of us only visit certain places, we forget that there are entire communities of millions of Internet users out there who frequent search engines, directories and shopping sites that you don't. *Forgetting this fact forces a much smaller perspective on how much competition for a product the Internet can handle.*

For example, we all know about Google and Yahoo and eBay. And they are great places for gathering research data because they do attract such large cross-sections of users. However, there are also millions of users who prefer places like:

- Bing
- Alta Vista
- Excite
- Lycos
- Ask
- AlltheWeb
- AOL
- About
- LookSmart
- Netscape
- WebCrawler
- and the list goes on and on...

Not only are there lots of different places people search online, but many of these different search engines and directories recommend different online retailers when people search. That means one search engine could have 100 retailers all selling the same product and another search engine could have 60 *different retailers* all selling the same product and yet another search engine could have 45 *different retailers* from those above—and ALL of them are making sales.

Even less popular search engines have millions of users. Everyone in the world doesn't shop at the same place on the Internet or at the same time of day or week or month and so on. So there are different markets of people shopping for the same items in different places on the Internet—and that means there can be lots of retailers selling the same product online.

To further illustrate how big the online shopping market is and how much competition it can handle, let's look at just one marketplace that you might have heard of—eBay.

eBay of course is a huge marketplace with lots of traffic. Just like with major search engine traffic, eBay gets millions of online shoppers looking for stuff to buy. It's perfect for illustrating how much competition an online marketplace can handle because eBay regularly has multiple sellers selling the same product.

You would think that if eBay has a bunch of retailers selling the same product that only a few of those retailers would be getting all of the traffic, leaving the others out in the cold.

But that's not how it works...

Here are just a few sample products I've tracked on eBay that have sold from multiple retailers in just a one-week period of time. I didn't just track a product type; I got specific so that my eBay results would show competitors that were selling like or similar products.

Product	# of Retailers	# that Sold
<i>New Black &amp; Decker Toaster Oven</i>	46	<b>41</b>
<i>New 2 Drawer File Cabinet</i>	91	<b>68</b>
<i>New Ice Cream Maker</i>	184	<b>103</b>

Lots of retailers were selling the same product and yet most of them were making sales!

The truth is, there can be (and always will be) many sellers selling the same product—and many sales by many different sellers are being made. You can have hundreds of stores/auctions all selling the same products and they all can end up making sales.

This is largely due to the fact that the customer base is so immense. There are literally millions and millions of shopping customers on the Internet and hundreds of thousands of different ways to tap into that shopping traffic.

It's also encouraging that there will always be more shoppers than retailers. Even though eCommerce is growing in popularity it takes a special, dedicated person to really follow through with starting a business. It's not for everyone.

So is there a high number or low number you should be looking for in your competition? Not in my opinion. Competition isn't so much about quantity as it is about *quality*. There's a better way to look at your competition and that's to *literally look at your competition*.

## Competition 7-Point Inspection

Competition isn't so much about finding a low number or avoiding high numbers as it is about being able to determine who the real competition is in that market—*the quality of your competition*. Some retailers have their act together and some don't. If your market is full of big retail companies (and quality retailers that know what they are doing) then that will be a much harder market for you to break into than one that has lots of retailers with only a handful that you should worry about.

The ability to analyzing your competition will not only help you determine if it is a market you can sell in as a new retailer, but it will also give you insight that will help you generate sales much faster in that market. You can actually learn a lot from your competitors.



The following is what I call the Competition 7-Point Inspection. It covers the major things you need to look at when analyzing your competitors that sell in auctions and eStores.

## #1 Check the quality, look and feel:

In many ways, the psychology of online shoppers isn't much different from how people shop when they visit brick and mortar stores in the real world. There are stores and auction listings that just plain look like garbage. You land on their site or open the listing and it looks like it was slapped together with spare parts.

Visual esthetic goes a long way to winning a customer's trust. Remember, customers have to feel they can trust the website they are on or the seller they plan to buy from. They are getting ready to give the retailer all of their *personal credit card information*—and that's a HUGE deal. In a day and age where identity theft and Internet fraud run rampant, the look and feel of a retailer's offerings can make the difference between a sale and the customer looking for someone else who is selling that product but looks more professional.

Samples A and B may seem like ridiculous comparisons but I've seen this contrast time and time again when researching eStores.



Some product markets that show a high number for competition are full of stores that look something like Sample B—quick stores that have been thrown together with the idea that “if I build it they will come.” Umm, actually no they won't.

Let's pick these two apart and see why customers would gravitate to one over the other aside from the fact that sample B looks like crap.



	Sample A	Sample B
<b>Look &amp; Feel</b>	<b>Clean and organized.</b> It looks like an actual store, which in turn would make me feel more comfortable shopping on their site.	<b>Disjointed.</b> Are they a store? Is it someone's personal webpage? It's hard to tell what they do. That does not instill trust in shopping customers.
<b>Products</b>	<b>Nice product layout and easy to view.</b> Seeing products right on the homepage let's shoppers know that they are in the right place and you are open for business.	<b>No product pictures</b> are a good way to make people immediately leave your site. <i>Statistics tell us that when people shop and visit a site, they want to see what they are looking for right when they get there!</i>
<b>Professionalism</b>	Just from the way the site looks they <b>could be a big retail company</b> . When a site looks like it could be a big company, customers don't feel so concerned with giving their credit info.	<b>Not even close.</b> People are not going to feel comfortable giving up their credit info on this site. Gaudy colors and cheesy effects like drop shadow text all work to make a site look very cheap. And cheap doesn't instill trust.

## #2 Check their Product Offerings:

More so in eStores than with auctions, some of your competitors will try to have “something for everyone.” They open “Mega-eStores” in an attempt to try to offer every product they can get their hands on. When you see stores like this you can usually write them off as competition to not worry about—and here’s why...



*Specialty stores* that focus on one area of product (or niche) tend to do much better than stores that offer tons of different, unrelated products. A lot of this has to do with product perception. Let’s look at these two different stores selling watches.

Both of these stores look just fine. They have a professional feel and quality about them. However, put yourself in a customer’s shoes. If you were shopping for an expensive watch would you trust a store that deals in nothing but watches or a store that sells watches, clothes, gardening tools, toys, office supplies, etc.?

More often than not people who shop online trust sites that specialize in the product they want to buy. If you open a store selling watches then you want to look like the *Internet’s leading authority on watches*.

Specialty and niche stores are able to make recommendations about which product would be best for the customers’ needs—and the customers will listen! Why? Because if your store is centered on a particular niche then people trust that you must know a thing

or two about those products. And believe me, you will. Your experience in researching the products you sell will put you in a position to make recommendations.

When you see competitors who have lots of unrelated categories, don't be too overly concerned with them...

- Mega Stores can't afford to advertise every product they carry. This means they will rarely be invading your space.
- When given the choice, online customers often gravitate toward niche stores for advice rather than to Mega Stores.
- Mega Stores have so many niches to maintain, they rarely attract any significant traffic to just one niche (your niche).
- For more expensive items, Mega Stores lose some credibility. People will buy an expensive piece of jewelry from a jewelry store...but not necessarily from a Mega Store that also sells wildly unrelated products.
- Mega Stores typically have less selection in their product categories because, once again, they have too many different categories to maintain. Your niche store can focus on finding wholesalers for any and everything related to your specific niche—*giving your customers a great selection.*

### #3 Check the Content and Copy:

During the course of starting your business you are going to hear the terms “content” and/or “copy.” Those refer to the text that you write in your auction listing or on your website. It’s the stuff people read when they visit your site.

The copy you include on your site or auction listings is very important because it is essentially your *24-hour salesman*. You can’t talk with every customer one on one. A picture does go a long way but people do need more than a picture to persuade them to buy. Product descriptions, tips and information can have a big impact on whether or not someone makes a purchase from you (or from your competition).

When you look at your competition’s site or auction listing you can learn a lot from the copy they write. In some cases, they’ll have horrible copy. In other cases, they’ll have great copy. **Which Copy (ad text) sounds more enticing to you?**

Sample A



Add a touch of elegance to your wardrobe.

This stunning Movado timepiece features:

- o 100% stainless steel bracelet
- o elegant Black Museum Dial
- o unwavering Swiss Quartz Movement
- o discreet hidden clasp
- o beautifully crafted display case

Order now and receive FREE Shipping & Handling!

Isn't it about time?

**Sample A** has tried to combine creative writing in with the watch’s technical specs...

Sample B



Authentic Movado Watch!!!

- stainless steel
- Black Museuam Dial
- Swiss quarts movement
- clasp style- hidden
- case included!

Free shipping!!!

**Sample B** is very lack-luster and full of typos...

With some competitors you check out, you'll actually learn a thing or two about writing really good copy—*that could even spark some new ideas*. But for other competitors, you will see really good examples of what not to do!

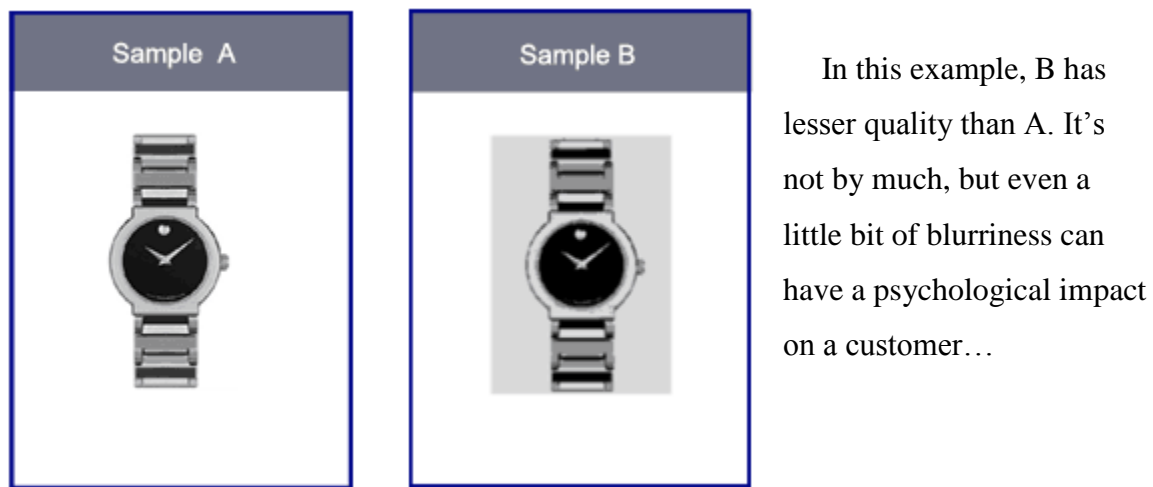
*Especially look for...*

- **Excessive Misspellings, typos and bad grammar:** All of these things play an important role in winning the trust of a shopping customer. We all make mistakes every now and again that spell check doesn't flag but when you look at a competitor's site and it's loaded with mistakes then it is highly likely they are not a competitor to be concerned with—because they are not making many sales. Shopping customers often view this as lazy and suspect. After all, if a retailer can't even take enough care to proofread or string together a coherent sentence, what is the shopping experience going to be like with them?
- **Lack of Information:** Some competitors will have so little information about the product that buyers will be concerned. They will be hesitant to purchase for fear that the product doesn't have the same features as (the same product) another retailer is selling.
- **Persuasive Language:** If you are not a creative writer, then you can learn from some of your competition that is. Without lying, you can enhance a product offering by enhancing otherwise stale descriptions. Learn from your competitors who do this. Study how they present the information because it can help you close more sales.

## #4 Check their Product Images:

Wholesalers will often provide good product images. But, I have worked with wholesalers who have had some product pictures that were not so good. Sometimes retailers have to take their own pictures of the products they are selling.

While product images are looking a lot better these days there are still some retailers who have very poor quality images on their site or auction.



In this example, B has lesser quality than A. It's not by much, but even a little bit of blurriness can have a psychological impact on a customer...

Poor quality images are not good for converting sales. Pictures tell the buyer a lot about the product. People like to see what they are getting and if the image is bad then they will be much more reluctant to purchase.

If you see competitors whose images are not really that nice then they are not competitors to concern yourself with. It is highly likely that their visitors go elsewhere to shop.

## #5 Check their Navigation:

What if you went to your local grocery store tomorrow and they had moved all of their aisles to form a big maze. You couldn't find anything you were looking for, didn't know where to go or how to get to the checkout lanes. (Not that that would matter since there would only be one of twenty lanes open anyway! Don't you hate that?)

How fast would you get frustrated if all you wanted to do was get groceries and go home, but instead you were stuck trying to find your way out of the paper plate aisle and over to the cereal aisle? How long would it take you to simply shop somewhere else? Is it worth the hassle to shop like that when all you have to do is go right across the street to a different grocery store that has really big checkout lanes, nice neat rows and all the Raisin Bran and Lucky Charms you could ever want?

Well that feeling of frustration is what many customers experience when they visit some retailers. You land on their site and then don't know how to get to what you're looking for. In the online world, you don't have to push through a crowd to get out; a customer's salvation is simply a back button away.

You really don't have to worry about competitors with poor navigation—confusing menus result in visitors leaving very quickly. Remember, online shoppers are usually shopping online for *convenience* and don't have time to get frustrated.

*Look for the following things as you research a competitor's navigation:*

- Click through product offerings and see how easy it is to get back to where you started.
- Does their main menu look confusing or complicated?
- Is it easy to locate their “contact us” information?

## #6 Check how long it takes their Page(s) to Load:

As I mentioned previously, Internet shoppers are looking for convenience—and having to be patient is not part of convenience. Gone are the days of the slow loading website; they do exist but there are plenty of sites that load very fast now and people know this. They don't want to wait for a sluggish website that bogs down their computer.

So test your competition's homepage and a few additional pages to see how long it takes for them to fully load on your computer. When something takes more than a few seconds to come up on screen most people leave...so they won't be competitors to worry too much about.

### *Broadband Users:*

**5-7 Seconds-** If you have a high-speed connection, when you begin testing other websites, time how long it takes for their homepage to fully load. If it's more than 5-7 seconds then it's likely they are losing a lot of traffic to people who don't want to sit and wait for the page to come up. Seven seconds doesn't sound like much time *but it is*.

### *Dial-up Users:*

If you have a dial up connection then you are likely used to waiting more than seven seconds for a webpage to load. You need to set yourself a base mark, based on your computer's abilities and connection speed to judge from. Go to a site like eBay.com and time how long it takes for their site to load in your window. eBay usually has lots of images and things that have to load, so they'll make a good enough control subject for you to use to gauge how fast other sites should load.



## **#7 Check their *Order Experience*:**

Have you ever heard of *shopping carts* and *merchant accounts*? They are the interface allowing customers to select items they want and then pay the retailer. There are lots of different ones online retailers can choose from and they all behave a little differently. Some are very user-friendly and some leave much to be desired.

When you go to a competitor's site, pretend as though you are ordering...just as a customer would and then analyze the following:

### **Select a couple of different products and add them to your cart.**

Was it easy to do?

Did the cart display the items quickly or did it chug along for a while?

### **Click the checkout button.**

Did you get any pop up windows or additional steps before checkout?

Was it a smooth process going from adding products to getting to pay?

### **Look at their payment page.**

Do they offer multiple payment methods: credit card and PayPal?

(If not then they are likely losing customers that you could get)

Does their order page look clean and trustworthy?

Your goal is to see how easy their order process is. When someone is ready to buy you don't want him or her to jump through hoops to get to the part where they pay. It should be a smooth process. If you find that some of your competitors' ordering processes are clunky, disorganized or frustratingly long, then chances are shopping customers feel the exact same way.

## Lesson V

### Pricing Research Fundamentals

It seems as though pricing research would be the easy part of researching a product. After all, how hard is it to compare prices? While it isn't really rocket science to find out if you can compete on a price level, it does involve more than just comparing your wholesale cost vs. some other retailer's selling price.



A good friend of mine told me a story once about his grandfather's roadside "produce business." Though Grandpa lived out in the boonies, he still fancied himself quite the traveling entrepreneur who was making a bushel of money selling bushels of apples.

Grandpa's store was an old Chevy pickup truck. He would drive it a number of miles from home, over the busiest highway in that area and park it at the side of the road. His customers were the people who traveled that highway. I guess he took the notion of putting your business in front of the traffic a bit literally.

Grandpa sold those apples for \$5 a bushel, a great price even in those days and *they sold like crazy!* Of course, he was very proud of his accomplishment. He told my friend one day that he was getting his apples from a farmer so far away that no one knew about him—and he was only paying \$4 a bushel wholesale.

Sure, he could sell for more, but he was going for volume sales by offering the lowest price in town and still making a whole dollar "*pure D profit!*"

A dollar profit isn't much nowadays but for him (and back then) it was plenty good. With all of the sales he was generating, he was *pert near* dancing a jig in the evenings waving \$20 dollars and sometimes \$30 in everyone's faces. "Made \$20 profit today, see here!!!"

My friend knew where his grandpa was getting those apples. He also knew how much of a gas-guzzler his grandpa's old pickup was. In actual fact, it cost grandpa quite a bit of money each day to go out to the "secret supplier," pay for a truckload of apples and then get back up to the highway. And since crates don't grow on trees, every two or three days he would have to buy a new batch, which also cost money.

Grandpa failed to realize that you can't just look at the money you make during the sale, comparing wholesale vs. retail. You have to figure in additional costs involved in making that sale before you can truly realize your profit potential. On most days, *Grandpa was actually losing money!* But, all things considered, I guess practically giving away apples every day did keep him out of trouble.

Pricing research is largely about comparing your costs vs. current market prices; but in order to truly gauge whether you can compete (and understand what kind of profit you'll make) you have to consider more than just *wholesale vs. retail*.

**Common fees associated with selling online:**

Auctions	eStores
<ul style="list-style-type: none"><li>• Wholesale Cost</li><li>• Various Listing Fees</li><li>• Drop Ship Fee (<i>if using dropshipper</i>)</li><li>• Payment Processing Fee</li></ul>	<ul style="list-style-type: none"><li>• Wholesale Cost</li><li>• Drop Ship Fee (<i>if using dropshipper</i>)</li><li>• Payment Processing Fee</li></ul>

**For example:** Let's say you were researching ceiling fans. You found that your wholesale price for one particular unit was \$47. You take a look at some other retailers and find that people who are selling that same unit are setting an average retail price of \$65.

Does that mean you will have a potential profit of \$18? *No, it doesn't...*

**For Auctions:**

eBay charges fees every time you list a product to sell. The fees are small but you have to pay attention to them during your pricing research. Let's look at just the *bare minimum* basic fees.

For the ceiling fan you plan to sell for \$65 the following fees could apply:

- **Insertion Fee** (the cost for posting the item on eBay): \$2.40
- **Final Value Fee** (% of your sale cost when it's sold) : \$2.61
- **Additional Listing Fees** (enhancements to your listing): \$1.50
- **Transaction Fee** (say you use PayPal to accept payment): \$1.60

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**Additional Fees Total:** \$8.11

Now if your wholesale cost is \$47 and you plan to sell it for \$65, your potential profit on that item is not \$18...it's **\$9.89**

As you can imagine, it's pretty important to know what your additional fees will be so you can fully understand what kind of profit to expect from a product. *And... you can determine your basic fees before you actually try selling a product on eBay.*

#### How to Find eBay Listing Fees

1. Go to **eBay.com** and log in.
2. Find and click on the "help" tab.
3. Click on the "A-Z" index.
4. Click on the Letter "F"
5. Click the "Fees: eBay.com"

Aside from figuring a very close approximation of your potential profit, this type of research can also help you to not lose money on each sale. In the ceiling fan example, let's say your wholesale cost was \$47 and the average retail price was not \$65, but instead \$57. If you didn't tally in your extra costs you would walk into selling that product thinking you would make \$10 a sale when in fact...after your fees kicked in you would only have made *11 cents!* That's not a very profitable business model.

So remember to tally up additional selling fees when doing your pricing research. While the fees don't usually add up to a lot, they can still have an impact on your bottom line.

Now, let's look at what pricing information you need to gather from your competition, because it is more than just their retail cost. Sometimes, what other sellers display as their retail cost is not actually what they are selling the product for!

## Pricing Tricks of the Sneaky Seller

Sometimes, retailers who do price comparison research go to a few competitors' websites and then simply take a look at what they are selling the product for—the posted retail price. They look at the retail price, compare it to their wholesale price and figure that will be enough to indicate if they can compete. However, retailers can be sneaky...

Would you believe the bottom three products are all being sold for exactly the same price?



### **Best Binoculars EVER!** **Nikon 8x40mm Ultra Wide View**

- \* High Performance!
- \* Central Focus
- \* Sharp, multi-coated lens
- \* Diopter Adjustable

**Free Shipping!**

**Price:.....\$81.50**

*Please allow 1-2 week for delivery.*

**Free Shipping** usually isn't free at all. Some sellers put the shipping cost, in with the retail cost. The customer thinks he got a deal but he is still paying for shipping.



### **Best Binoculars EVER!** **Nikon 8x40mm Ultra Wide View**

- \* High Performance!
- \* Central Focus
- \* Sharp, multi-coated lens
- \* Diopter Adjustable

**Price:.....\$75**

*Only \$6.50 Shipping & Handling!*

**Retail and Shipping:** These go hand in hand. When you do your pricing research you have to collect both, in order to see what the retailer is really doing.



### **Best Binoculars EVER!** **Nikon 8x40mm Ultra Wide View**

- \* High Performance!
- \* Central Focus
- \* Sharp, multi-coated lens
- \* Diopter Adjustable

**Price:.....\$67.25**

*\$14.25 Shipping & Handling not included.*

**Low Retail Prices:** Sometimes a really low retail price is an illusion. Sellers will sometimes put part of the retail price in with the shipping so they can display a lower price!

Comparing your costs vs. current market prices is probably the biggest part of pricing research—or at least the part that will give you a pretty good idea of whether or not you can compete and still make a decent profit. But when you gather prices from your competition *you have to look at more than just the retail cost.*

**Important!** Gather retail & *shipping prices* from your competitors!

Retailers often pad their costs, fees etc. in with the retail and/or shipping expenses. If their wholesale cost is kind of high, they might add some of it to the shipping cost so that they can show a cheaper retail price. On the flip side, if they want to make it appear they are giving you a special “free shipping” rate, they’ll sometimes put the shipping cost in with the retail cost of that product.

You see this happen all the time in eStores and auction listings (though eBay frowns on it.)

### Working Around a Shipping Calculator

There may be times when you see your competition using a shipping calculator to hide the shipping price until the end of the sale. If the auction listing or eStore uses a shipping calculator then what you need to do is find out the average shipping cost for the item. You can do this by calculating how much it would cost for the item to ship to the extreme ends of the US.

1. How much would it cost to ship to NY? **New York zip: 10001**
2. How much would it cost to ship to CA? **California zip: 90210**

**Determine Average Shipping Cost:** Add both shipping costs and divide by 2  
(*That will be the retailer's price they have set for shipping...even if it's padded!*)

By looking at other sellers' *shipping and retail costs* and comparing them with your *wholesale cost/shipping and any additional fees* you will be able to gauge what kind of profit potential to expect from that product—provided you set a similar retail price.

You *don't always* have to set the same retail price as your competitors though. During your pricing research you will gather enough data to formulate an average current market price (which we'll discuss more in part 2 of this book).

You'll find with some products you can compete and even test higher prices to increase your profit margins. You would think that the lowest price always wins but that's not always the case.

Ebay is one of the most price driven markets on the Internet, meaning people who shop on eBay are always looking for great deals, low prices and super discounts. It's the perfect place to support the comment that "you don't have to have the lowest price" because eBay customers *are bargain shoppers*.

However, even with multiple sellers all selling the same exact product you will see some sellers setting much more expensive retail and shipping prices—*and still making sales*. It does happen.

The important thing to remember with pricing research is that even though price isn't necessarily king, it is still in the royal family. If you find that most of your competition can sell for much less than you can afford to, then that's a product you should probably avoid.



## Wholesale

Let's say you are thinking about selling dry erase boards. You looked online and found a wholesaler. Setup was fairly simple; all you had to do was pay what you thought was a pretty reasonable setup fee, give them a little personal info and you were ready to go. You look through their list of dry erase boards and they tell you your wholesale price per unit is \$27. So far you feel good about making progress.

Well you start looking online at other retailers selling dry erase boards and notice that they are ALL selling them for somewhere between \$16 and \$20. Right off the bat, your wholesale price is more expensive than pretty much every other retailer in that market. *How the heck are they able to sell those for so cheap when the wholesale price is \$27!!?* So, you shake your fist, put about a buck fifty into the family cursing jar and move on to another product.

Consider this...

What if... you were basing your decision (to not sell a product) off the wrong data?

What if... you were not getting a real wholesale price to start with?

What if...*you were NOT working with a real wholesaler?*

One of the most important parts of pricing research (or any research for that matter) is working with accurate data. If part of your original research data is wrong, then the outcome will always be wrong. *Before you can compare your wholesale cost you need to know if you are truly getting the BEST wholesale price for that product!*

### 3 Things You Have to Know To Get the Best Wholesale Prices

#### #1: Know Your Wholesale Source:

A huge obstacle for new online retailers in today's market is accidentally hooking up with *fake wholesalers*, and when this happens it throws off all of their market research data causing their business to fail before it even gets off the ground.

As I've mentioned before, my day job used to be researching wholesalers. I was a lead researcher for the biggest wholesaler database on the Internet and it was my job to find the real wholesalers in a sea full of fakes. I've spent (too many) long days researching online, visiting tradeshow and conventions, calling, emailing and even visiting wholesalers trying to track down the real suppliers. I made a lot of wonderful contacts but also learned that fake wholesalers have all but reached epidemic proportions online. I tell ya, it used to really burn my biscuits spending day after day sifting through wholesaler leads only to find a small handful were legit.

I'm not exaggerating when I say that fake wholesalers are a retail cancer spreading through all of the major search engines. There are tons of them out there waiting to infect novice online sellers *so you have to be really careful finding wholesalers on your own*. These guys are real fish droppings (a.k.a Bass-Turds), pardon my language, and the cause of many a failed new business.

*You have to work with a legitimate wholesaler (an Authorized Wholesaler) to ensure you are getting **the best wholesale prices** you can get.*

Fake wholesalers are people who pretend to be real wholesalers, but they're not. They charge bogus fees and increase the real wholesale cost you should be paying.

## Spotting Fake Wholesalers

The old saying “you can’t judge a book by its cover” holds true in the online world; though it should be revised to say “You can’t judge a company by its homepage”—or more to the point, “You can’t spot a fake wholesaler based on how their website looks.” Anyone can fork over the money to have an impressive, professional looking website designed for them, and I mean *anyone*—from honest companies to crooks.

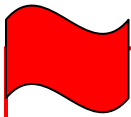
I’ve found that real wholesalers usually have websites that look worse than fake wholesalers! But there is a reason for this...

- **Real Wholesalers** are professionals at wholesaling and working with retailers. They are typically more concerned with retailer relationships, shipping products, handling orders and running a wholesale business. Most of their accounts are with bigger retailers and they are not too overly concerned about attracting online sellers—though that doesn’t mean they will not work with you. *They’re not overly concerned about impressing anyone with their website because they’re not trying to “sell anyone” with their website.*
- **Fake Wholesalers**, on the other hand, can only make their money from new online retailers because savvy retailers know better than to work with them. So they usually work pretty hard to have a clean, professional looking website with lots of marketing hype “below wholesale prices,” “best prices guaranteed,” “get started today- free trial” and so on. *They’re very concerned about impressing you with their website and the benefits of using their company and selling “their products” (even though they don’t actually carry products at all).*

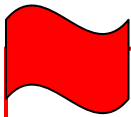
*Fake Wholesalers pretend to be real wholesalers—but they’re not! They are usually a lone person, working from home who has set up an account with a real wholesaler. They post products on their “wholesale site” and then increase the real wholesale cost of the product. When retailers order products from fake wholesalers, the fake one is simply turning around and ordering the product from the real wholesaler YOU should be working with! *You never get real wholesale prices from a fake wholesaler.**

So if you can’t base it on their website, how can you spot a fake wholesaler?

### **Red Flags for Spotting Fake Wholesalers**



**Set-up Fees:** Fake Wholesalers fool you into thinking you have to pay a set-up fee to “set up an account.” It’s non-refundable and completely bogus. *99.9% of REAL wholesalers never charge a set-up fee to start an account!*



**Monthly/Annual Fees:** Fake Wholesalers make most of their money from charging these ridiculous fees. They charge you as much as they can before you get wise and leave, but of course it’s all non-refundable. *It’s FREE to work with 99.9% of REAL wholesalers!*



**No Tax ID Required:** Fake Wholesalers know that some new retailers are afraid of getting a Tax ID, so they tell you it’s not required. They want to make it easy to start taking your money. *REAL wholesalers need your TAX ID as legal proof that you are a real retailer!*

In order to get the best wholesale prices, you have to work with real Authorized Wholesalers. But in order to do that YOU have to know how to set up an account...

## **#2: Know *the Right Way* to Set Up a Wholesale Account**

In order to get the best wholesale prices you have to work directly with an Authorized Wholesaler. It's almost always going to be FREE to set up an account with a real wholesaler but you have to know a few things...

**First:** *Authorized Wholesalers rarely ever post their actual wholesale prices on their website for people to see.* So when you land on a real wholesaler's website, don't look at the prices they have posted and assume that it is wholesale because it's usually retail.

Some wholesalers do offer their products on their website for the public to buy—don't be alarmed if you see this happening. It doesn't mean they will be competing with you. Their main source of income is through many retailers selling their product, not from their own website sales. They're not going to be promoting their own website to try to get customer sales. Many of them that do sell on their own website have the option in the event that a consumer does happen upon them and wants to purchase.

**Second:** *In order to find out what your real wholesale cost will be, you have to set up an account with them.* In order to set up an account you have to show them proof that you are a legitimate retailer. **Even if you only plan to sell on eBay auctions** and not start an online store, you still have to be a legal registered retailer in your county.

Becoming a real business isn't as fancy as it sounds. Essentially you need to have two pieces of information to present to a supplier:

- Registered Business Name
- Tax Id (US Residents only)

Suppliers use this information as legal proof that you are an *actual retailer*. This allows them to charge you wholesale cost and not charge you tax.

Registering a business scares some people—don't let it scare you! It is a natural and completely necessary part of starting your own business (and you need it to get the best wholesale prices you can get!).

Getting a registered business name and tax id sounds really official and complicated but it is actually quite easy to do. All you do is fill out information about yourself and location and register that information with the state.

Just call up your *local county clerk's office* and tell them you are starting an online business. They'll send you to the necessary forms (usually online) to start the process. It really is as simple as that.

Need help finding your local county clerk's phone number?

1. Go to: [www.yellowpages.com](http://www.yellowpages.com)
2. In the Name search field type in: "*your county + clerk of the court*" ( example: *Seminole county clerk of the court*)
3. Select your State from the "State" drop down menu
4. You don't need to type anything in "Category" or "City"
5. Click "Find"

When you call up your county clerk just tell them you are starting an online business and need to register a business name and tax id. What they usually do is direct you to a state website so that you can fill out all of your information online. When I registered my business in the state of Florida it took me less than 20 minutes to fill out the forms (online) and I received my confirmation number and certificate in three days.

Of course, the price to register and time it will take for you to get it will vary depending on where you live. I had to spend around \$50 in my county to register but it's less in most other states and in some states it's FREE. Your clerk will let you know what to expect.

A registered business name may be called something different depending on where you are located. DBA (Doing Business As), Reseller's Permit, Seller's Permit, Resale License, Resale Certificate, Fictitious Name... all refer to either a registered business name or tax id.

### **Naming Your Business**

If you have not filed for a registered business name, then let me give you a tip: *Don't use a product specific name when choosing your registered business name; pick something that doesn't reflect what you will sell.*

Your registered business name will be the name you use to open accounts with many different wholesalers for many different kinds of products. You could open 10 different stores and sell 100 different auctions using one registered business name and tax id so keep the name *product generic*.

Examples of a product generic registered business name would be:

*Creative Solutions, Billy Enterprises, LB Distributing Co.*

Be creative and have fun naming your business but try not to go overboard toiling over the perfect name. Also, when you visit your state website for registering your business name look for a link that allows you to check and see if the name you want to use has been taken already. Some states will still charge you a processing fee *even if the name is taken and you have to start all over*. You don't want to spend any more money than you have to, so run a search on your state's site!

When you file, you will be asked if you are a corporation, LLC, sole proprietor etc. I'm not a lawyer but I can tell you from my experience and having dealt with thousands of online retailers that registering as a sole proprietor works wonderfully.

Many people think that you *have* to be a corp. or a limited liability company (LLC) but that's not true. For an online business, being a sole proprietor works just fine and is enormously cheaper and easier than setting up a corporation.

What many people do is start their company as a sole proprietor and then upgrade it to an LLC once some money starts coming in. You have to do what is best for your situation here though. If money is tight, sole proprietor will work. If you can't talk with a lawyer about your options (which most people can't afford to do), then talk with a local accounting/tax firm and they can help you understand your options as well. I'll also put some legal references you can check out online in the resources section of this book.

### **Ok now, getting back on track....**

Once you have your registered business name and tax id you are ready to set up accounts with wholesalers. Setting up an account with a wholesaler is the easy part in terms of actual work involved in researching products. All you have to do is fill out an application and submit it.

However, when you are filling out their application there may be some fields that are confusing to you so let's go over some of the most common questions I've gotten from retailers about account setup forms...

- *The application is asking for trade references. I'm just getting started so how can I have any trade references?* Classic Catch 22 but it's not a problem. The easiest way around this is to be honest with the supplier. On the application you can put a



note in that field like “First online business” or “N/A.”. This will typically nip this problem right in the bud.

- *The application is asking for my credit card information (or SSN); is this normal?*

Some suppliers will ask but it doesn't always happen. If you are certain the supplier you are looking into is a legitimate supplier, then it will be ok to submit that information. If you found the supplier on your own without using a trusted directory, then I would recommend using extreme caution. There are a lot of shady individuals out there posing as suppliers. If you did get the supplier from a trusted directory then the supplier may need that information for further verification purposes. They also may have a credit system set up for retailers and need to verify your current credit status. (Don't worry too much if your credit is shot. If you plan to have the product drop shipped then you won't be purchasing any minimum amount of products and your customers PAY YOU before you have to pay the supplier...so you usually won't need to set up a credit account anyway.)

- *The application is asking for a business bank account, but I don't have one.*

*Should I use my personal checking account?* If you don't have a business bank account in place for your business yet, then I would recommend getting one. They are free at some banks and are usually little more than glorified personal checking accounts. Keeping your business money separate from your personal funds is a good idea. And if you do run across a supplier who asks for this then you will have it.

After you have filled out your company information and submitted the form it's best to begin researching new products to sell and setting up more accounts. Don't stare at your email expecting an immediate reply from the supplier. Once they receive the form they have to process it, which takes some time (sometimes up to a week).

### #3: Understand Wholesale Pricing Tiers

Authorized wholesalers do give the best wholesale prices but your wholesale price can be different from those of other retailers—depending on how you work with the wholesaler.

*Example wholesale prices...*

Order Method:	Qty of Product	Wholesale Cost per Unit
Drop Shipping	1 unit	\$10 per unit
Light Bulk	20 units	\$7 per unit
Volume	50 units	\$5 per unit

When you are considering wholesale cost and doing price comparisons, you also have to take into account what pricing level you are at—which is based on how much you are going to be purchasing.

- ◆ **Drop Shipping:** This ordering method, while cheapest for you because it doesn't require you to buy inventory, has the *highest wholesale price*.
- ◆ **Light Bulk Ordering:** This ordering method does require you to purchase products up front but you'll get discounts on top of your wholesale cost because you are buying in bulk quantity.
- ◆ **Large Volume Ordering:** This ordering method has the best wholesale price because the retailer is buying in volume. The more you buy, the better the discounts—which means the *cheapest wholesale price*.

## Lesson VI

### Advertising Research Fundamentals



Roy is a huge Civil War buff. He does his research, gets a wholesaler that carries related memorabilia and moves forward.

He goes through all of the steps to open an online store and registers his new domain: [www.ConfederateCorner.com](http://www.ConfederateCorner.com) selling Civil War books and memorabilia at “*prices so low they’re treasonous!*”

He builds a really nice website with lots of great Civil War products, lays them all out nicely and neatly in their own categories, has the pictures set to enlarge when people click on them and even has a charming little animation of Stonewall Jackson riding his horse across the top of the website. He’s covered all the bases.

He launches the store and waits eagerly for his first sale. To kill time he makes a few tweaks and modifications to his product layouts—nothing major, just a couple of nudges to one of the images that was off center.

A couple of weeks go by and still no sales, no questions from anybody—no nothing. He makes some test orders himself to see if that’s the problem and finds out that the order system is working just fine. Hmm.

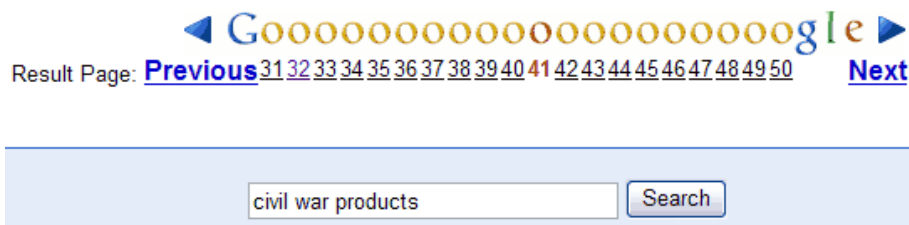
Two months go by and he has not made one sale. No one is visiting his store. He begins to wonder what the heck he has done wrong. What’s the deal!?

**The deal is simple:** *People do not know his store is on the Internet.*

When you first launch your business online no one will be typing in your “www. Com” domain name into their address bar because no one has a clue yet what your domain name is! They don’t know you exist so how could they know to search for you.

When you launch your business you are going to be buried under hundreds, thousands sometimes hundreds of thousands of other webpage results from the search engines. It has been rumored for a long time that Google, before they will even begin to allow your site to appear in the results, puts it in a holding cell dubbed “the Google Sandbox.” Many website optimizing experts believe they keep you there for around two-three months.

Whether the “Sandbox” exists or not, the fact is when you first launch your website you are not going to show up in the high ranking page results. You’ll be way down the pages. Roy’s could’ve been down in page 41 underneath hundreds and hundreds of website results. Who will find him there?



There are millions of online shoppers but that doesn’t mean they are all willing to search through a lot of websites to find yours. Google often returns MILLIONS of website results during a search. People don’t get excited and say “Oh goody! Look at how many results there are...there’s bound to be what I’m looking for in one of these millions of websites. Better start clicking on site links ‘cause it’s gonna be a long night!”

No...

... instead they click on a few of the first sites on the first page and then change what they have typed in if those sites don't show what they are looking for.

People rely on search engines to show them where the best websites are. When someone goes to Google, they expect Google to display the really good websites *on the first page*.

When you search on the Internet for something, how many websites do you go to before you type in a different search? Three websites? Maybe five websites? Everyone else is the same way. People who search on the Internet do not want to flip through pages and pages of search results to find what they are looking for. One page of results usually contains around 10-20 websites—and you need to be in that group (on the first page).

This sounds like quite a predicament doesn't it? The search engines are going to bury you under piles of other websites and people usually only look at the first page of results for most search engines.

*What's a new seller to do?*

## **PPC Advertising Basics**

Have you ever heard of Pay Per Click Advertising? When I first heard this term I thought people were saying "paper clip advertising" like it was some sort of buzz phrase I was not hip to yet. After some research and a little embarrassment I was relieved to find that people were not cooler than I was. I just misunderstood.



Pay Per Click-advertising or “PPC advertising” is an ingenious advertising medium that allows any website to show up in the top search results, even if it is a new website.

When you do a search (on Google for example), you've probably noticed there are always website results that show up at the very top and grouped along the right hand side of the search pages. →



...those are businesses using PPC advertising—they are paying money to be there.

Pay Per Click advertising is just how it sounds; you *pay* money every time someone *clicks* on your site link. You *pay* **PER** *click*. What you are really paying for though is to have your website show up in the search results when someone types in certain keywords—keywords that you have decided are relevant to your business.

As I've said before, you'll be building a keyword list for the products you research. Using the keyword list you'll compile you'll be able to determine what keywords would be the best ones to advertise for. In other words, you'll be able to figure out which keywords people are typing in—people who are probably shopping customers—and then advertise for those so your site shows up in the search results.

As you may have guessed, you are not going to be the only company that knows about PPC ads. Your competitors (the ones you were gathering prices and such from) will likely also be advertising using the same or similar keywords you want to advertise for. So whose website gets picked to be served up on the first page?

Most advertising companies allow a certain number of businesses to advertise for the same keyword. This way it's not just one person who buys out that keyword and no one else can use it. For example, an ad company may say that 40 businesses can advertise for the keywords "Civil War Gifts" or "men's watch" or "Black and Decker Toaster Oven."



Each of those companies set a maximum price they are willing to pay every time someone clicks on their ad. The highest bid wins the top position; second position is given the next highest bid and so on and so forth...

As you can imagine there are a certain number of "**Bidding Wars**" that go on for very popular keyword phrases.

In order for PPC advertising to really be effective you need to be on the first page of search results. People rarely make it over to page two of search results so your best chances of getting some quality traffic will be by advertising for the right keywords and getting your listing to show up on the first page when people type those keywords in.

The very top three positions are referred to as "The Premium Listings" and they do generate the most traffic, but it's been found that it's not always the best place to be. The clicks are very expensive and you get a lot of "quick clickers" who just click on the first thing that shows up without any interest to buy. *That can get really expensive!*

So as a general rule of thumb, bid so you can be listed on the *first page* of results.

## Add-a-Penny Rule

It helps with advertising research to understand that what people bid for keywords isn't necessarily what they are paying...

Let's pretend that there are four people bidding on the keyword phrase: *first aid kits*. Each person has a store that sells first aid supplies and equipment and each of them wants to make sure their site shows up when people type in the keywords: *first aid kits*. So they set up an account with an ad company and begin setting prices for what they are willing to pay for each click that they can get. (clicks = customers; when you do it right)

example-TOP Bid's on keywords: **'First Aid Kits'**



	Company Name	
1.	Larry's House of Pain Relief <a href="http://www.Larrys.com">www.Larrys.com</a>	(bid: \$0.48)
2.	Moe Stuff 4 Less <a href="http://www.Moes.com">www.Moes.com</a>	(bid: \$0.40)
3.	Curly's Cut's n' Cramps <a href="http://www.Curlys.com">www.Curlys.com</a>	(bid: \$0.38)
4.	William's Boo-Boo Barn <a href="http://www.boobooobarn.com">www.boobooobarn.com</a>	(bid: \$0.37)

Each of them set a different price that they are willing to pay. Notice they didn't bid: 38, 39, 40 and 41 cents...they each bid random amounts like 38, 40 and 48 cents.

Well, gaps between prices, oddly enough, are referred to as *bid gaps*. Curly bid 38 cents per click and Moe bid 40 cents. There is a two-cent gap. There is an eight-cent gap between Moe and Larry. Ad companies take bid gaps into consideration when determining what each bidder has to actually pay...

**Larry bid:** \$0.48 – *but only pays 41 cents*

**Moe bid:** \$ 0.40 – *but only pays 39 cents*

**Curly bid:** \$ 0.38 - *but pays 38 cents*

**William bid:** \$ 0.37 *but pays 37 cents*

Some advertising companies use what I like to call “add-a-penny” pricing. What they do is charge the high bid holders what the bid holder beneath him is paying and then *adds a penny*.



## **Picking Products That Can Produce Customers Quickly**

You know your website will be hard to find when you first launch it. You know you have to have customers or you won't make sales. You know you will have to advertise to get the customers you need—so make a product's *Advertising Potential* part of your market research!

If you are trying to start a business on a very tight budget then your advertising research will be very important in picking a product that can produce customers quickly and affordably.

### **Think about it:**

- Some product niches have less competition than others
- You know you will have to advertise to get traffic because your site will not show up in the rankings when you first launch
- All product keywords have different PPC costs

*So why not research to see which products will be the cheapest to advertise for?*

As your research progresses you will begin finding a lot of different products that will be good products for you to try to sell. The problem will become which of those products should you start with? This is where determining a product's *advertising potential* can help you find the best of the best that will fit your budget. You need to determine which of those products can be advertised the most affordably, soon after you launch your business; *so you can start generating some customers.*

Figuring out a product's advertising potential is really just a way of seeing how cheap or expensive it's going to be to advertise that product—or more accurately how much

will it cost to advertise for the keywords your customers use when they look for that product.

## **Advertising Potential**

When you start researching a product's advertising potential you can pretty much break it down into three parts:

1. How much can you afford to spend on advertising?
2. What keywords will be the best for that product?
3. Where are you going to advertise?

### **1. How much can you afford to spend on advertising?**

How much money can you set aside each month to advertise your business in search engines? Remember that in order for people to know you are selling online they have to be able to find you. Even if your budget is tight, you still need to determine how much money you can reasonably afford to spend to help drive some traffic to your store or in some cases auction listing.

Can you afford \$5 a day to advertise your business? Or maybe \$10 a day? You need to know this before hand because it all starts to add up pretty quickly. When you start some ad campaigns you'll have to tell the ad company exactly how much money you are willing to spend each month on the campaign. And you need to know this for your own research as well.

Let's say you can afford to spend \$100 a month. Take that number and divide it by 30 (because there are usually around 30 days in a month) and you have an approximate daily ad budget for your business—in this case it would be around \$3.00 a day.

If it only costs you \$0.05 cents a click for that product, then that means you can generate around 60 people a day to your business. ( $\$3.00 / .05 = 60$ ).

## **2. What keywords will be the best for that product?**

During your initial demand research you are going to be focusing in on what the best keywords to use for that product will be. Finding the right keywords that people are searching for (that shopping customers are searching for when they look for that product) is crucial to the copy on your site, auction and *even more so with your advertising research*.

You gotta have money on the mind when you think of advertising—your money that is. If you spend money on the wrong keyword phrases then you will drive traffic (people) to your store that are not interested in what you have to sell.

If you have a baseball store and spend money advertising for the keyword “baseball,” you’ll eat up your daily budget within a few minutes and only get people who were looking for game stats. That means no shopping customers, no sales and money down the drain. You have to look for more specific keywords to the products that you offer as we talked about in previous chapters.

PPC advertising can either be your best friend or your worst enemy. Be mindful of trying to find the most relevant keywords to advertise for when you engage in advertising campaigns.

## **3. Where are you going to advertise?**

You have options when it comes to advertising your business on search engines. And how much money a keyword(s) will cost you in PPC will be different for different search engines. So as you do your advertising research, you need to be aware that you can often get better prices on smaller search engines—and better prices mean more customers if you’re on a shoestring budget.

One of big players in PPC advertising is Google for the simple fact that they attract the largest overall portion of Internet users. That means more people use them on a daily basis than any other search engine. Google, Yahoo and Bing represent a huge percent of Internet users so advertisers like to tap into that customer stream, as you can well imagine.

**Google Adwords:** Adwords is Google's PPC advertising system. If you want your business to show up in the sponsored listings on Google, then you'll use Adwords. You can set up an Adwords account for just \$5 and you can have a very low daily budget, which is nice for beginners. Adwords has a very comprehensive account management system that allows you to easily test different ads (which you will be doing often). When you advertise using Adwords your ad will show up on Google and their massive content network.

There are advantages and disadvantages to advertising with big search engines. On the one hand, you'll be able to attract lots of shopping customers if you're able to afford to run a few good PPC campaigns. The disadvantage is since so many shoppers use those search engines you'll find lots and lots of competitors advertising there as well. Google Adwords is usually where your highest prices for PPC will be. For some products, it will be much too expensive to even consider. Which is exactly why we research first!

**Other PPC Sites worth consideration:**

New sellers often don't realize that even though Google and Yahoo get the bulk of Internet users, there are lots of other search engines that get millions of users. From a retail standpoint do you really care where your customers come from? I thought not. Who cares where your traffic comes from so long as they are relevant shopping customers to what you have to offer. If you can generate more potential customers from lesser-known search engines (and spend less money for more traffic) then, to me—bring it on!

**LookSmart:** LookSmart offer's PPC advertising to a network of over 400 million searches a day. Ads show up on- Cox Interactive, InfoSpace, CNet's Search, Mamma and more. Keyword prices tend to be less, which allows you to get a little more traffic for your dollars...on some keywords.

**Business.com:** If you are researching product niches that could be sold to other businesses then you should check out the ppc advertising options available at Business.com. While they are primarily a trusted business directory they do offer a ppc network that can work for you depending on what you selling.

Class is over,  
it's time to get to work.





## Preparation: Before You Get Started...

Understand that market research takes some time to do but it's time well spent. It'll actually save you money and help you identify products that will be great for your new business. But what if you spent a few hours researching a product...maybe even a few days... only to find out that there are not any wholesalers you can work with?

Remember that just because you might see a product being sold it doesn't mean that the wholesaler(s) for that product are willing and/or able to work with smaller home-based business online retailers—even if you see it being sold in online stores and auctions. Some wholesalers have very strict policies and even legal contracts with large retail chains stating that they will only allow certain vendors to sell the product. If you spend time researching a product without knowing in advance that you can get a wholesaler you could end up wasting a lot of time.



It's kind of a catch 22 when you think about it. It's easy to get confused and wonder... *Why should I start researching a product without knowing if there is a wholesaler and why should I try to track down a wholesaler if I haven't researched to see if the product is going to be worth selling?*

Fortunately, there is an easy way around this conundrum. It's simply a matter of picking the smartest route when you have two different roads you can travel down. On the most basic level, when you start your research, you have two options...

People often begin their research in one of two ways:

- ◆ **Hard Way:** Start researching a product; if it looks promising, try to find a wholesaler. If you can't find a wholesaler, start researching a different product and repeat until you find a product with promising research data and a wholesaler who will work with you.
- ◆ **Smart Way:** Start by knowing you have a wholesale source you can work with. Then research their products to see if they are good products for starting your first business.

Can you see why the “hard way” is not that smart? You are spending lots of time on a product that you don't know you can even sell yet. It's like joining a car race without having a car—and not even sure you can get one. If you don't know there is a wholesaler you can work with but you start researching a product anyway, then there is a very high probability that you'll be wasting your time on that product.

The simple fact is there are far more wholesalers who will NOT work with online sellers than there are ones that will. As I said before, I was a lead wholesale researcher for many years. My job was to scour the Internet, visit trade shows, talk with trade organizations and find manufacturers and wholesalers any way I could.

Hear me now and believe me later, 99% of actual Authorized Wholesalers you find on your own will say no when you ask “Do you work with online sellers?” Finding real wholesalers is hard enough; finding ones that will work with you is even harder! But, that's our burden to work around as online sellers, *and there are solutions.*



## **Start Smart! *Start with a Wholesale Source***

When you start researching a product to sell, *start by knowing you have a wholesale source for that product*. When you do this, you save yourself an enormous amount of wasted time and frustration. When you know you have a source and your research shows they have great products to sell, then you can start selling as fast as you can get your business launched!

I'm going to show you two different ways to find genuine wholesalers. I'll leave it up to you to determine which way is best for you. Of course the *Fast Method* is your best option but, it will depend on your finances.

- **(Slow Method) Do-it-Yourself Product Sourcing:** Doesn't really cost you anything but time. You can find wholesalers on your own but it's a long hard road wrought with dead-ends. However, even if you choose the Fast Method it's good to know how to Do-It-Yourself in case you ever have to go on a wholesaler hunt on your own.
- **(Fast Method) Use a Trusted Wholesale Source:** When it comes to business startup expenses, this can be one of your best purchases you'll make. I'll tell you about the world's largest source of wholesalers that have already been pre-qualified to work with online sellers. You'll literally have access to millions of products from day one. *This is the fastest way to get started selling online.*

**Do-it-Yourself Product Sourcing:** Finding wholesalers on your own looks easy in writing, but it's not until you actually start doing the work that you realize this is gonna take a while.

First, always keep these three *Rules-of-Thumb* in mind when searching for wholesalers:

- ◆ **Rule #1:** Don't do random searches online. Real wholesalers almost never advertise over the Internet. We've already touched on this in previous chapters but to recap, they don't go looking for online home business accounts. They look for big accounts so they don't spend time and money advertising to get online retailers. *People who claim to be wholesalers that you find in the search engines are almost always fakes.*
- ◆ **Rule #2:** The majority of real Authorized Wholesalers will not charge you monthly fees, annual fees or setup fees to work with them. *If you find someone who is charging you these fees then they are very likely a fake, are charging you bogus fees and also increasing the actual wholesale price of the products.*
- ◆ **Rule #3:** The majority of real Authorized Wholesalers require you to submit a registered business name and tax id. They have to have this to have proof that they don't have to charge you tax and can give you true wholesale prices. *Beware of "no tax id required" companies claiming to be wholesalers.*

With those rules in mind, your quest to find genuine wholesalers starts by tracking down the *source of the product*. You always want to start at the top and work your way down. So, you have to find out who the manufacturer of the product is, first.

## Locate the Manufacturer

All products have manufacturer identification on them somewhere—either on the product, on the label or in the booklet it comes with. Be careful not to assume you know who the manufacturer is by the brand name associated with that product. *Brands are NOT always the name of the factory.*

Your goal is to see if the manufacturer will work with you and if not then find out if they can provide you with a list of their Authorized Wholesalers. There is a FREE resource online that will help you track down manufacturers.

### The Thomas Net (*Thomas Register*)



The Thomas Net is an online database of manufacturers that you can search through to locate some phone numbers, addresses and other contact information for manufacturers.

Just go to: [www.thomasnet.com](http://www.thomasnet.com) (*I'll also include this link in the Resource section of this book*)

**The Good** thing about the Thomas Net is that it's easy to use *and free*. You will find manufacturers of a variety of different products. It's also fairly well organized to make it easy to search by product or brand and it will list contact emails and phone numbers for the manufacturers listed.

**The Bad** thing, however, is that it's not entirely relevant for online selling. It lists lots of industrial manufacturers that have product components...which are great if you need parts of a product, but not so good if you need the actual product itself (which is what you are trying to find as a retailer). All and all though, for a free resource to help you locate manufacturers the Thomas Net will help.

## **Contact the Manufacturer**

After you've located the manufacturer you have to contact them. Most manufacturers can be contacted by phone or email. Phone calls will yield the fastest results but be mindful of their locations or you could end up with a bloated phone bill at the end of the month that you weren't ready for!

When you talk with the manufacturer always use your company name and it's really best to get right to the questions you need to ask. Even as a newcomer this will help you sound more professional. I'm not saying to be rude or abrupt, just don't hem and haw or tell them how you are trying to start a new online business. They don't want to hear that and don't need to. Your goal is to find out information about their policies. The fact that you are a new retailer is irrelevant at this point.

### **Important questions to ask:**

- 1) *Do they work with online sellers?* If not then don't hang up. Most manufacturers do not work with retailers directly but you are asking because sometimes they do—and if they do then you would want to work directly with them because they are the source. But if they don't, ask them for a list of their Authorized Wholesalers and start the questions with them.
- 2) *Do they single item drop ship?* It's important to point out you are interested in *single item* drop shipping, not just drop shipping. Single item means they will ship just one product to your customer with no minimum orders—which is what you'll want if you don't want to carry inventory.
- 3) *Do they offer small volume ordering?* Some wholesalers will work with online sellers provided they buy in large volume. If you can't afford large volume but

want to get some better wholesale prices by purchasing in volume then you need to see what kind of small volume ordering they can do.

- 4) *What is the process for setting up a wholesale account?* If you get positive answers for 1-3 then find out their steps for setting up an account so that you can see their wholesale pricing. (Note: Wholesalers usually only give their true wholesale pricing after you have set up an account, so this is an important thing to know.)

Through these questions you will find out if the manufacturer works with retailers and if not who their real Authorized Wholesalers are. You'll also determine if they work with online sellers and have the methods of product delivery in place that you may want (like drop shipping for example).

Don't be surprised by rejection because it will happen often. The trick to finding real wholesalers that work with online sellers is numbers. The more you call the more you will find. *Persistence is the key* to Do-It-Yourself Product Sourcing.

As you move forward, it's a good idea to keep a list of the places you've contacted so you'll remember where you've already been and not spend time contacting the same place twice. After a few days of contacting a growing list of manufacturers and wholesalers the company names all start to run together...so don't rely on your memory. Make notes and mark which ones you are waiting for a response from, which ones said no and which ones are worth looking into further.

Aside from Thomas Net, some other ways to locate manufacturers are visiting trade shows in your area. When you get your registered business name, you can get into these events because you are a *licensed retailer*.

In all honesty, if you are open to selling any product so long as it's a product that will help you grow a successful business, then Do-it-Yourself product sourcing is a long hard road that takes up a lot more time than it's worth. There is a better way...

***Fastest Way to Get Started: Use a trusted Wholesaler Source***

Worldwide Brands, Inc. specializes in finding *eCommerce-Ready* Manufacturers and Authorized Wholesalers. That's what they do for a living. These guys are the real deal too. Remember, I said I was a lead researcher for a few years? Well this is the company I researched for. I can tell you first hand (from an insider) that their quality control is stellar—they go through great pains to ensure that they only list *genuine Authorized Wholesalers and Manufacturers* that WILL work with new home-based online sellers. No middlemen or fake wholesalers are ever allowed in their database.

This is great news for you but before I continue I want to assure you that I'm not just singing praise for these guys because I know them. But I don't want you to feel that you just have to "take my word for it" either because for all you know I could be biased.

So as an indication of how trustworthy these guys actually are, here is a small sample of some highly respected companies who also trust Worldwide Brands' services. Along with their Manufacturer/Wholesaler research branch...

- ◆ Their product sourcing information has been used by *Ebay University* a number of times.
- ◆ They are the Official *Product Sourcing Editors for eBay Radio*.
- ◆ They are Members of the *Better Business Bureau*.

I'm very proud to say that no other "product sourcing company" has these kinds of credentials and I am honored to have spent time researching wholesalers for them. Worldwide Brands research staff takes great pride in locating and listing quality

Authorized Wholesalers. They do have a very strict policy to ensure that only 100% legit wholesalers are added to their database—and that's a huge deal for online sellers.

They've been doing product-sourcing research for so long that they now have the ***world's largest database of real Top-Level Wholesalers*** . Their research staff is a lot bigger now than when I was researching for them. They now have a whole team of experienced researchers that search for Authorized Wholesalers all week, every week and they literally *add hundreds of new wholesalers every month*.

They've compiled all of their research into one easy-to-use product and it really is the only source for wholesalers an online retailer ever needs. You won't find such a massive collection of genuine wholesalers who have been pre-qualified to work with online retailers *anywhere else*.

### **Worldwide Brands - Millions of Products**



*Contains thousands of:*

Authorized Drop Shippers

Authorized Light Bulk Wholesalers

Authorized Importers

Authorized Liquidators

Authorized Large Volume Wholesalers

**And brand new Wholesalers are added each day!**

[Click here](#) to Preview Worldwide Brands now.

Imagine how much more efficient starting your product research would be if you had *millions of different products* at your fingertips and you already knew you could get a wholesaler for them. You could dive right in and start your product research. You could bypass trying to find the genuine wholesaler on your own and just stick to figuring out what to sell.

Using Worldwide Brands will give you a large pool of products to use as a base point. When you have such an immense collection of different products spanning every conceivable product category, and you can easily get to the real wholesaler, you can begin constructing your research list without having to back peddle and find a wholesaler.

As if getting access to Authorized Wholesalers isn't enough, Worldwide Brands also comes fully loaded with market research software that will help make some of the more tedious parts of market research that much easier. For every product search you do, Worldwide Brands will automatically compile research data to help you determine demand, competition, advertising and auction pricing. It even runs a quick analysis of the data and indicates if the product will be difficult to sell.

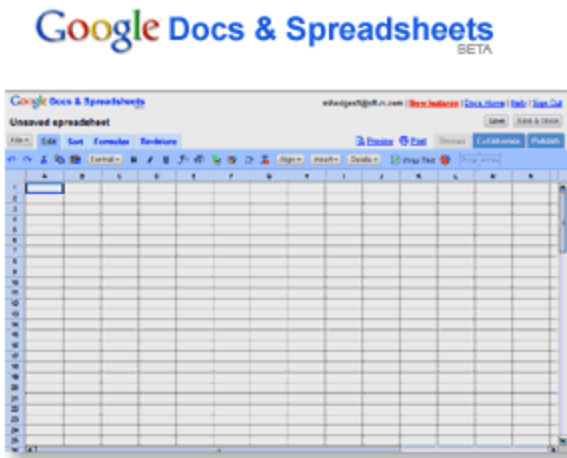
The research data in Worldwide Brands is helpful but as with any research tool it can't do all of the research you have to do in order to pick a great product. But as you learn how to research on your own you will find tremendous value in the free research Worldwide Brands comes equipped with.

Keep in mind you DO NOT have to have Worldwide Brands to use the research steps we are getting ready to go over in this book but from a product sourcing point of view (which is considerably important to your business) I *highly recommend* you get it. It's the only place I know for certain will connect you to legitimate wholesalers that have the best possible wholesale prices. And you need that not just so you can compete but so your market research data isn't based on bad info—and you won't accidentally pass by some really good products to sell.



## Organizing Your Research

As you research products you will begin gathering lots of important information that you need to reference to make your final decisions. Since you will be researching different products, all with different data, you have to have a way to keep it all organized and coherent.



Google offers a **FREE** spreadsheet program that I find works perfectly for organizing research data. The interface and usability are similar to Microsoft Excel Spreadsheets—but *it's free* and online based, which means you can access your saved research from any computer.

(Spreadsheet links available in the Sell Niches Research Center.)

Using Google Spreadsheets you'll be able to:

- Easily create individual worksheets for each product you research
- Organize your research data
- Backup your work (it saves it online so your data is safe even if your computer craps out on you)
- Accessible from any computer (great if you work at lunch during your day job)
- Share Access (if you are working with a partner)

## Step 1

### Creating Your 1<sup>st</sup> Research List

There are literally millions of products available to sell online and it's an understatement to say that this can be overwhelming. Determining what products to even start researching, much less sell, out of those millions of possibilities may seem like an impossible feat but it's not—so long as you organize your workflow.

Your very first step is to try to whittle down these millions of products into one product you can begin to research. So instead of getting tunnel vision, get funnel vision!



The top of the funnel represents your millions of choices—but all of those products are grouped into *categories*.

Those main categories can then be grouped into *niches* and within those niches there will be *single products for you to research*.

The idea is to take something that is big and overwhelming and systematically break it down into more usable “chunks” you can research and work with.

The fact is there are great products to sell within all main categories but until you start researching you don't know which ones they are. So you need a starting point, *a place of reference to begin your market research*.

Below is what I like to refer to as an “online seller’s” product category list. It strips out irrelevant categories such as *Antiques* (which you can't really find wholesalers for) and expands others, such as *Home and Garden* into more relevant subsets.

<b>Main Product Categories- <i>for online sellers</i></b>	
Adult	Games
Art	Garden & Patio
Baby	Health & Beauty
Books	Home Décor & Furniture
Cameras & Photography Equipment	Jewelry & Watches
Car/Boat/Vehicle Accessories	Kitchen & Appliances
Clothing/Shoes & Fashion Accessories	Music & Instruments
Coins & Paper Money	Pet Supplies
Collectibles	Pottery & Glass
Communication (cellular, phone, accessories)	Religious
Computers & Networking	Special Occasion/Party
Consumer Electronics	Seasonal/Holiday
Crafts	Sporting Goods
Dolls & Bears	Sports Memorabilia
DVD's & Movies	Stamps
Educational	Toys & Hobbies
Entertainment Memorabilia	Travel Accessories
Food & Drink	Video Games

## Starting Your Research List

Instead of randomly picking products you can organize your efforts and create a list that will allow you to see if the products *you like* will sell and *uncover products you wouldn't have otherwise considered*.

1.

**Add 1 Category *you like*:** There's nothing wrong with researching products you like. In fact, best-case scenario would be that the products you like end up being great products to sell...but you won't know until you research them. So add one product you like to your research list.

2.

**Add 1 Category *you are interested in*:** Look through a list of main categories and pick one that tickles your fancy, one that you think would have some good products to sell.

3.

**Add 1 Category *you know nothing about*:** This is where you will usually find most of the really good products to sell. By and large most new sellers gravitate toward “mainstream” consumer products (as products they like or know something about), which are often the hardest to sell. Researching product categories you don't know anything about usually uncovers very profitable niches—*because you are headed off the beaten path*.

## Niche Your List

At this point you have three *categories* of products. You can't research an entire category because every category contains numerous directions to go to hone in on an actual niche. So now, it's time to find niche products you can research within your main categories.

Recall from Part 1: Lesson 2 that when you "dig for niches" you need to go at least *three levels down* from the main category—you essentially identify subcategories and follow those to a niche. A website selling "Kitchen Items" is not a niche but a website that sells different kinds of Pressure Cookers and accessories would be a good niche site, a site that sells a variety of Aprons could be a good niche site. The point is taking it from something big like "Kitchen Items" down to an actual niche like "Pressure Cookers".

### Example:

Main Category	SubCategory	Niche
Cell Phones	Cell Phone Accessories	<i>Bluetooth Headsets</i>
Cameras	Digital Cameras	<i>Point &amp; Shoot Dig. Camera</i>
Garden & Patio	Outdoor Cooking	<i>BBQ Grills</i>

When you are dealing with product categories that you are unfamiliar with, use Google or any search engine for help. Just type in the main category and use the search results to give you a better idea of what kind of areas (or sub-categories) that main category can be broken up into. Then from there you can identify actual niche products to research. **In an effort to avoid "Researchers Block" use the following table of Main Categories, Sample Sub-Categories and Product Niche Ideas for reference or to help you get started...**

Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Art</b>	Wall Art	Wall Murals	Tapestries
	Art Supplies	Art Tables	Art Kits
	Paintings	Art Frames	Travel Cases
	Sculptures	Red Glass	Ceramic Figurines
	Outdoor Art	Gazing Balls	Fountains
<b>Baby</b>	Baby Clothing	Winter Wear	Bedtime Wear
	Baby Travel	Strollers	Baby Slings
	Baby Room	Cribs & Cradles	Night Lights
	Baby Health	Skin Care	Baby Food
	Baby Toys	Crib Mobiles	Teething Toys
<b>Cameras &amp; Equip.</b>	Digital Cameras	Point & Shoot	Sub-compacts
	Lighting	Light Tents	Light Kits
	35mm Cameras	Beginners	Professional
	Accessories	Tripods	Cases
	Developing Tools	Digital Readers	Film Dev. Supplies
<b>Crafts</b>	Textile Crafts	Knitting Supply	Quilts
	Paper Crafts	Collage Supply	Calligraphy Sets
	Fashion Crafts	Jewelry Kits	Handmade Bags
	Functional Crafts	Pottery Kits	Baskets Kits
	Decorative Crafts	Dried Flowers	Holiday Ornaments
<b>Educational</b>	Educational Toys	Puzzles	Activity Tables
	Educational Books	Business Books	How-To Books
	Educational Games	Board Games	Mind Benders
	Educational Kits	Science Kits	Electronics Kits
	Educational Videos	Self-Help	Language Learning
<b>Food &amp; Drink</b>	Wine	Bottle Stoppers	Wine Glasses
	BBQ Supplies	Sauces/Spices	Marinating Tools
	Party Food	Platters	Disposable Plates
	Beer	Pilsner Glasses	Beer Making Kits
	Candies	Sugar Free	Candy Making Kits
<b>Games</b>	Board Games	Chess Sets	Monopoly Sets
	Yard Games	Horseshoe Sets	Badminton Sets
	Travel Games	Sm. Game Kits	Electronic Casinos
	Beach Games	Volleyball Sets	Assorted Frisbees
	Card Games	Poker Supplies	Blackjack Tables

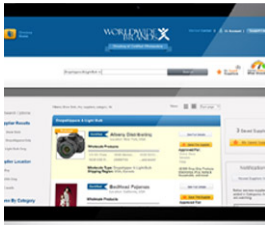
Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Garden &amp; Patio</b>	Garden Décor	Wind Chimes	Weathervanes
	Gardening Supplies	Planters	Pest Control
	Patio Furniture	Picnic Tables	Swings
	Outdoor Lighting	Solar Lights	Lanterns
	Flowers	Seasonal Plants	Seeds/Pots
<b>Health &amp; Beauty</b>	Skin Care	Anti-Aging	Men's Skin Care
	Nail Care	Nail Polishes	Manicure Supplies
	Bath & Body	Bath Oils	Assorted Soaps
	Vision Care	Sunglasses	Eyeglass Cases
	Health Care	First Aid Kits	Relaxation Aids
<b>Home Decor</b>	Clocks	Grandfather	Cuckoo Clocks
	Bedding	Child Blankets	Down Comforters
	Furniture	End Tables	Bean Bag Chairs
	Door Accessories	Welcome Mats	Door Signs
	Wall Décor	Mirrors	Sconces
<b>Kitchen</b>	Cookware	Skillets	Pressure Cookers
	Larger Appliances	Indoor Grills	Food Dehydrators
	Small Appliances	Blenders	Coffee Makers
	Bar Supplies	Bottle Stoppers	Bar Sets
	Linens	Aprons	Tablecloths
<b>Music</b>	Karaoke	Karaoke Players	Microphones
	Instruments	Guitars	Percussion
	DJ Gear	Turntables	Light Kits
	Memorabilia	Posters	T-Shirts
	Books	Classic Artists	Current Artists
<b>Pet Supplies</b>	Dog Supplies	Leashes/Collars	Dog Beds
	Cat Supplies	Cat Toys	Cat Condos
	Fish Supplies	Aquariums	Fish Bowls
	Bird Supplies	Bird Cages	Bird Toys
	Small Animal Supplies	Small Cages	Tiny Toys
<b>Pottery &amp; Glass</b>	Dinnerware	Chinaware	Kids Dishes
	Glassware	Decanters	Bar-Style Glasses
	Art Pottery	Pottery Vases	Pottery Statuary
	Art Glass	Stained Glass	Paperweights
	Kitchen Glassware	Canisters	Shakers

Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Religious</b>	Clothing	Jackets	Clergy Clothing
	Books	Custom Bibles	Reference Books
	Jewelry	Rosaries	Crucifix Jewelry
	Church Supplies	Communion Supplies	Vacation Bible School Supplies
	Décor	Crosses	Christian Wall Art
<b>Seasonal/Holiday</b>	Christmas	Ornaments	Artificial Trees
	Easter	Easter Baskets	Easter Art Kits
	Halloween	Costumes	Halloween Décor
	Winter	Snow Blowers	Flannel Bedding
	Summer	Sun Hats	Shade Umbrellas
<b>Special Occasion</b>	Birthday	Party Supplies	Helium Tank Kits
	Wedding	Albums	Wedding Favors
	Prom	Prom Dresses	Tuxedos
	Funeral	Urns	Pet Tombstones
	New Baby	It's A Boy Stuff	It's A Girl Stuff
<b>Sporting Goods</b>	Outdoor Sports	Fishing Poles	Hiking Poles
	Golf	Golf Clubs	Golf Clothing
	Team Sports	Baseball Bats	Football Gear
	Exercise & Fitness	Treadmills	Martial Arts Gear
	Winter Sports	Snowboards	Ice Skating
<b>Toys &amp; Hobbies</b>	Models	Car Models	Boat Models
	Figurines	Painting Kits	Precious Moments
	Stuffed Animals	Teddy Bears	Plush Dolls
	Puzzles	Brain Teasers	Jigsaw Puzzles
	Collectors	Card Albums	Sealed Containers
<b>Travel</b>	Luggage	Carry-on Bags	Luggage Carts
	Protection	Money Belts	Travel Mace
	Air Travel	Neck Pillows	Carry-on Kits
	Travel Electronics	Portable GPS Systems	Outlet Adapters/Kits



## Check for Wholesalers

Before you add 3 niche products to your *official research list* you have to make sure there are Authorized Wholesalers you can work with. There's not much point in researching a product you can't sell. If you're a Member of Worldwide Brands, it's the best place to take a quick look for wholesalers because it's the biggest database of Certified Wholesalers you'll find anywhere on the Internet. They've all been pre-qualified to work with online sellers so it's just a simple matter of doing a quick search.



### Searching Worldwide Brands for Free

**Step 1:** Click here to launch Worldwide Brands free search → [Free Search](#)

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**Step 2:** Select a Category, enter a product and *click search*.

A screenshot of the search form on the Worldwide Brands website. It features a dropdown menu for categories, currently set to 'Computers & Networking', and a text input field for the product name, currently containing 'mouse'. A 'SEARCH' button is located to the right of the input field.

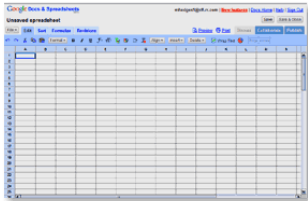
**Step 3:** Search the product results and confirm the product is listed.

- When you see your product listed that means they have a wholesaler or multiple wholesalers for that product type!

## Start Your Research Spreadsheet

Now that you have verified that there are wholesalers for the products you want to research, it's time to add them to your research list. I recommend using a spreadsheet like Excel but if you don't have Microsoft Office, Google offers a FREE spreadsheet you can use, which will even back up your work online so if your computer crashes you don't lose any research!

Google Docs & Spreadsheets  
BETA



### Using Google Spreadsheet for FREE

**Step 1:** Go to: <https://docs.google.com/spreadsheet/>

(Note: Google sometimes changes links. If the above link doesn't work, just do a search for "google spreadsheets".)

**Step 2:** Login to your Google Account to see the Spreadsheets.

(If you don't have a Google Account, visit the Research Center for help setting one up for Free).

**Step 3:** Name your spreadsheet by clicking the "untitled spreadsheet" in the upper left corner of the Spreadsheet.

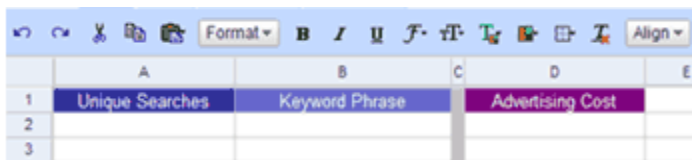
- Choose a name for your workbook.  
(Example: *Market Research Batch 1*)

## Tips for Organizing Your Spreadsheet

If you've never worked with a spreadsheet before, you should spend some time getting familiar with the different buttons and abilities of whatever spreadsheet program you use. It's recommended that you study any tutorials that come with the spreadsheet (usually in the help sections). In the meantime, here are some adjustments to help you get started...

### Create Research Category Headers

A quick way to make category headers is simply to select a cell, add a background color and type in the header text. You can change the color of the cell, font and center align your text to make it look more like a header.



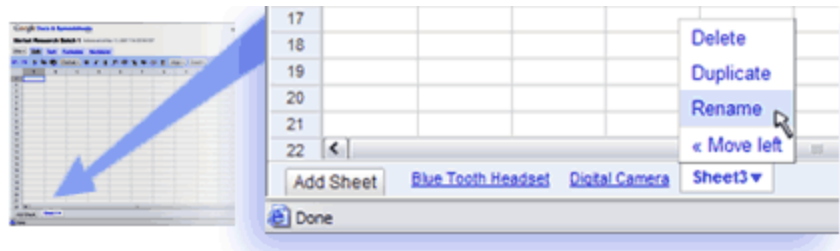
To increase the width of a cell, hold your mouse in the crease between the column headers and move it.

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### Creating Multiple Worksheets

Within your spreadsheet you created you can add multiple *worksheets*. One way to use these worksheets is to create a new one for each product you research. This will allow you to keep all of your data for one product on the same worksheet.

In the lower left corner you will see an Add Sheet tab. simply click this tab to add a new Worksheet.



Click on the sheet tab to delete, duplicate or rename.

## Step 2

# Starting Your Keyword Research

In Step 1 you accomplished some very important goals:

- You picked three different categories to start researching
- You identified three different niche products within those categories
- You started a spreadsheet to keep your research organized

Now it's time to roll up your sleeves and start researching those products!

No matter what kind of product you are researching it all starts with building a good *keyword list*. Analyzing keywords and creating a good keyword list is a very important part of your research.

Recall from Part 1: Lessons 1 and 3 that when you analyze keywords you need to...

Look for specifics like colors, brands (ex: brown Martin guitar)

Look for plural uses of the keyword (ex: guitar vs. guitars)

Look for 1 or 2 word variations (ex: Cellphone vs. Cell Phone)

Look for misspells (jewelry vs. jewelery)

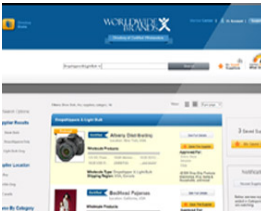
Look for product variations/add-ons you hadn't thought of.

Try lateral keyword variations (ex: fish tank vs. aquarium)

## Gathering Keywords



**Google** has long had one of the best free keyword research tools. Once known as the "Google Keyword Tool" the now named "Google Keyword Planner" is a great place to conduct free keyword research.



**Worldwide Brands** is first and foremost the "go-to" place for dropshippers and wholesalers that are Certified. Their Directory, however, also has some keyword research functionality which can be used to help gather relevant keywords.

### Access to Free Keyword Tools Available In the Members Product Niche Center:

**Step 1:** Simply go to the: [Product Niche Center](#)

**Step 2:** Click on the "Keyword Research" link in the navigation menu.

**Step 3:** Select a Tool (Watch the How-To Video or Start Researching)

When you type in a product in most any Keyword Research Tool it will show you a list of keywords, containing your root keyword, which people have used when searching the Internet. You can't just copy that list or results though and call it your completed keyword list, you have to look through the results and pick out which ones are the right ones to add to your keyword list.

## Compiling Your Keyword List

Research tools often display hundreds of keyword variations and many of those keywords will not be relevant for niche research. Your goal is to add only potentially relevant keywords to your keyword list. I'll use "digital camera" as an example...

Reference Chart: What Keywords do you add to your List?		
Searches	Keywords	
8308	<b>digital cameras</b>	<b>ADD PLURALS:</b> Notice how there is 2 times the number of people looking for the plural ( <i>digital cameras</i> )!
4165	<b>digital camera</b>	
3835	digital camera reviews	<b>Ignore:</b> Mostly lookers not buyers so the people searching for reviews don't know what they want yet.
1151	digital camera review	
1000	best digital camera	
781	<b>canon digital camera</b>	<b>ADD Specifics:</b> these are great examples of potential shoppers because they've included brand names in their search. Specific keywords often mean people looking to buy.
742	<b>canon digital cameras</b>	
638	<b>sony digital camera</b>	
520	<b>olympus digital camera</b>	
433	compare digital cameras	<b>Ignore:</b> These are more lookers. Some retailers do host their own product review sites to help drive more sales to their products.
425	digital cameras ratings	
388	digital camera ratings	
359	best digital cameras	
202	<b>cannon digital cameras</b>	<b>ADD Misspells and Plural Keywords:</b> represent more customers you could drive to your business.
190	<b>cannon digital camera</b>	
273	<b>digital camera technology</b>	<b>ADD:</b> Helpful information can drive traffic.
151	digital video cameras	<b>Ignore:</b> Products you are not researching.
130	camcorder camera digital	
181	<b>digital camera printer</b>	<b>ADD Product add-ons:</b> Not for main list but rather later use.
169	<b>digital camera batteries</b>	
167	<b>pink digital cameras</b>	<b>ADD Specifics:</b> People searching using specific keywords such as color (and of course <i>buy</i> ).
158	<b>buy digital cameras</b>	

In Part 1: Lesson 3 you also learned that lateral keywords are important to investigate. If possible, try to change your root keyword to identify other ways people are looking for that product.

To illustrate this point, let's look at two other example products: Bluetooth headsets and BBQ grills. I'll just point out areas of interest...

#### Example of Lateral Research:

0	BBQ Grills	<b>Lateral Keywords:</b> You have to try different variations to see how people are searching for that product online; add the good variations to your keyword list!
292	<b>Barbeque</b> Grills	
234	<b>Outdoor</b> Grills	

#### Example of 1 and 2 word variations:

767	<b>bluetooth headsets</b>	<b>1 vs. 2 word variations:</b> Take note of how much traffic there is for products that are commonly spelled with 1 or 2 words.
171	<b>blue tooth headsets</b>	
1887	<b>cell phone accessories</b>	
195	<b>Cellphone accessories</b>	

#### Remember!

- ✓ Keywords = people
- ✓ People = potential customers!

So the more *relevant* keyword phrases you can add to your list...the more ways you can attract people to your business!





**Just a Reminder:** Your copy of the Sell Niche Bundle also comes with access to the Product Niche Center. Here you will find FREE research tools to help you gather tons of keywords.

Access it online or with your mobile device! Access the Product Niche Center by going to: <http://www.ProductNicheCenter.com>



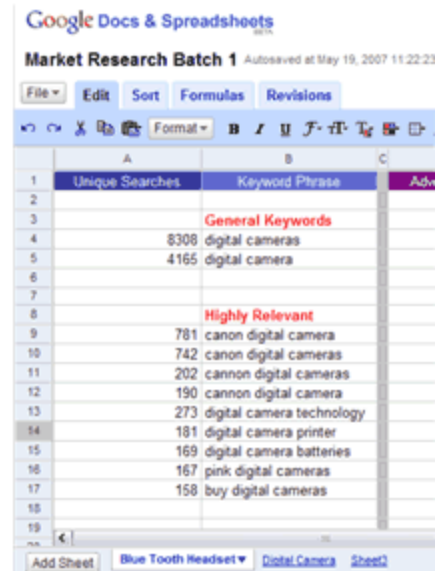
## Using Keywords to Estimate Potential Demand

You can't really estimate a product's demand based on one keyword or keyword phrase because one keyword only represents one group of potential customers. This is why you need to gather a few keywords in your list—so you can see how many different ways different groups of people search for that product, online.

You'll be adding keywords and new keyword phrases to your list as your research progresses, but to start, once you have collected ***around 10-15 keywords*** for your product you can get a pretty good idea of how much potential demand there is.

**The first thing** you need to do is separate your keyword list into two groups.

- 1 group of ***general keywords***  
(general keywords usually have the highest search count, but remember they also contain lots of “non shoppers”)
- 1 group of ***relevant keywords***  
(relevant and highly relevant keywords usually have lower search counts but are more specific to the exact product you are researching)



	A	B	C
	Unique Searches	Keyword Phrase	Ad
2			
3		General Keywords	
4	8308	digital cameras	
5	4165	digital camera	
6			
7			
8		Highly Relevant	
9	781	canon digital camera	
10	742	canon digital cameras	
11	202	cannon digital cameras	
12	190	cannon digital camera	
13	273	digital camera technology	
14	181	digital camera printer	
15	169	digital camera batteries	
16	167	pink digital cameras	
17	158	buy digital cameras	
18			
19			

Next, add up the search count for your *general keywords* and then add up the search count for your *relevant keywords*.

### Adding numbers in Google Spreadsheet

1. **Highlight the numbers you want to add:**  
(Click the first number in the row to highlight that cell, hold your shift key and click the last number in the row. All numbers you want to add should be highlighted.)
2. **Click the “Formulas” tab.**
3. **Click “Sum”**
4. **Hit “Enter” on your keyboard.**

Unique Searches	Keyword Phrase	Ad
	<b>General Keywords</b>	
8308	digital cameras	
4165	digital camera	
<b>12473</b>		
	<b>Highly Relevant</b>	
781	canon digital camera	
742	canon digital cameras	
202	cannon digital cameras	
190	cannon digital camera	
273	digital camera technology	
181	digital camera printer	
169	digital camera batteries	
167	pink digital cameras	
158	buy digital cameras	
<b>2863</b>		

**Remember that those numbers DO NOT represent every Internet user in the world.** No research tool can tell you what everyone in the world is searching for. Instead, they represent a group of Internet users—a sample. For example...

Rank	Keyword	Searches
1	digital camera	12473
2	digital cameras	8308
3	digital camera technology	273
4	digital camera printer	181
5	digital camera batteries	169
6	pink digital cameras	167
7	buy digital cameras	158
8	canon digital camera	781
9	canon digital cameras	742
10	cannon digital cameras	202
11	cannon digital camera	190




**WordTracker Results:** WordTracker results seem low compared to other research tools because of their sample size. They pull data from two search engines.

Rank	Keyword	Searches
1	digital camera	12473
2	digital cameras	8308
3	digital camera technology	273
4	digital camera printer	181
5	digital camera batteries	169
6	pink digital cameras	167
7	buy digital cameras	158
8	canon digital camera	781
9	canon digital cameras	742
10	cannon digital cameras	202
11	cannon digital camera	190

**Worldwide Brands Results:** Also gathers keyword research data but the # results will be different from WordTracker because they pull from a different sample of Internet users.

## Is there enough Demand for that Product?

When doing your demand research, you can use the following table as a guide to help you know if a product has a good or bad level of demand, but again, remember that it's based on picking the right keywords...

Keyword Source	General Keywords	Specific Keywords
<b>Google Keywords</b> 	Look for a total count of <b>10,000 or more</b> searches.	...look for a total count of <b>2,000 or more</b> searches.
<b>Worldwide Brands</b> 	Look for a total count of <b>5,000 or more</b> searches.	...look for a total count of <b>1,000 or more</b> searches.
<b>WordTracker</b> 	Look for a total count of <b>2,000 or more</b> searches.	...look for a total count of <b>800 or more</b> searches.

The idea here is that if your research shows fewer than these baseline numbers you are going to be fishing a very small pool of customers. If there are only a few hundred people a month searching for a product and there are a number of other retailers selling it...*then that will be a hard product to start selling.*

## Step 3

### Start Your Competition Research

In Step 2 you gathered critical information on your products:

- You created a valuable keyword list for your three products
- You analyzed keywords to find the right types for your products
- You organized your list and estimated the potential demand

*Now it's time to do some covert undercover work!* You have to find out which of the products you are researching would have the easiest markets to break into. In order to do that you need to start gathering important information from your competitors.

#### eStore Owners

1. Find your top competitors
2. Do quality check
3. Gather pricing info
4. Check for additional keywords
5. Check advertising prices

#### Auction Sellers

1. Search closed/sold listings
2. Do quality check
3. Gather pricing info



## Finding your Top Competitors with eStores

Your keyword list you gathered is getting ready to come in real handy again. Your competitors are getting ranked in the search engine results by keyword terms. When you type in one of your keywords (or keyword phrases) from your list into a search engine, the resulting sites *are using those keywords as well*—making them very relevant competitors to check out.

There will be sites using those keywords to advertise their business and sites that use those keywords to optimize their business—both are important to check out.



**A) Sponsored Listings:** Websites that pay money to rank high because they advertise.

**B) Organic Listings:** Websites that rank high in the natural results.

**Step 1:** Go to at least three search engines (ex. [Google.com](http://Google.com), [Yahoo.com](http://Yahoo.com), [Bing.com](http://Bing.com))

**Step 2:** Enter the product you are researching (ex. digital camera)

**Step 3:** Look at the 1<sup>st</sup> page results only. (Most people never make it past the first page of results before changing their search keywords, so you can research the same way)

When you visit their sites you want to look at the following:

### 7-Point Inspection

1. How does their site look and feel?
2. Are their product offerings coherent?
3. What is their content & copy like?
4. Do they have nice product images?
5. Is their navigation easy to use?
6. How long does it take for their pages to load?
7. What is their ordering experience like?

(Note: You can find detailed examples of these checks in Part 1: Lesson 4 ):

Your goal is to find **at least six competitors** that...

- Pass the 7-Point Inspection above
- Rank high in the organic listings
- Rank high in the sponsored listings

It's ok, of course, to research as many competitors as you want but I find that after you have identified at least six of the top competitors in that market you start to see similar information with other competitors.

## What info to Gather from your Top eStore Competitors

You'll learn a lot of things from doing the 7-Point Inspection that will help you if you end up selling that product. But for now, there are two really important pieces of information you need to gather from your top eStore competitors.

### Retail & Shipping Prices:

It's very important to gather both *retail and shipping costs* from your competition. You'll use this information to estimate an average market cost for that product.

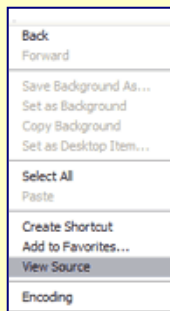
Since you can't tell if the retailer is padding the shipping or retail price to make either appear cheaper, you must *gather both*.

### Additional Keywords for your list:

People who have already started an eStore selling the products you are researching are a great resource for finding more relevant keywords, *especially the sites that show up in the organic listings!*

---

### A quick way to grab additional keywords from your competition:



1. Right-click your mouse on an empty part of the website.
2. From the drop down menu, click *View Source*.
3. Check for keywords you may not be using by searching the top of the window next to <META NAME>, <title> and <description>

## Finding Your Top Competitors on eBay Auctions

### Top Competitors on eBay

To actually gauge the *real competition* on eBay currently selling the products you are researching, you don't need to look at current auction listings...you need to look at auctions that have **successfully sold that product!**



### Completed Listings Only:

The “Completed listings only” is an advanced search function on eBay that will only bring back auctions that have already ended. There will be no auctions in your search results that are currently active. This is good for our research because we don’t want to guess what the product might sell for when the auction ends—we want to see *exactly* what these products *are* selling for in the eBay marketplace.

### Searching Completed Listings on eBay:

1. Go to [www.ebay.com](http://www.ebay.com) (and sign in)
2. Click “*Advanced Search*” (next to the search field)
3. Select the “**Completed listings only**” check box.
4. Type in the product you are researching and click search.



## Refining Your Completed Listing Search

After you set your search parameters and type in the product you are searching, you should get all of the auction listings that have closed in the past 30 days. The auctions you see will be a combination of listings that closed with a sale and those that have closed without a sale. You'll also notice the prices are very colorful. Some will be green and others are red...

- Green = items that have sold
- Red = items that have NOT sold

As you may have guessed, it's the auctions with the green prices you want to look at. Those are the ones that have actually sold the product, for that price.

Auctions in the completed listings will also consist of hobby sellers trying to get rid of used items and professional retailers. You've got to try and identify your real competition on eBay to really see if you can compete in that marketplace—and by real competition I mean professional online sellers working with wholesalers.

Identifying Professional Retailers on eBay	
Add the word <b>“New”</b> in your product search.	Professional retailers advertise new items, not used, because they are working with wholesalers. As such, they often advertise the word “new” when they post a listing. ( <i>ex: New Black and Decker Toaster Oven</i> )
Look for <b>“Buy it Now”</b> listings	Professional retailers know how much they need to make on a product in order to profit. As such, they often post a Buy it Now price setting a retail price that's similar to what they would set in an eStore environment.

## What Info to gather from your Auction Competitors

Just like with your eStore competition you want to check out your auction competition listings to see how they are set up. And, as with eStores, you want to gather the following:

### **Retail & Shipping Prices:**

It's very important to gather both *retail and shipping costs* from your competition. You'll use this information to estimate an average market cost for that product.

Since you can't tell if the retailer is padding the shipping or retail price to make either appear cheaper, you must *gather both*.

### **Additional Keywords for your list:**

- **Title Keywords:** Pay close attention to keywords in their auction listing title. If you see anything new that you haven't got on your list, then add it.
- Look for additional keywords in the content of their listing and pay attention to how their listing is constructed. If you plan to sell on eBay, and those are auctions that have made a sale—then they must be doing something right!

## Determining the Average Current Market Price

Now that you have gathered *retail and shipping* prices from at least six top online stores and six auctions that have successfully sold that product, you want to use that information to estimate the average price that product is being sold for in the current market.

### Calculating Average Market Price

Add each of your competitor's shipping and retail prices individually so each competitor has one price (shipping + retail). Then add each of your competitor's prices together and *divide by the number of competitors you gathered data from...*

#### Example:

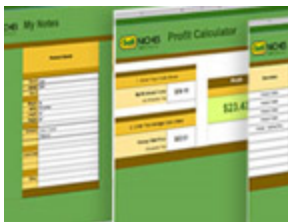
Competitor 1: Retail + Shipping = \$10

Competitor 2: Retail + Shipping = \$14

Competitor 3: Retail + Shipping = \$13

Average Market Price =  $10 + 14 + 13$  divide by 3 = \$12.30

If you have a healthy distaste for math, then don't worry. Using the Sell Niches Research Sheets (available in the Niche Center) all you have to do is enter the numbers.



When you visit the Niche Center you'll be able to access the Sell Niches Research Spreadsheets. Simple navigate to the Profit Research section and follow the prompts.

## Last Check

### Fine-Tuning Your Research

In just three steps you have gathered some enormously valuable data:

- You picked three niche products that are in demand
- You created a highly relevant keyword list for those products
- You identified top retailers as well as the average current market price

The real beauty of this “3 Step Method” of market research is not just that you learn so much about a product before you spend money selling; it’s the fact that you’ll have all of that valuable data on the product you do end up selling! You’ll be able to start your business so much faster than most people.

Now it’s time to fine-tune your research so you can pick the right products to start your business with:

#### Final Data to Gather

1. Calculate profit potential
2. Product add-ons and additional offerings
3. Advertising costs

## Determining Profit Potential

In order to calculate what your potential profit is on a product you have to know how much you plan to sell the product for—and you usually won't know this right off the bat. So a quick way to guesstimate your retail price is to use the average price you gathered from your competitors.

### Free Spreadsheets



If you used the FREE Research Spreadsheets in the Niche Center when you were gathering your competition's shipping and retail costs, then it has already calculated the average market price.

You simply have to type in your wholesale, shipping and additional costs and it will tell you what the potential profit on that product is.

### If you are NOT using the Spreadsheets, just do the following:

#### A) Calculate your overall cost

*Add all of your costs associated with that product.*

wholesale cost + shipping cost + additional fees

#### B) Calculate the Average Market Price (see Step 3 for details)

#### C) Calculate Profit Potential:

*Subtract your overall cost from the average market price.*

average market price – your total cost = **Potential Profit**

## Product Add-ons and Related Products

An often overlooked area when gathering research data is keeping in mind that certain products lend themselves to more product add-ons than others. Product add-ons are accessories or additional products that shoppers often buy to enhance or compliment the main product.

For example...

### Main Product: **MP3 Player**

#### Add-ons:

- Hard cases
- Soft cases
- Colored cases
- Designer cases
- Skins
- Earphones (ear buds)
- Ear bud extensions/splitters
- Hi-fi ear buds
- Surround sound ear buds
- Docking stations
- Docking speakers
- Etc...

### Main Product: **Guitar**

#### Add-ons:

- Strings
- Capos
- Amplifiers
- Portable amps
- Cables
- Shoulder straps
- Picks
- Hard cases
- Soft cases
- Custom cases
- Stools
- Etc...

The more accessories a product has the more money you can potentially make from each shopping customer. Some people have even made their entire business be to ONLY sell accessories to main products.

Some people who had their heart set on selling iPods, for example, realized that they couldn't afford the inventory, so turned to selling only iPod accessories and made very profitable businesses from it.

**But what if there aren't many accessories?** Some products just don't lend themselves to having direct add-ons. That's ok because you should also think about how many "related products" you could offer to the people who are interested in buying the main product you are researching.

For example, if I am selling coffee makers and trying to attract shopping customers who want to buy a coffee maker, then what else would those people be interested in buying? I mean a coffee maker in and of itself doesn't have many accessories, right?

Well what about offering...

Main Product: **Coffee Maker**

Additional products could include:

- Coffee Mugs (novelty, ceramic, glass, plastic, travel, themed, etc.)
- Coffee Beans (gourmet, blends, international, branded, unique, samples...)
- Coffee Grinders (handheld, travel, electric...)
- Serving Ware (china, trays, silver, etc...)

When you are trying to get the most bang for your buck, you can spend money advertising for just one product, but offer an array of products that those shopping customers would also be interested in purchasing. *This actually saves you money and increases revenue!*

So be sure to look at what kind of additional products and add-ons the products you are researching can have. The more you can offer the closer you will get to truly supplying products to that niche market.

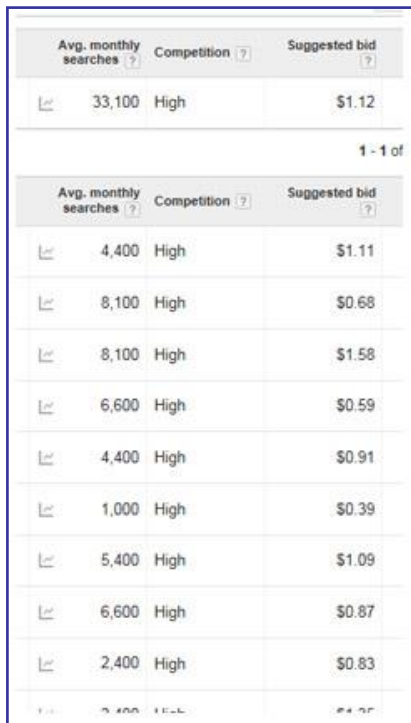
## Determining initial Advertising Costs

Probably *the most* overlooked area when gathering research is seeing which product will be the cheapest to advertise. As I've said before, your website will be buried under hundreds of other websites when you first launch it. So, in order to start driving traffic quickly to your business (and start making money), you may want to advertise some of the relevant keywords you found during your research to drive some instant traffic.



Search terms	Avg. monthly searches	Competition	Suggested bid	Ad impression share	Ad to page
header cover	33,100	High	\$1.12	0%	-
9 of 10 keywords					
Keyword by relevance	Avg. monthly searches	Competition	Suggested bid	Ad impression share	Ad to page
upholstery header cover	4,400	High	\$1.11	0%	-
header cover reviews	8,100	High	\$0.68	0%	-
bedroom header cover	8,100	High	\$1.58	0%	-
bed header cover	6,600	High	\$0.59	0%	-
color header cover	4,400	High	\$0.91	0%	-
suburban header cover	1,000	High	\$0.39	0%	-
header covers	5,400	High	\$1.09	0%	-
black and white header cover	6,600	High	\$0.87	0%	-
delonghi header cover	2,400	High	\$0.83	0%	-
connection header cover	2,400	High	\$1.35	0%	-

**The Google Keyword Planner** that you use to gather your keyword research can also be used to help aid you during your Advertising Research. Along with the keyword variations and traffic estimates that the Keyword Planner provides you'll also see potential "bid" costs for every keyword...



Avg. monthly searches	Competition	Suggested bid
33,100	High	\$1.12
1 - 1 of		
Avg. monthly searches	Competition	Suggested bid
4,400	High	\$1.11
8,100	High	\$0.68
8,100	High	\$1.58
6,600	High	\$0.59
4,400	High	\$0.91
1,000	High	\$0.39
5,400	High	\$1.09
6,600	High	\$0.87
2,400	High	\$0.83
2,400	High	\$1.35

**Suggested Bid:** The Keyword Planner displays the potential advertising cost for the keywords under what they call the "suggested bid" column. These bid costs will give you a general idea of how much those particular keywords will cost to advertise through Google Adwords. You'll notice that some keywords are actually cheaper to advertise than others!



## Organize Your Findings

Search Batch 1		
Sort	Formulas	Revisions
Format	B	C
Archives	Keyword Phrase	Advertising Cost
	<b>General Keywords</b>	
8308	digital cameras	\$0.11
4165	digital camera	\$0.09
12473		
	<b>Highly Relevant</b>	
781	canon digital camera	\$0.07
742	canon digital cameras	\$0.05
202	cannon digital cameras	\$0.05
190	cannon digital camera	\$0.06
273	digital camera technology	\$0.05
181	digital camera printer	\$0.05
169	digital camera batteries	\$0.06
167	pink digital cameras	\$0.09
158	buy digital cameras	\$0.07
2063		

Using your research spreadsheet you can organize the bid prices you find and keep them right next to the keywords they are associated with.

Just make yourself a new category header and put the top bid prices right next to that keyword.

**Side Note:** Remember that the prices you find on Google Keyword Planner are going to be the higher-end prices to put your ad in the top 1-3 position on the first page of website results. While this is typically the preferred position, you can still be in lesser positions and get good traffic...which means even cheaper keyword prices!

You can further organize the research you gathered by setting categories in your spreadsheet for the average current market price, profit potential on the products and any add-ons you would want to consider.

Google Docs & Spreadsheets

### Market Research Batch 1

File Edit Sort Formulas Revisions

View Insert Format Bold Italic Underline Text Color Background Color Align Justify Delete Undo Redo

A	B	C	D	E	F
1	Unique Searches	Keyword Phrase	Advertising Cost		Current Average Price
2					Date: 01/15
3		General Keywords			\$75
4	8308	digital cameras	\$0.11		
5	4165	digital camera	\$0.09		Potential Profit
6	12473				\$29 per sale
7					
8		Highly Relevant			
9	781	canon digital camera	\$0.07		
10	742	canon digital cameras	\$0.05		
11	202	cannon digital cameras	\$0.05		
12	190	cannon digital camera	\$0.06		
13	273	digital camera technology	\$0.05		
14	181	digital camera printer	\$0.05		
15	169	digital camera batteries	\$0.06		
16	167	pink digital cameras	\$0.09		
17	158	buy digital cameras	\$0.07		
18	2863				

This keeps your important research all in one place and will make it much easier for you to compare results in the final stretch of picking which product to sell!

## Final Stretch

## Comparing Your Results!

Guess what you have just done? You have actually performed real market research on products! You have found...

- Three niche products with wholesalers
- Determined potential demand
- Built a relevant keyword list
- Identified top competitors for that market
- Calculated average market price for the product
- Estimated your potential profit margins
- Considered additional product add-ons for those niches
- Gathered current advertising costs from an affordable ad company
- Kept your research organized
- ...and more!

You've got lots of important data on three different products. Now you have to determine out of those three products which one is the best to sell?

?

?

?

Market Research Batch 1				
Unique Searches	Keyword Phrases	Advertising Cost	Current Average Price	
Date: 01/15				
275				
General Keywords				
8308	digital cameras	\$0.11		
4162	digital camera	\$0.09		
Potential Profit				
\$29 per sale				
Highly Relevant				
781	canon digital camera	\$0.07		
742	canon digital cameras	\$0.06		
202	canon digital cameras	\$0.05		
190	canon digital camera	\$0.05		
272	digital camera technology	\$0.05		
181	digital camera printer	\$0.05		
189	digital camera batteries	\$0.05		
167	canon digital cameras	\$0.09		
158	toy digital cameras	\$0.07		
2963				

Market Research Batch 1				
Unique Searches	Keyword Phrases	Advertising Cost	Current Average Price	
Date: 01/15				
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167	canon digital cameras	\$0.09		
158	toy digital cameras	\$0.07		
2963				

## Comparing Research Results

Comparing your research results is actually the easy part. Whether you realize it or not, you've been comparing data and avoiding bad product choices right from the start.

Remember in Step 1 when you checked to make sure you had a wholesaler? This forced you to avoid products you can't find a source for—which are bad products to research. In Step 2 you made sure the products you kept on your list met a minimum amount of demand—making them products worth pursuing further.

The three products you have on your list are already meeting some of the criteria to be a good product, but your goal is to pick the best of the best—a product that will make you money and not cost you a small fortune to sell in the current market.

Instead of doing a line by line comparison of all of your research data among the three products, when doing your final comparison you can actually focus on the following...

### 3 Important Considerations for **Product Selection**

1. Which product has the **BEST** profit potential?
2. Which product has the **MOST** potential for add-ons?
3. Which product can be advertised for the **LEAST** amount of money?

## What's a good amount of profit potential?

The higher the profit potential, *the more money you will make on each sale*. In this case, bigger is better. Remember that during the fine tuning portion of the research you calculated potential profit. It may be that you can sell the product for more money than the average market cost and increase your profits significantly. But with the information you gathered you can get a good idea of where you will stand before you sell the product (based on the current market).

Profit Margin	Sales Per Day	Sales Per Month	Monthly Profit
\$10.00	1	30	\$300.00
\$15.00	1	30	\$450.00
\$25	1	30	\$750.00
\$35	1	30	\$1050.00
\$45	1	30	\$1350.00

\$10 doesn't sound like much profit but I've managed an online store that had products with profits of \$10 and it all adds up pretty quickly. I would suggest not going any lower than \$10 though. Anything less and you will HAVE to rely on volume sales, which is hard to do when you first launch a business.

### Compare Profit Margins & Add-on Potential:

Compare profit margins on the single product you are researching and consider the amount of add-ons you can also include when selling that product.

Imagine if you had a couple of products for \$10 profit, another for \$15 and maybe two or three more that were in the \$30 range.

## Which Product is the Cheapest to Advertise?

Some products will be cheaper to advertise than others. For PPC advertising the cheaper the cost per click means the more clicks you can afford to get. That means you can actually pick a product that will be more affordable to get traffic coming to your business than it would be for other products.

The cheaper your bid price, the more clicks you can afford...

Monthly Budget	Keyword(s)	Minimum Bid	# of Customers
\$100	Phrase 1	\$0.05	2000
\$100	Phrase 2	\$0.10	1000
\$100	Phrase 3	\$0.15	660
\$100	Phrase 4	\$0.20	500
\$100	Phrase 5	\$0.25	400

You need to figure out how much *you can afford* for advertising each month and then use that to determine how much traffic you might be able to get based on the cost of those keywords. If you're not that comfortable with math formulas, think of it this way...

- A \$0.05 min. bid means it costs you a nickel every time someone clicks on that link.
- How many nickels are in a dollar? 20
- How many dollars are in your monthly budget? (let's say you can afford \$50 a month)
- $20 \times 50 = 1000 \text{ clicks}$  (which means 1000 potential customers)

## **Make Your Final Selection!**

You already know:

- Which product has the most Demand
- Which product has the stiffest Competition
- Which product has the best Profit Margin
- Which product has the most Add-Ons
- Which product you can advertise the cheapest

Now make your selection! The fact is you have already done more product research than most people do when they try and start an online business. You have a good idea of what to expect when selling that product and what you are up against.

Is the best of those three products still not that great? No problem. Research three more products and choose the best again. You can use these research methods over and over until you find that product that fits your budget, that gives you the profit and affordable advertising you need to launch.

I realize these “little steps” can feel like a lot, but it’s really not. They are designed to be as efficient as possible and help you gather what you need so each step gives you the info to proceed to the next. And believe me when I say after you have researched your first three products, these steps will become easier and easier until it's a breeze.

You’ve got the training and the tools to really dig in deep and find out what you are up against in ANY product market!

**Congratulations!** You have just become a professional online retailer who now knows how to research and figure out the difference between good products and bad products to sell online. You can now use the Internet as a tool—a resource of information.

*The next step*, which is the hardest for some, is to start selling. It's a mental roadblock because it's something new that you've never done before. What if you make a mistake?

Do you remember the first time you ever drove a car? It was pretty nerve wracking wasn't it? What if you made a mistake? What if you ran over someone, what if...? Did you let any of those "what ifs" scare you away from actually trying?

Your first online business has a lot of similarities to your first time driving a car. They both give you hope of independence and can both be nerve wracking. The big difference is if you make a mistake learning how to start your online business people are probably not going to **get hurt!**



*So start testing your product choices!*

Don't be afraid to start your business and trust your product choices. You've done the research, you know a lot about that product market...now it's time to try it out. By following the steps in this book you will be discovering great niche products and avoiding costly mistakes that many new sellers make that doom their business to failure. You are now ahead of the curve, ahead of the majority of "get-rich-quick" new retailers who dive in blindly and spend money trying to sell a product in a market they have not researched—and that's a big deal.

In my years of working with online retailers, I have spoken with thousands of individuals who have turned their eStores and/or auctions into *rock solid businesses* making more

than they had ever dreamed possible. Many started off slowly, learning the steps (just like you have taken the time to do) and are now working fulltime on their own business.

So don't worry if you are completely new; everyone has to start somewhere. As long as you are willing to spend time learning and applying the knowledge, you will do just fine. And now you know how to research products to sell online. You are headed in the right direction! I would wish you luck, but luck doesn't build a successful business. Knowledge does...actually I take that back, ***applied*** knowledge does. :o)



*I sincerely hope you enjoyed Simple Market Research™ and found the information truly increased your understanding of online market research.*

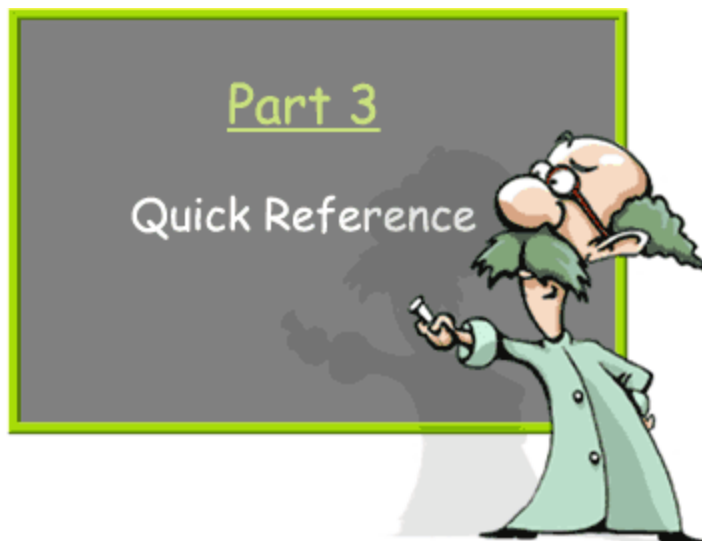
***I would really like to know YOUR OPINION...***

[Click Here](#) to leave a fast Rate & Review on our site. (Review button is above other reviews.)

Or...Send me an email with your thoughts: [feedback@SimpleMarketResearch.com](mailto:feedback@SimpleMarketResearch.com)

***Thank you and Happy Researching!***





You've learned the fundamentals; you've walked through the step-by-step training.  
Use the Quick Reference to refresh your memory as needed!

## Quick Reference

# Step 1: Creating Your 1st Research List

Lesson Links: [Keyword Research](#) | [Niche Research](#) | [Creating Your 1<sup>st</sup> Research List](#)

## A

- **Identify niches** to add to your list by digging 3 levels deep from main categories. Remember: Product categories are not niches. To identify a niche you should go from Main Category > Sub-Category > Niche.
- **Add 3 at a time**. Try adding 1 product you like, 1 product you know about, 1 wildcard.

## B

- **Check for Wholesalers** to make sure you're not wasting time researching a product that you cannot find a wholesaler for.
- **Save Time using Worldwide Brands** database of Certified Wholesalers. They have the internet's largest database of Certified Drop shippers and Wholesalers that you can trust are 100% genuine Certified Wholesalers.

## C

- **Start a spreadsheet** to organize and keep track of the research you do on the products you add to your research list. If you don't have Excel, you can use the FREE Google Spreadsheets. (You'll find links in the Product Niche Center).

## Quick Reference

# Step 2: Start Your Keyword Research

Lesson Links: [Keyword Research](#) | [Demand Research](#) | [Start Your Keyword Research](#)

## A

- **Start gathering keywords** for the product(s) on your research list. You can use FREE online keyword research tools available in the Product Niche Center.

## B

- **Build a Keyword List** for each of the products on your research list. Add keywords that are \*relevant\* to the product(s) you are selling.
- **Add Variations:** Lateral Keywords, Vertical Keywords, misspells, plural and singular and keyword phrases with specifics.

## C

- **Estimate the demand** using the keywords you have added to your list. The more relevant keywords you find, the more accurate your demand estimates will be. Separate your list into "relevant" and "general" keywords.
- **Demand Benchmarks:** In general, the estimated demand of a product is less than this benchmark then you either need to add more keywords or research a different product.

**General Keywords Total:** Look for a total of 3,000 or more searches.

**Relevant Keywords Total:** Look for 1,000 or more searches.

## Quick Reference

# Step 3: Research Your Competition

Lesson Links: [Competition Research](#) | [Pricing Research](#) | [Start Your Competition Research](#)

## A

- **Locate top competitors** that are currently selling that product online. Try to find competitors selling the exact product you are researching, even the brand if possible.
- **Check organic and sponsored** listing results in a couple of different search engines. Top competitors will usually be on the first page of results.

## B

- **Inspect the sites** to see if they are competitors worth concerning yourself with. Some competitors, even on page 1 of search engine results, may have very poor sites making them competitors you don't have to be concerned about.
- **7 Point Inspection** includes checking the websites look/feel, product offerings, image quality, navigation, content and overall order experience.

## C

- **Determine the Average Price** in the current market for that product. This includes gathering both Retail & Shipping prices of your competitors. The more competitors prices you gather the more accurate your current average market price will be.

## Quick Reference

# Step 4: Fine-Tune Your Research

Lesson Links: [Pricing Research](#) | [Advertising Research](#) | [Fine-Tuning Your Research](#)

## A

- **Estimate your potential profit** for each product. Be sure to include any additional fee's associated with your wholesale cost such as drop ship fee when calculating.

**Average Current Market Cost - Your Cost = Potential Profit**

## B

- **Determine Product Add-Ons** for each of the products on your research list. Add-On products are closely related products that you could offer that people searching for your 'main' product might also be interested in buying.

## C

- **Estimate the Advertising Cost** of the products on your list. While you may not start by advertising, you might in the future. Using Google's Free Keyword Planner Tool you can get an idea of what the Cost Per Click will be on the keywords for that product. Use this to estimate your advertising cost. *(Links to these tools are available in the Product Niche Center.)*

## Quick Reference

### Step 5: Compare Results

Lesson Links: [Pricing Research](#) | [Advertising Research](#) | [Comparing your Results!](#)

#### A

- **Profit Margin.** Which product has the highest profit margin? From your previous steps you should know that your products all have adequate demand but which product will make you the *most money per sale*.

#### B

- **Add-On Potential.** Add-Ons and related products can be a major source of revenue to your new business. If all things are equal with the products on your list, then the product(s) with the most potential add-ons would be the best product to start selling. You'll be able to offer more items related to your niche, which will appeal to your customers and often result in more overall sales.

#### C

- **Cheapest to Advertise.** Your new online business will not have immediate traffic unless you advertise. Many new sellers choose to do some advertising early on just to get the traffic started until their SEO efforts kick in. Some products will be cheaper to advertise than others! Your research should show you which products on your list will be products that will fit your advertising budget.

## To Help You With Your Research...



**Reminder:** Your copy of the Product Niche Bundle also comes with access to the Product Niche Center. Here you will find FREE research tools, instructional videos and more!

Access it online or with your mobile device!

Access the Product Niche Center by going to: <http://www.ProductNicheCenter.com>





# Unique Niches

A Guide for Online Sellers



# Table of Contents

[About Unique Niches](#)

Chapter 1: [Arts & Crafts](#)

Chapter 2: [Baby Items](#)

Chapter 3: [Cameras & Optics](#)

Chapter 4: [Health & Beauty](#)

Chapter 5: [Home Decor](#)

Chapter 6: [Kitchen & Dining](#)

Chapter 7: [Outdoor](#)

Chapter 8: [Tools](#)

Chapter 9: [Toys & Games](#)

Chapter 10: [Niche Drill-Down Table](#)

## About Unique Niches

*Unique Niches- A Guide for Online Sellers* is a collection of non-typical product niches that could be profitable markets for new online sellers to break into. It's the perfect flip book for the new seller who doesn't know what to sell!

### **How it Works:**

Unique Niches is packed with product niche ideas. Each chapter will showcase a number of promising, low-competition product markets that you might consider selling or inspire unique niche ideas of your own.

Additionally, we also include related niche product ideas that could be used as product add-ons or niches all their own.

Simply turn the pages and let the ideas flow!

### **Disclaimer:**

There is no way that we can guarantee your success simply by picking one of these products to sell. The success of your business depends on many factors, such as your ability to run and maintain your business. While we will offer what assistance we can to help you, ultimately, as with any business, success or failure rests firmly in the hands of the owner.

Note that market research data changes over time. While we do make every effort to keep our information up-to-date it is recommended that you learn how (and perform) simple market research techniques and thoroughly research any product you chose to sell. Use the training in *Simple Market Research*™ to gather current market research on any of the products in this guide or that you want to sell.




# **Chapter 1**

## **Arts & Crafts**

# Arts and Crafts



## Airbrushes

Online Competition:  Low-Med  
Estimated Demand:  20,100+  
Advertising Sample:  \$0.65

### Brief Description:

Used by artists, taxidermists, model makers and more, Airbrushes spray a controlled stream of paint. This niche has the potential for a lot of add-ons.

---

### Product Niches Related to Airbrushes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Air Brush Stencils
- Airbrush Compressors
- Airbrush Paint
- Airbrush Books/Videos
- Airbrush Guides
- Airbrush Cleaning Kits

# Arts and Crafts



## Reed Baskets

Online Competition:  **Low**  
Estimated Demand:  **14,500+**  
Advertising Sample:  **\$0.29**

### Brief Description:

Both decorative and functional Handmade Baskets are one of history's oldest crafts. They come in a variety of shapes, sizes and colors.

---

### Product Niches Related to Reed Baskets

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Reed Supplies
- Woven Bowls
- Basket Making Tools
- Wicker Supplies
- Basket Weaving Patterns
- Handmade Baskets

# Arts and Crafts



## Fall Themed Art

Online Competition:	Low
Estimated Demand:	7,100+
Advertising Sample:	\$0.40

### Brief Description:

Fall themed art can be items used as decorations for Thanksgiving time, artwork with fall related themes or hues with products used indoors and outdoors.

---

### Product Niches Related to Fall Themed Art

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Table Centerpieces
- Fall Wreathes
- Fall Wall Art
- Fall Cornucopias
- Pumpkin Art
- Fall Placemats

# Arts and Crafts



## Folk Art

Online Competition:  **Low**  
Estimated Demand:  **8,500+**  
Advertising Sample:  **\$0.24**

### Brief Description:

Folk Art has been around for ages ranging from delicate and beautiful pieces to downright weird and outrageous! A niche with many possibilities.

---

### Product Niches Related to Folk Art

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Mexican Folk Art
- Folk Art Dolls
- Folk Art Animals
- Native American Art
- Regional Art
- Irish Folk Art



# Arts and Crafts



## Art Games for Girls

Online Competition:	Low
Estimated Demand:	10,200+
Advertising Sample:	\$0.26

### Brief Description:

People are looking for fun arts and crafts based on age groups and gender. Art games, specifically for girls, is a niche that offers a variety of interesting products.

---

### Product Niches Related to Art Games (For Girls)

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Face Painting Kits
- Nail Coloring/Art Kits
- Bracelet Making Kits/Supplies
- Glitter Art Projects
- Dangles & Charms
- Fashion Design Kits

# Arts and Crafts



## Tin Sculptures

Online Competition:  Low-Med  
Estimated Demand:  6,100+  
Advertising Sample:  \$0.51

### Brief Description:

Tin and Metal Sculptures come in all shapes and sizes and cover a wide variety of themes. A niche website selling a variety of tin sculptures could be profitable.

---

### Product Niches Related to Tin Sculptures

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Scrap Metal Sculptures
- Welded Art
- Metal Cactus (and other fauna)
- Metal Spinner Art
- Iron Sculptures
- Wall Metal Art

# Arts and Crafts



## Western Arts

Online Competition:  Low  
Estimated Demand:  12,800+  
Advertising Sample:  \$0.43

### Brief Description:

Regulators...mount up! Cowboy inspired arts and crafts come in all types of mediums; metal, rope, leather and then some. I tell you it's more choices than you could spit at.

---

### Product Niches Related to Western Arts

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Cowboy Silhouette Art
- Boot Lamps
- Lasso Art
- Saddle Art
- Horseshoe Art
- Cowboy Carved Art

# Arts and Crafts



## Yard Art

Online Competition:	■	Low
Estimated Demand:	■	6,500+
Advertising Sample:	■	\$0.32

### Brief Description:

Yard Art consists of weatherproof artwork people can buy to adorn their lawns, hang from trees, porches and etc. This niche totally caters to the yard decorating aficionado.

---

### Product Niches Related to Yard Art

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Gazing Balls
- Hanging Yard Art
- Wooden Yard Art
- Solar Powered Yard Art
- Metal Yard Art
- Garden Gnomes

Unique Niches: A Guide For Online Sellers

# **Chapter 2**

## **Baby Items**

# Baby Items



## Baby Blocks

Online Competition:  **Medium**  
Estimated Demand:  **37,200+**  
Advertising Sample:  **\$0.62**

### Brief Description:

Baby blocks have been slobbered on by youngsters for many years. Though this niche has a higher competition it's still a market an eager new seller might be able to break into.

---

### Product Niches Related to Baby Blocks

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Building Block Sets
- Soft Building Blocks
- Designer Baby Blocks
- Learning, Educational Blocks
- Personalized, Customized Baby Blocks
- Storage Bins

## Baby Items



### Crocheted Booties

Online Competition:  Low-Med  
Estimated Demand:  17,500+  
Advertising Sample:  \$0.30

#### Brief Description:

Baby Clothing is typically an over saturated market but crocheted baby items are a niche that may help you break into selling baby products online.

---

#### Product Niches Related to Crocheted Booties

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Crocheted Bibs
- Crocheted Baby Clothes and Outfits
- Crocheted Baby Blankets
- Crocheted Baby Hats
- Crocheted Bottle Cozies
- Crocheted Diaper Covers

## Baby Items



### Diaper Clutches

Online Competition:	Low-Med
Estimated Demand:	7,900+
Advertising Sample:	\$0.35

#### Brief Description:

Mommy's and Daddy's don't want to be loaded down when changing their baby's load. Diaper clutches are both efficient and convenient.

---

#### Product Niches Related to Diaper Clutches

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Diaper Changing Kits
- Organic Baby Lotions
- Baby Powders
- Diaper Bags
- Disposable Diapers
- Cloth, Washable Diapers



## Baby Items



### Baby Jumperoos

Online Competition:  **Medium**  
Estimated Demand:  **13,400+**  
Advertising Sample:  **\$0.36**

### Brief Description:

Jumping Toys are just plain fun for bouncing baby boys and girls. This niche can be marketed for it's time-tested parent approved history and it's kick start to a child's physical health.

---

### Product Niches Related to Jumperoos

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Baby Walkers
- Baby Play Stations
- Baby Mobiles
- Baby Swings
- Baby Play Pens
- Baby Mats

## Baby Items



### Potty Training Aids

Online Competition:	Low-Med
Estimated Demand:	9,500+
Advertising Sample:	\$0.24

#### Brief Description:

Potty Training Aids aren't just songs about 'How you're number 1 when you take a number 2!' New products have been streaming into this niche for the past few years.

---

#### Product Niches Related to Potty Training

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Peter Potty
- Pull-Up Diapers
- Bed Wetting Alarms
- Potty Training Videos
- Childs Toilet Seat
- Waterproof Mattress Covers

# Baby Items



## Baby Print Kits

Online Competition:  Low  
Estimated Demand:  11,100+  
Advertising Sample:  \$0.64

### Brief Description:

Child safe molding kits are perfect for parents who want to remember just how itty bitty their babies hands and feet used to be!

---

### Product Niches Related to Baby Print Kits

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Display Frames
- Display Tables
- Pregnant Belly Casting Kits
- Baby Safe Ink
- Baby Safe Paint
- Keepsake Chests

## Baby Items



### Keepsake Quilts

Online Competition:	■	Low-Med
Estimated Demand:	■	18,000+
Advertising Sample:	■	\$0.20

#### Brief Description:

Keepsake quilting kits are a combination of arts & crafts and baby memorabilia. An interesting niche market with a diverse age group of potential buyers.

---

#### Product Niches Related to Keepsake Quilts

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Designer Baby Quilts
- Adult Quilts
- Unique Quilt Fabrics
- Crib Bedding
- Waterproof Quilt Covers
- Quilting Tools

# Baby Items



## Baby Slings

Online Competition:  Low  
Estimated Demand:  15,000+  
Advertising Sample:  \$0.28

### Brief Description:

Baby Slings and Carriers are a great way for people to tote their tots in style. This niche is also a great lead-in product into other potentially harder to sell baby products.

---

### Product Niches Related to Baby Slings

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Baby Strollers
- Baby Car Seats
- Baby Wraps
- Baby 'Pumpkin' Seats
- Baby Chest Carriers
- Baby Back Carriers

# **Chapter 3**

## **Cameras & Optics**

# Cameras/Optics



## Darkroom Supplies

Online Competition:	Low-Med
Estimated Demand:	4,500+
Advertising Sample:	\$0.41

### Brief Description:

There is still a niche market of photographers who don't want to go digital. From dipping trays to special lighting there are a number of products relevant for this niche.

---

### Product Niches Related to Darkroom Supplies

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Darkroom Bulbs and Lights
- Photo Print Paper
- Photography Books
- Developing Solutions and Chemicals
- Developing Machines
- Safety Washing Kits

# Cameras/Optics



## Lens Cleaning Kits

Online Competition:	Medium
Estimated Demand:	14,000+
Advertising Sample:	\$0.41

### Brief Description:

Sell pre-bundled lens and camera cleaning kits or assemble your own consisting of top end items, Lens Cleaning Kits are a sought after niche.

---

### Product Niches Related to Lens Cleaning Kits

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Compressed Air
- Waterproof Covers
- Protective Cases
- Lens Cleaning Pens
- High Quality Cloth
- Cleaning Solutions



# Cameras/Optics



## Light Box

Online Competition:	Medium
Estimated Demand:	4,800+
Advertising Sample:	\$0.41

### Brief Description:

Used for viewing slides and photo negatives, Light Boxes have a niche market of both professional and amateur photographers searching online.

---

### Product Niches Related to Light Box

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Slide Scanners
- Negative Viewers
- Slide Projectors
- Projector Screens
- Photography Books
- Photography Videos

# Cameras/Optics



## Monoculars

Online Competition:  **Low-Med**  
Estimated Demand:  **8,500+**  
Advertising Sample:  **\$0.52**

### Brief Description:

The single cousin of the binocular, monoculars are small, compact and popular among many types of enthusiasts other than hunters and bird watchers.

---

### Product Niches Related to Monoculars

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Vintage Binoculars
- Range Finders
- Waterproof Binoculars
- Periscopes
- Night Vision Binoculars
- Hunting Scopes

# Cameras/Optics



## Monopods

Online Competition:  **Medium**  
Estimated Demand:  **33,000+**  
Advertising Sample:  **\$0.62**

### Brief Description:

Monopods are one-legged tripods used for quick stability for the photographer on the go. This niche has good add-on potential with photography travel supplies!

---

### Product Niches Related to Monopods

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Tripods
- Travel Gear
- Camera Sandbags
- Rain Gear
- Boom Stands
- Mini-Pods

# Cameras/Optics



## Prisms

Online Competition:	Low
Estimated Demand:	10,200+
Advertising Sample:	\$0.11

### Brief Description:

This niche has a very low advertising entry price and a strong market of science-minded shoppers. A great niche that can be marketed on it's visual appeal as well as a tool of science.

---

### Product Niches Related to Prisms

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Concave Lenses
- Lasers
- Lens Holding Clamps
- Borrow Lenses
- Convex Lenses
- Cleaning Kits

# Cameras/Optics



## Telescopes

Online Competition:  **Medium**  
Estimated Demand:  **40,200+**  
Advertising Sample:  **\$0.44**

### Brief Description:

Star gazers take breaks from searching space to search cyberspace for deals and accessories related to Telescopes. This niche will be more difficult but could work for the right sellers.

---

### Product Niches Related to Telescopes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Star Charts
- Chairs and High Stools
- Lens Cleaners
- Mountable Umbrellas
- Protective Travel Cases
- Tripod Weights and Bags

# Cameras/Optics



## Lighting Tents

Online Competition:  **Low-Med**  
Estimated Demand:  **12,900+**  
Advertising Sample:  **\$0.62**

### Brief Description:

Lighting Tents make it easy to cast just the right amount of light on photographed objects. You can even market this niche to other online sellers looking for better product pictures!

---

### Product Niches Related to Lighting Tents

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Lighting Umbrellas
- Professional Lights
- Flash Systems
- Lighting Guides
- Backdrops
- How-To Videos

Unique Niches: A Guide For Online Sellers

# **Chapter 4**

## **Health & Beauty**

## Health/Beauty



### Hair Extensions

Online Competition:		<b>Medium</b>
Estimated Demand:		<b>15,000+</b>
Advertising Sample:		<b>\$0.31</b>

#### Brief Description:

Hair Extensions are a quick, easy and affordable way to add length and body to anyone's hair. You can cater to this niche market with a variety of shapes, styles, sizes and colors.

---

#### Product Niches Related to Hair Extensions

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Clip-In Extensions
- Wigs
- Hair Accessories
- Clip-In Bangs
- Fake Ponytails
- Hair Falls



# Health/Beauty



## Hand Weights

Online Competition:  **Medium**  
Estimated Demand:  **17,500+**  
Advertising Sample:  **\$0.61**

### Brief Description:

Hand Weights are the perfect addition to any home gym and used in tons of workout routines. You may be able to break into the saturated 'exercise' market with this viable niche.

---

### Product Niches Related to Hand Weights

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Weighted Gloves
- Wrist Weights
- Exercise Videos
- Resistance Bands
- Weighted Vests
- Kettle Weights

## Health/Beauty



### Henna Tattoo Kits

Online Competition:	■	Low
Estimated Demand:	■	6,800+
Advertising Sample:	■	\$0.32

#### Brief Description:

Around for centuries but made popular by rock stars and celebrities Henna Tattoo's are non-permanent self-tattooing kits that can be marketed to young and old alike.

---

#### Product Niches Related to Henna Tattoo Kits

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Temporary Tattoos
- Tattoo Sleeves
- Body Jewels
- Body Paint
- Mehndi Kits
- Body Art Kits

# Health/Beauty



## Kids/Babies Humidifiers

Online Competition:		<b>Medium</b>
Estimated Demand:		<b>13,500+</b>
Advertising Sample:		<b>\$0.69</b>

### Brief Description:

Thought to be a safe alternative to medicines many parents treat their children's nasal congestion with room humidifiers. This niche has a variety of sizes and styles available.

---

### Product Niches Related to Humidifiers

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Portable Humidifiers
- Nasal Strips for Children
- Home Humidifiers
- Vaporizers
- Aroma Therapy Blends
- Air Ionizer

## Health/Beauty



### Salt Candles

Online Competition:  **Medium**  
Estimated Demand:  **9,200+**  
Advertising Sample:  **\$0.56**

#### Brief Description:

Said to help reduce allergens, moisture and pollutants there is a niche market of buyers looking to add the soothing effects of these unique candles to their homes.

---

#### Product Niches Related to Salt Candles

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Therapy Candles
- Salt Bowls
- Electric Salt Lamps
- Crystal Salt Lamps
- Bath Salts
- Salt Inhalers

## Health/Beauty



### Shaving Scuttles

Online Competition:  **Med**  
Estimated Demand:  **8,000+**  
Advertising Sample:  **\$0.43**

#### Brief Description:

For the 'wet shaver' life wouldn't be complete with a Shaving Scuttle. This niche caters to barbers and modern day gentlemen and women.

---

#### Product Niches Related to Shaving Scuttles

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Straight Razors
- Shaving Mugs
- Lathering Brushes
- Shaving Kits
- Lathering Soaps
- Razor and Brush Stands

## Health/Beauty



### Spiral Curling Irons

Online Competition:  **Medium**  
Estimated Demand:  **8,100+**  
Advertising Sample:  **\$0.45**

#### Brief Description:

Used for getting dramatic ringlets or gentle curls and waves  
Spiral Curling Irons might just be your niche if you're looking to break into the Health and Beauty online market.

---

#### Product Niches Related to Curling Irons

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Crimping Irons
- Flat Irons
- Curling Rods
- Curling Wands
- Three Barrel Curling Irons
- Styling Irons

## Health/Beauty



### Walking Canes

Online Competition:	Low-Med
Estimated Demand:	13,200+
Advertising Sample:	\$0.41

#### Brief Description:

Sought after by elderly shoppers or by folks looking to feel a bit more fancy Walking Canes come in a vast array of shapes, sizes and functions.

---

#### Product Niches Related to Walking Canes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Walkers
- Hiking Staffs
- Rolling Walkers
- Walking Sticks
- Bathing Chairs
- Sword Canes

Unique Niches: A Guide For Online Sellers

# **Chapter 5**

## **Home Decor**



# Home Decor



## Chifferobes

Online Competition:  **Medium**  
Estimated Demand:  **12,500+**  
Advertising Sample:  **\$0.42**

### Brief Description:

Like an Armoire (but not) a Chifferobe is a combination of a closet and a dresser. An interesting (more southern) niche market for apartment dwellers and smaller homes.

---

### Product Niches Related to Chifferobes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Clothing Organizers
- Dressers
- Armoires
- Lingerie Chests
- Storage Bins and Organizers
- Closet Sachets

# Home Decor



## Egg Baskets

Online Competition:	■	Low
Estimated Demand:	■	11,500+
Advertising Sample:	■	\$0.56

### Brief Description:

Not just for tisketing and tasketing, Egg Baskets are a sought after decorative item with functionality. This market tends to look for products with a rustic charm.

---

### Product Niches Related to Egg Baskets

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Country Centerpieces
- Storage Baskets
- Pine Needle Baskets
- Willow Baskets
- Decorative Baskets
- Reed Baskets

# Home Decor



## Fruit Bowls

Online Competition:  **Medium**  
Estimated Demand:  **9,900+**  
Advertising Sample:  **\$0.62**

### Brief Description:

Fruit Bowls make wonderful centerpieces. This Home Decor niche caters to customers looking to add some simple style to their homes and dining rooms.

---

### Product Niches Related to Fruit Bowls

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Fake Fruit and Vegetables
- Doily's
- Serving Bowls
- Fruit Platters
- Cake Stands
- Dish Mats

# Home Decor



## Hat Stands/Coat Racks

Online Competition:	Medium
Estimated Demand:	14,800+
Advertising Sample:	\$0.61

### Brief Description:

Many people have an entryway where they need to manage their coats and hats for visitors and family making Hat Stands and Coat Racks a simple solution for these potential customers.

---

### Product Niches Related to Hat Stands, Racks

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Hanging Coat Racks
- Hat Boxes
- Hanging Hat Racks
- Wig Stands
- Umbrella Holders
- Shoe Racks

# Home Decor



## Husband Pillows

Online Competition:  **Medium**  
Estimated Demand:  **18,000+**  
Advertising Sample:  **\$0.61**

### Brief Description:

Also known as "Boyfriend Pillows" or Backrest Pillows, Husband Pillows have a fairly large customer base many of which I bet enjoy reading in bed.

---

### Product Niches Related to Husband Pillows

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Throw Pillows
- Pillow Covers
- Decorative Pillows
- Lounge Pillows
- Themed Pillows
- Bed Rest Pillows

# Home Decor



## Metal Stars

Online Competition:  **Medium**  
Estimated Demand:  **16,800+**  
Advertising Sample:  **\$0.49**

### Brief Description:

Americana Metal Stars a must have wall decor item for customers looking to add some rustic charm to their homes, outbuildings or anywhere.

---

### Product Niches Related to Metal Stars

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Wall Sconces
- Rustic Wall Art
- Outdoor Hanging Art
- Outdoor Metal Art
- Barn Furniture
- Handmade Decor

# Home Decor



## Vintage Trunks

Online Competition:  **Medium**  
Estimated Demand:  **15,100+**  
Advertising Sample:  **\$0.60**

### Brief Description:

Vintage Trunks are look into the past and appeal to a niche market of buyers looking to add vintage style to their home decor. They are also quite functional.

---

### Product Niches Related to Vintage Trunks

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Table Centerpieces
- Fall Wreathes
- Fall Wall Art
- Fall Cornucopias
- Pumpkin Art
- Fall Placemats

# Home Decor



## Porcelain Vases

Online Competition:  **Medium**  
Estimated Demand:  **12,000+**  
Advertising Sample:  **\$0.45**

### Brief Description:

Porcelain vases come in a huge variety of colors, shapes, sizes, themes and appeal to plenty of shoppers online. With the right wholesalers this could be a very profitable niche.

---

### Product Niches Related to Porcelain Vases

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Artificial Flowers
- Faux Fauna
- Metal Vases
- Faux Greenery
- Porcelain Floor Vases
- China Vases



# **Chapter 6**

## **Kitchen & Dining**

## Kitchen & Dining



### Candy Jars

Online Competition:  Low  
Estimated Demand:  16,000+  
Advertising Sample:  \$0.48

#### Brief Description:

Everyone loves candy. It's even better when it comes from an cute old-timey candy jar! Candy Jars might just be a sweet niche YOU can sell online.

---

#### Product Niches Related to Candy Jars

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Cookie Jars
- Scoops
- Candy Dishes
- Apothecary Jars
- Sugar Jars
- Designer Jars

## Kitchen & Dining



### Crock Pots

Online Competition:	■	Low-Med
Estimated Demand:	■	20,800+
Advertising Sample:	■	\$0.48

#### Brief Description:

Slow Cookers have a fairly large market of buyers online. With such a large variety of product brands and styles to choose from this is a kitchen niche worth consideration.

---

#### Product Niches Related to Crock Pots

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Pressure Cookers
- Hot Pads
- Food Steamers
- Home Smokers
- Ladles
- Kim Chi Pots

## Kitchen & Dining



### Fondue Cookers

Online Competition:	■	Low-Med
Estimated Demand:	■	10,000+
Advertising Sample:	■	\$0.35

#### Brief Description:

Great for parties, romantic evenings or just fun for the family Fondue Cookers are a unique niche with a solid following of online shoppers.

---

#### Product Niches Related to Fondue Cookers

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Fondue Forks
- Fondue Serving Sets
- Cheese Fountains
- Replacement Burners
- Chocolate Fountains
- Fondue Plates

## Kitchen & Dining



### Ice Stones

Online Competition:	■	<b>Medium</b>
Estimated Demand:	■	<b>16,800+</b>
Advertising Sample:	■	<b>\$0.49</b>

#### Brief Description:

Whiskey Stones are little ice cube wanna-be's that are made for folks who like their drinks cool but not watered down. A nice addition to any home bar.

---

#### Product Niches Related to Ice Stones

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Scotch Rocks
- Drinking Flasks
- Whiskey Stones
- Swizzle Sticks
- Drinking Sets
- Decanters

## Kitchen & Dining



### Marble Coasters

Online Competition:  **Medium**  
Estimated Demand:  **9,500+**  
Advertising Sample:  **\$0.52**

#### Brief Description:

Marble Coasters and other high-end drink coasters could be a great traffic generator for other bar items or a solid niche within their own right.

---

#### Product Niches Related to Marble Coasters

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Funny Themed Coasters
- Marble Spoon Rests
- Fabric Coasters
- Marble Trivets
- Bar Coasters
- Wooden Coasters

## Kitchen & Dining



### Noodle Bowls

Online Competition:  **Low**  
Estimated Demand:  **18,100+**  
Advertising Sample:  **\$0.43**

#### Brief Description:

Noodle Bowls are pretty much what the name implies. It's a bowl for noodles...but cooler. This culinary niche has a very strong following of online shoppers.

---

#### Product Niches Related to Noodle Bowls

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Chopstick Sets
- Pasta Cookers
- Soup Cups
- Strainers
- Pasta Bowls
- Nambe Bowls

## Kitchen & Dining



### Oven Skillets

Online Competition:  **Low-Med**  
Estimated Demand:  **14,900+**  
Advertising Sample:  **\$0.43**

#### Brief Description:

Sear it on the oven top and then pop this niche right into the oven to finish baking it, Oven Skillets are rising in competition but still low enough that an eager new seller could break into it.

---

#### Product Niches Related to Oven Skillets

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Cast Iron Skillets
- Oven Mitts
- Cast Iron Serving Dishes
- Warming Trays
- Stainless Steel Skillets
- Pot Holders



## Kitchen & Dining



### Salt & Pepper Shakers

Online Competition:  Low  
Estimated Demand:  13,500+  
Advertising Sample:  \$0.52

### Brief Description:

Fall themed art can be items used as decorations for Thanksgiving time, artwork with fall related themes or hues with products used indoors and outdoors.

---

### Product Niches Related to Salt & Pepper Shakers

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Pepper Grinders
- Condiment Sets
- Salt Mills
- Spices
- Sea Salt Bags
- Spice Racks

Unique Niches: A Guide For Online Sellers

# **Chapter 7**

## **Outdoor**

# Outdoor



## Camping Cots

Online Competition:	Medium
Estimated Demand:	16,800+
Advertising Sample:	\$0.52

### Brief Description:

Camping products are a relatively hard market to break into for new online sellers but it does contain numerous niches. Camping Cots might help you break into this market!

---

### Product Niches Related to Camping Cots

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Inflatable Mattresses
- Waterproof Gear
- Air Pumps
- Popup Tents
- Low Temperature Sleeping Bags
- Mosquito Netting

# Outdoor



## Aluminum Canoes

Online Competition:	■	Low
Estimated Demand:	■	8,200+
Advertising Sample:	■	\$0.32

### Brief Description:

Picture yourself in a boat on a river...or setting up shop and selling them online! With the right drop shipper a new online seller could break into this niche market!

---

### Product Niches Related to Aluminum Canoes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Paddles
- Kayaks
- Coolers
- Helmets
- Anchors
- Waterproof First Aid Kits

## Outdoor



### Game Calls

Online Competition:  **Low-Med**  
Estimated Demand:  **17,600+**  
Advertising Sample:  **\$0.25**

#### Brief Description:

Game (animal) calling devices are used primarily by hunters to coax their prey to come a little bit closer. There are a variety of calls you can offer in this niche.

---

#### Product Niches Related to Game Calls

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Animal Scents and Lures
- Calling Videos
- Animal Decoys
- Hiding and Hunting Blinds
- Animal Feeders
- Rattling Antlers

## Outdoor



### Ice Fishing House

Online Competition:  Low-Med  
Estimated Demand:  11,100+  
Advertising Sample:  \$0.44

#### Brief Description:

Ice fishing may sound crazy to some people but it has a hot following of internet shoppers. You could offer a number of products in this fishing niche.

---

#### Product Niches Related to Ice Fishing House




The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Ice Augers
- Ice Fishing Rods
- Ice Fishing Tackles
- Ice Fishing Reels
- Outdoor Heaters
- Ice Fishing Gear

# Outdoor



## Longbows

Online Competition:  **Low-Med**  
Estimated Demand:  **14,500+**  
Advertising Sample:  **\$0.49**

### Brief Description:

They've been around for centuries and are continuously made popular to new generations on the silver screen, Bows have a strong online following.

---

### Product Niches Related to Longbows

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Arrows
- Arrow Tips
- Quivers
- Bow Sights
- Archery Targets
- Arrow Rests

# Outdoor



## Camping Ovens

Online Competition:  **Medium**  
Estimated Demand:  **9,500+**  
Advertising Sample:  **\$0.50**

### Brief Description:

Roughing it isn't for everyone. In fact, some people think braving the great outdoors conjures their inner Top Chef. This niche caters to campers and people who like to have cookouts.

---

### Product Niches Related to Camping Ovens

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Camping Pots
- Mosquito and Bug Tents
- Kettles
- Waterproof Tarps
- Outdoor Dishes
- Fire Extinguishers



# Outdoor



## PFD's

Online Competition:	Low
Estimated Demand:	6,900+
Advertising Sample:	\$0.39

### Brief Description:

PFD's or Personal Floatation Devices save lives and are an integral part operating watercraft safely. From seats to vests and more there is something to this nautical niche.

---

### Product Niches Related to PFD's

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Throw-able Floats
- Seat Cushion Floats
- Boat Emergency Kits
- Nautical Ropes
- Pet Floatation Vests
- Pet Floatation Devices

# Outdoor



## Spear Guns

Online Competition:  **Medium**  
Estimated Demand:  **18,000+**  
Advertising Sample:  **\$0.52**

### Brief Description:

Spear Guns are a fishing niche that can be marketed to scuba divers, boat fisherman and even survivalists looking for reusable hunting weapons.

---

### Product Niches Related to Spear Guns

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Spears
- Diving Knives
- Frog and Frog Gigs
- Snorkels
- Bow Fishing Gear
- Goggles

Unique Niches: A Guide For Online Sellers

# **Chapter 8**

## **Tools**

# Tools



## Air Saws

Online Competition:	Medium
Estimated Demand:	12,000+
Advertising Sample:	\$0.49

### Brief Description:

Air powered tools are becoming a popular niche online. Break into this fast growing tool market by offering Air Saws and other air powered tools.

---

### Product Niches Related to Air Saws

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Air Compressors
- Saw Blades
- Air Hoses
- Reciprocating Air Saws
- Air Tools
- Air Cut Off Tools

# Tools



## Anvils

Online Competition:	■	<b>Low-Med</b>
Estimated Demand:	■	<b>5,500+</b>
Advertising Sample:	■	<b>\$0.49</b>

### Brief Description:

Used for shaping metal, anvils are sought after by more than just modern day blacksmiths. For shipping purposes you'd probably be better off focusing on smaller anvils.

---

### Product Niches Related to Anvils

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Forge Hammers
- Anvil Micrometers
- Metal Files
- Hobby Anvils
- Anvil Stakes
- Fly Presses

# Tools



## Chisels

Online Competition:  **Medium**  
Estimated Demand:  **9,200+**  
Advertising Sample:  **\$0.55**

### Brief Description:

Chisels are a staple item for any professional or amateur woodworker, metal worker and even stone workers. This niche is good for a motivated seller.

---

### Product Niches Related to Chisels

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Sharpening Tools
- Woodworking Templates
- Safety Goggles and Gloves
- Mason's Chisels
- Metal Chisels
- Chisel Guides and Brackets

# Tools



## Hand Planes

Online Competition:	Low-Med
Estimated Demand:	7,300+
Advertising Sample:	\$0.49

### Brief Description:

Hand Planes or Planers are tools craftsmen use for shaving and shaping wood. You could offer a variety of wood shaving tools in this niche.

---

### Product Niches Related to Hand Planes

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Sanders
- Templates
- Wood Working Tools
- Mini Hand Planers
- Safety Gear
- Sharpening Tools

# Tools



## Hand Trucks

Online Competition:	■	<b>Medium</b>
Estimated Demand:	■	<b>7,100+</b>
Advertising Sample:	■	<b>\$0.44</b>

### Brief Description:

Hand Trucks (dollies) have a wide variety of uses and come in many shapes and sizes. This niche can be marketed to a variety of consumers.

---

### Product Niches Related to Hand Trucks

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Tie-Down Straps and Ropes
- Utility Carts
- Portable Ramps
- Moving Blankets
- Pallet Jacks
- Back Support Belts



# Tools



## Levels

Online Competition:	Low-Med
Estimated Demand:	8,800+
Advertising Sample:	\$0.37

### Brief Description:

A necessity for anyone who likes to keep things straight, square or level. Hand levels can be large or small and come in analog models using bubble or digital using a laser or combo of both.

---

### Product Niches Related to Levels

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Laser Levels
- Square Levels
- Tape Measures
- Magnetic Levels
- Rulers
- Torpedo Levels

# Tools



## Pick Hammers

Online Competition:	■	Low
Estimated Demand:	■	6,500+
Advertising Sample:	■	\$0.48

### Brief Description:

Pick Hammers and rock hammers are used by gem hunters and geological enthusiasts. You could become the "go-to" online store for geologists everywhere!

---

### Product Niches Related to Pick Hammers

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Claw Hammers
- Sledge Hammers
- Chipping Hammers
- Brick Hammers
- Ice Axes
- Pick Axes

# Tools



## Pinking Shears

Online Competition:		<b>Medium</b>
Estimated Demand:		<b>6,900+</b>
Advertising Sample:		<b>\$0.48</b>

### Brief Description:

Used to help home tailors from coming unraveled in their work, Pinking Shears can be a good lead in product for other offerings in the competitive market of sewing.

---

### Product Niches Related to Pinking Shears

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Dressmaker Shears
- Tape Measures
- Fabric Punches
- Patterns
- Seam Rippers
- Sewing Kits

# **Chapter 9**

## **Toys & Games**

# Toys & Games



## Classic Board Games

Online Competition:	■	Low
Estimated Demand:	■	14,500+
Advertising Sample:	■	\$0.43

### Brief Description:

Like songs, good games never go out of style. Many people are looking to have fun without the television and video games by playing classic board games.

---

### Product Niches Related to Board Games

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- New Release Board Games
- Dice
- Game Tables
- Travel Bags
- Card Games
- Board Games by Age Group

# Toys & Games



## Hobby Horses

Online Competition:	Low
Estimated Demand:	12,100+
Advertising Sample:	\$0.47

### Brief Description:

Quite a few people are searching for this fun toy of yesteryear. Stick Ponies, Hobby Horses, Peddle Cars and more could be great crossover products to sell in this niche.

---

### Product Niches Related to Hobby Horses

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Stick Ponies
- Pogo Sticks
- Bounce Ponies
- Riding Toys
- Peddle Cars
- Play Costumes

# Toys & Games



## Kids Jigsaw Puzzles

Online Competition:	■	Low-Med
Estimated Demand:	■	10,000+
Advertising Sample:	■	\$0.27

### Brief Description:

Kids Jigsaw Puzzles are a great way to stimulate a child's mind and are a very marketable niche for new online sellers. You can use this niche to up sell more competitive jigsaw markets.

---

### Product Niches Related to Jigsaw Puzzles

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- 3D Jigsaw Puzzles
- Puzzle Mats
- Folding Tables
- Puzzle Glues and Sprays
- Personalized Puzzles
- Storage Bins

# Toys & Games



## Kids Magic Trick Kits

Online Competition:	■	Low-Med
Estimated Demand:	■	15,900+
Advertising Sample:	■	\$0.50

### Brief Description:

Magic tricks in general are a fairly competitive niche but if you focus on Kids Magic Tricks you may be able to break into this popular product market.

---

### Product Niches Related to Magic Trick Kits

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Magicians Outfit
- Magic Props
- How-To Videos and Books
- Magic Wands
- Magic Hats
- Balloon Animal Kits



# Toys & Games



## Wooden Puzzles

Online Competition:	■	Low-Med
Estimated Demand:	■	7,100+
Advertising Sample:	■	\$0.27

### Brief Description:

Adults and children love being challenged. Puzzle toys are a niche with many different offerings for a new seller wanting to break into the game market.

---

### Product Niches Related to Wooden Puzzles

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Brain Teasers
- Peg Puzzles
- Wooden Mazes
- Puzzle Boxes
- Physics Toys
- 3D Wooden Puzzles

# Toys & Games



## Travel Games

Online Competition:	■	Low-Med
Estimated Demand:	■	18,000+
Advertising Sample:	■	\$0.59

### Brief Description:

When you are traveling the journey can be just as fun as the destination. Fun for young and old alike you can offer a multitude of distractions with a site that caters to travel fun.

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### Product Niches Related to Travel Games

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Activity Books
- Organizing Bags and Containers
- Riddle Books
- Hand Held Electronic Games
- Brain Teasers
- Card Games

# Toys & Games



## Yard Games

Online Competition:	■	Low-Med
Estimated Demand:	■	17,300+
Advertising Sample:	■	\$0.30

### Brief Description:

From Horseshoes to Bocce Ball take the fun outside with this playful niche. You can offer a variety of outdoor games in an online store catering to Yard Games.

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### Product Niches Related to Yard Games

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Horseshoes
- Washers
- Yard Darts
- Badminton
- Corn Hole
- Bocce Sets

# Toys & Games



## Yo Yo's

Online Competition:	■	<b>Low</b>
Estimated Demand:	■	<b>14,200+</b>
Advertising Sample:	■	<b>\$0.39</b>

### Brief Description:

Fall themed art can be items used as decorations for Thanksgiving time, artwork with fall related themes or hues with products used indoors and outdoors.

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### Product Niches Related to Yo-Yo's

The following Niche Products could be used to increase the number of products you sell on your site or as their own unique niche.

- Hula Hoops
- Diabolo's
- Chinese Paper Yo-Yo's
- Spin Tops
- Personalized Yo-Yo's
- How-To Videos and Guides

# **Chapter**

# **10**

## **Niche Drilldown Table**

## What is the Niche Drilldown Table?

As you learned in Simple Market Research™ an easy way to identify a niche is to "dig down" 3 levels from any main product category. To help you get even more niche ideas we've included this Niche Drilldown table full of example drill-downs.

Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Art</b>	Wall Art	Wall Murals	Tapestries
	Art Supplies	Art Tables	Art Kits
	Paintings	Art Frames	Travel Cases
	Sculptures	Red Glass	Ceramic Figurines
	Outdoor Art	Gazing Balls	Fountains
<b>Baby</b>	Baby Clothing	Winter Wear	Bedtime Wear
	Baby Travel	Strollers	Baby Slings
	Baby Room	Cribs & Cradles	Night Lights
	Baby Health	Skin Care	Baby Food
	Baby Toys	Crib Mobiles	Teething Toys
<b>Cameras &amp; Equip.</b>	Digital Cameras	Point & Shoot	Sub-compacts
	Lighting	Light Tents	Light Kits
	35mm Cameras	Beginners	Professional
	Accessories	Tripods	Cases
	Developing Tools	Digital Readers	Film Dev. Supplies
<b>Crafts</b>	Textile Crafts	Knitting Supply	Quilts
	Paper Crafts	Collage Supply	Calligraphy Sets
	Fashion Crafts	Jewelry Kits	Handmade Bags
	Functional Crafts	Pottery Kits	Baskets Kits

Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Educational</b>	Educational Toys	Puzzles	Activity Tables
	Educational Books	Business Books	How-To Books
	Educational Games	Board Games	Mind Benders
	Educational Kits	Science Kits	Electronics Kits
	Educational Videos	Self-Help	Language Learning
<b>Food &amp; Drink</b>	Wine	Bottle Stoppers	Wine Glasses
	BBQ Supplies	Sauces/Spices	Marinating Tools
	Party Food	Platters	Disposable Plates
	Beer	Pilsner Glasses	Beer Making Kits
	Candies	Sugar Free	Candy Making Kits
<b>Games</b>	Board Games	Chess Sets	Monopoly Sets
	Yard Games	Horseshoe Sets	Badminton Sets
	Travel Games	Sm. Game Kits	Electronic Casinos
	Beach Games	Volleyball Sets	Assorted Frisbees
	Card Games	Poker Supplies	Blackjack Tables
<b>Garden &amp; Patio</b>	Garden Décor	Wind Chimes	Weathervanes
	Gardening Supplies	Planters	Pest Control
	Patio Furniture	Picnic Tables	Swings
	Outdoor Lighting	Solar Lights	Lanterns
	Flowers	Seasonal Plants	Seeds/Pots
<b>Health &amp; Beauty</b>	Skin Care	Anti-Aging	Men's Skin Care
	Nail Care	Nail Polishes	Manicure Supplies
	Bath & Body	Bath Oils	Assorted Soaps
	Vision Care	Sunglasses	Eyeglass Cases
	Health Care	First Aid Kits	Relaxation Aids
<b>Home Decor</b>	Clocks	Grandfather	Cuckoo Clocks
	Bedding	Child Blankets	Down Comforters
	Furniture	End Tables	Bean Bag Chairs
	Door Accessories	Welcome Mats	Door Signs

Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Kitchen</b>	Cookware	Skillets	Pressure Cookers
	Larger Appliances	Indoor Grills	Food Dehydrators
	Small Appliances	Blenders	Coffee Makers
	Bar Supplies	Bottle Stoppers	Bar Sets
	Linens	Aprons	Tablecloths
<b>Music</b>	Karaoke	Karaoke Players	Microphones
	Instruments	Guitars	Percussion
	DJ Gear	Turntables	Light Kits
	Memorabilia	Posters	T-Shirts
	Books	Classic Artists	Current Artists
<b>Pet Supplies</b>	Dog Supplies	Leashes/Collars	Dog Beds
	Cat Supplies	Cat Toys	Cat Condos
	Fish Supplies	Aquariums	Fish Bowls
	Bird Supplies	Bird Cages	Bird Toys
	Small Animal Supplies	Small Cages	Tiny Toys
<b>Pottery &amp; Glass</b>	Dinnerware	Chinaware	Kids Dishes
	Glassware	Decanters	Bar-Style Glasses
	Art Pottery	Pottery Vases	Pottery Statuary
	Art Glass	Stained Glass	Paperweights
	Kitchen Glassware	Canisters	Shakers
<b>Religious</b>	Clothing	Jackets	Clergy Clothing
	Books	Custom Bibles	Reference Books
	Jewelry	Rosaries	Crucifix Jewelry
	Church Supplies	Communion Supplies	Vacation Bible School Supplies
	Décor	Crosses	Christian Wall Art
<b>Seasonal/Holiday</b>	Christmas	Ornaments	Artificial Trees
	Easter	Easter Baskets	Easter Art Kits
	Halloween	Costumes	Halloween Décor
	Winter	Snow Blowers	Flannel Bedding



Main Category	Sample Sub-Categories	Niche Idea 1	Niche Idea 2
<b>Special Occasion</b>	Birthday	Party Supplies	Helium Tank Kits
	Wedding	Albums	Wedding Favors
	Prom	Prom Dresses	Tuxedos
	Funeral	Urns	Pet Tombstones
	New Baby	It's A Boy Stuff	It's A Girl Stuff
<b>Sporting Goods</b>	Outdoor Sports	Fishing Poles	Hiking Poles
	Golf	Golf Clubs	Golf Clothing
	Team Sports	Baseball Bats	Football Gear
	Exercise & Fitness	Treadmills	Martial Arts Gear
	Winter Sports	Snowboards	Ice Skating
<b>Toys &amp; Hobbies</b>	Models	Car Models	Boat Models
	Figurines	Painting Kits	Precious Moments
	Stuffed Animals	Teddy Bears	Plush Dolls
	Puzzles	Brain Teasers	Jigsaw Puzzles
	Collectors	Card Albums	Sealed Containers
<b>Travel</b>	Luggage	Carry-on Bags	Luggage Carts
	Protection	Money Belts	Travel Mace
	Air Travel	Neck Pillows	Carry-on Kits
	Travel Electronics	Portable GPS Systems	Outlet Adapters/Kits

## Learn how to find great niches on your own!

Learning how to do some very basic market research steps to gather detailed, current information about the products you sell is a powerful skill to have as an online business owner. We strongly encourage you to do your own research on any product you decide to sell so you can make sure it's a product you can sell in today's market (and it will fit within your personal budget!)

If you haven't yet, be sure to read: [Simple Market Research™](#)