



Five Standard Hot Niches

Since the Great Recession of 2008, knowing what hot niches to market has become especially important to generate income. Some people may suggest that the entire marketing landscape has been turned upside down and that old, popular niches are no longer the bestsellers they once were. There is a bit of truth to this as it becomes harder to sell in a climate of economic fear; however, once you take a look at the five standard, hot niches closely, you will find that they are still selling, although in different manners.

What Are They?

- **Health & Beauty** – This is, by far, the most popular niche out there. The demographic has been traditionally female, but more and more men are increasing their purchases in this area. Even when gasoline is \$4/gallon, people still make purchases for small indulgences like lipstick, indicating that this is still a powerful niche to market.
- **Parenting & Children's Needs** – What people won't spend on themselves, they will find a way to spend on their children. It's clear that some households are making sacrifices in this area, but they are making up for it by buying items that provide in comfort and familiarity what they lack in luxury.
- **Pets** – You would think that with all the stories of dogs being returned to shelters due to the recession that the pet niche would be dying. On the contrary, the pet niche is still a hot niche, although the types of pets being housed and their needs may be different during a recession.
- **Automotive** – People need transportation to get to their jobs. They may have trouble buying new cars in a recession, but then the market shifts to repairs and to proper maintenance of old cars. In a modern society, transportation, and especially automotive transportation, is a must.
- **Food** – When all else fails in a person's life, food becomes a major source of comfort. It is also a relatively cheap comfort and can be justified on the grounds that it provides nutrition, a life necessity. People may switch from buying brand names to more generic foods, but that just opens a market for your offerings to take off.

Along with these five major niches, which we will discuss more in depth, there will be other niches arising and trending due to events affecting

consumer-buying behavior. Understanding the shifting needs of your customers is key to identifying future niche trends in IM.

Health & Beauty

Health and beauty rarely take a hit as a hot niche because there is always a way to justify these purchases in the mind of the consumer. Some people may decide, upon being laid off, that they look too old to get a job and opt for Botox treatments to help them be more competitive in the job market. A struggling single mother may opt to treat herself to a weekly hair styling as a way to pamper herself. Even when people don't have the money, they don't fail to spend in this area; they just look for smaller indulgences, things that generate greater value for the buck, and discounts.

Creating Health & Beauty Habits

Health & beauty products is also a great niche because, once you generate a customer, they can become lifelong customers that return over and over to buy your products. People tend to stick with certain brands once they find them either because they feel good with them or because they enhance their beauty. Since that's going to be a personal selection for everyone, the key is to have a large variety of products to choose from and to market them to targeted demographics.

Black beauty products, for instance, are taking off. As one demographic emerges more than another, be sure to have products that are especially chosen to highlight the health and beauty of that population. Hispanic customers will have different needs than African Americans and Caucasians. Knowing who your target audience is and what their needs are is the key to generating income with your niche. If you don't know what their needs are, put up a poll and ask them! Send them a discount coupon for participating in your poll. Make it time-limited, and the odds that they will redeem the coupon and make a purchase on your site will increase too.

Preventative Health A Great Subset Niche

All you have to do is watch the polls that show that more and more Americans are putting off health care to save money. Some are going overseas for cosmetic and dental surgery. This tells us a lot about the buying behavior of the average American consumer. It means that they will be more and more interested in learning how to prevent costly health conditions rather than paying to treat them. If you find that you have a beauty product that also can be used as preventative health care, list it as part of the benefits. This way, you will justify the purchase as a necessity and not just as a luxury. Provide a wide range of choices and some "do-it-yourself" options, like home hair coloring kits, French manicure kits, and other cheap alternatives to costly salon treatments.

Parenting & Children's Needs

If you are not a parent, it may be hard to believe that even summer camp is considered a necessity in some American households. The average cost of nurturing a child is astronomical, yet few parents will complain or cut corners unless they truly have to. There is a great desire to see their children succeed in a competitive world, and part of that means trying to get the best their money can buy for their children. Here are some ways that you can use this niche to generate income online.

Offer A Children's Line

Take a look at some of the major stores out there. They know a rich niche when they see one. There are numerous retailers offering a children's version of their grown-up line, from Pottery Barn to The Gap. Monogramming products with a child's name is a cheap way to make things seem more luxurious than they are and is a great feature to add to your own online offerings.

Children may not have the income to buy a product directly, but they have significant needs from clothing and health to beauty and school needs. You can count on this demographic to have significant needs that will be addressed by the parents regardless of economic conditions. In fact, they will more than likely make their children's needs a top priority.

Combined With Health Care

Certain products will sell better at certain times. Allergy season will have parents on the lookout for safe children's allergy medications. Cold and flu season will have them looking out for ways to keep their children healthy, even when exposed to other children in school. When you are setting up your Internet sales plans, be sure to plan for the difference that calendars bring to anticipate the needs for your products. Christmas, for instance, typically means parents will be on the lookout for toys, although in a recession, that demand may be lessened.

Parental Needs

Anything that makes a parent feel more secure, more efficient, and less stressed is going to sell well. Even if it's cheaper to make your own baby food at home, the culture has lost so much of its self-sufficiency that this option may not be possible for many parents. However, you can cater to both those that want to save money and be more self-sufficient and those that just want a quick, easy solution by offering infoproducts that help both types of parents to make smarter choices.

Pets

If you think people are not spending on their pets in this recession, just take a look at eBay's biggest sellers. You will find people still want to have pets and are still willing to pay for them, as long as they don't cost too much. That's why, in this area, dogs may be considered "too expensive" and high maintenance, but cats or fish still rank high. In this niche, it's not so much about how unique a pet is, but how affordable it is that will make the difference between a pass and a sale.

Keep in mind too that people prefer larger pets when they live in their own homes, but opt for smaller pets when they live in apartments. The reasoning is that there may be rules against larger pets, or they may have to pay more on a pet fee for larger pets. Smaller apartments don't have enough space for large pets, and things like hamsters and fish are more suitable in this environment. With millions of people losing their homes and moving into apartments, they may have given up their dogs, but odds are that these animal lovers bought fish, cats, or hamsters once they resettled.

Feature Small Pet Accessories

Concentrate on offerings of food (one of the big niche categories) and equipment for small pets. If you are selling infoproducts, owners still crave information for how to train their pets to behave. Offer bulk food clubs and anything that can help lessen the cost of purchases while maintaining the ability to support more pets.

Pet lovers love to congregate and share stories. Online communities are a great way to get loyal followers on your site as well as to have a captive audience for your products. If you have your own pets that you can feature, that's all the better as this will help you to connect with your customers and their needs.

Caring For Pets

Understand that some concerns are paramount for one geography versus another. Flea products are essential year-round in the Southern states of the United States, but may only be seasonal in the Northern states. Older pets have more concerns than younger pets. Some health problems are specific to a particular species and not to others. You can even extend the preventative care of your pet to make sure that they don't get members of the household sick too. Take an empathetic approach as pet lovers tend to have a deeply compassionate view of life and want to nurture living beings. You should help them achieve these aims as best as possible.

Automotive

We've all heard about the Big Three Bailout. The automotive industry is suffering some major losses due to the economic fallout. People either can't get credit to buy a car or are putting off their purchases until their finances are more secure. While it means that new car sales are down, it means that there are a ton of aging cars on the road. Some of these may end up being traded in when the "cash for clunkers" program takes off, but it is certain that more and more people will be trying to maintain older cars in years to come.

If you study this segment of the market closely, you know what is at the top of consumers' minds. They want to get the most mileage they can out of their cars, the best gas efficiency, and/or have alternative transportation that can cut all their costs in this area. There are several markets that can be marketed online with success in the coming years.

Gas Efficiency

There are products especially made to increase the efficiency and mileage that a car gets. You can set up membership clubs to have these fluids sent directly to a customer's home so that they don't have to waste gas getting them. Keep an eye out for new products that are aimed to increase gas efficiency that you can market in years to come.

Gas efficiency is also affected by how often the filters are changed and even a car's tire inflation. Learning how to offer products and services that can help people get the most mileage from every tank of gas that they buy is one niche that will be more and more important as gas prices continue to rise.

Car Maintenance

People are going to start to learn how to change their own oil, replace the filters, and do simple car maintenance in an effort to reduce costs. Every car may have different maintenance requirements, but that information can be linked to from your own site. When cars break down, people understand that they can get parts online and save on costs by having them installed through an independent mechanic that they trust or by doing it themselves. Used parts for cars can be a highly profitable way to make a living online. It's especially easy to market on places like eBay that is known for having trustworthy parts vendors online.

Food

Less than 2% of the world's populations are farmers. In addition, certain countries like the United States and Japan have an aging farmer population, mostly over 50 years old. While it doesn't require as many people to farm as it did in the past, there is a growing concern and interest in all things related to agriculture and food. How food is grown, who grows it, where it comes from, and food safety issues are becoming more and more important to the average consumer.

Add to this growing mix of uncertainty about the food supply, the issue of higher food prices, and a nasty recession, and you can see why people want to start to have some control over what they're eating, whether it's from a security, safety, or comfort standpoint. Food is going to be a very fast-growing niche that can be marketed from several angles by the savvy Internet marketer.

Food Security

Those people who are interested in reducing pesticides in their food or are scared of food shortages or high prices will take a great interest in learning how to grow their own food. In fact, you can see this niche taking off right now. If you watch trends, as soon as inflation becomes a major trend, the demand for home gardening information on the Internet follows it. People want to be sure that they can feed themselves and their loved ones, and that's fairly easy to do if you know how to garden.

Gardening supplies, informational products, and fertilizers to increase the yield will be more and more in demand. Learning how to grow organic foods is also a great niche. If you can help people generate income through the production of food in their backyard, you will have combined a very healthy niche with the potential to make money – a sure crowd pleaser. Just be aware that this niche is seasonal and geographically impacted.

Food As A Valuable Commodity

Comfort foods like candies, chocolates, and even alcohol are going to continue to have strong demand. Wine and beer can be an excellent niche site, and lends itself well to a buying club. Just make sure that when you use a food niche that you are in compliance with your state and federal laws. Other ways to market this niche are through agricultural stocks, home preserving, cookbooks, and gift ideas.

Incentives Producing Demand

Some demand is a natural byproduct of the law of supply and demand. Other demand in the market has been created by Federal laws and regulations. As the national bailout continues to gather steam, there are numerous programs that will create demand where there previously was none. It's up to the savvy Internet marketer to identify these niches and to explore the different ways to reap profits from this new area of demand.

Energy Incentives

The Obama administration has given some energy incentives for customers who are thinking of buying some types of home products that will reduce energy demands. If you take a look at any sales circular for local businesses, you will see that they are promoting the installation of tankless hot water systems, insulation, air conditioning, or heat pump systems. In some cases, the Federal stimulus package can return 30% of the purchase price in tax incentives. This can be a powerful motivator for people who are thinking of installing a new system to do it now. Finding out what incentives can be marketed online, whether as a product or as a referral commission, a savvy Internet marketer can increase the potential for income while meeting market demand.

Sell Information On Incentives

The infoproduct market is very well-suited to these new Federal and state incentives. Typically, Federal and state programs are a bureaucratic mess and are hard to understand. If you know how to navigate these systems and make it clear how the average person can benefit from state and Federal programs, you have the makings of a great ebook or report that you can sell online.

The types of programs that are suited for this are the "cash for clunkers" program, the foreclosure modification loan programs, and the energy programs. All of these hit a wide range of people who may want to know who to contact, how to be eligible, and what types of benefits they might derive from the programs. You don't have to actually walk a person through the programs; you just have to point them in the right direction.

If you can include a number of different programs that someone might benefit from, you can consolidate them into an ebook and sell it for a small fee. Having all of that information in one place with URL links that are easy to spot and step-by-step instructions will help people and be well worth the small investment they paid for your ebook.

Technological Advancements

Technology has a very quick life cycle; as a result, niches have to be identified quickly and marketed soon. As trends in technology take off, that's the best time to market them as a hot niche, although they tend to peak fairly quickly. If your audience is technical and tend to be first adopters of technology, it can be a great niche to market to online. Let's take a look at a few that still have some staying power.

Phones

Improvements in cell phones are major technological news and are often high-demand markets. With Internet connectivity becoming a more common feature on cell phones, the likelihood that these devices might encroach on the personal computer marketplace is high. Whether you want to talk about digital, cellular, or smart phones, they are a product with a large demand and loyal customers.

Digital Cameras

With more opportunity to share photos and short movies online through venues like YouTube, the sale of digital cameras is becoming more popular. While many cell phones can take great pictures, they are not high-definition pictures. High-definition cameras with more features and fun options to edit photos and to post online are going to increase in the marketplace.

Hybrid Technology

Solar hot water heaters that are backed up by a conventional gas connection provide a mix of old and new technologies that are comforting to people incorporating new technology into their lives. The same is true for hybrid cars that can be electric and gas, providing some assurances that the car will function, one way or another. As people begin adopting more conscious energy management, they may be reluctant to be early adopters unless they can have training wheels, of sorts.

Green Technology

With incentives, mass media attention, and energy concerns, green technology is a rich niche that will only increase in demand in the future. It may be a while before everyone wants to put solar cells on their roofs, but other types of easy modifications, like water conservation devices and recycled products, are pain-free to implement.

Internet Marketing Trends In Advertising

Product niches aren't the only way to create income online. Advertising is one of the best ways to create income from Internet marketing activities, and there are some major trends that are shifting how this is done online. In the past, a Google pay-per-click campaign might have been the only way to advertise and to make money online as a publisher, using keywords. Now, there are quite a few more options that the savvy Internet marketer should use to promote offerings and to make advertising income too.

Different Types of Affiliate Banks

There are new affiliate banks that cater to different markets. Joining just one can limit the exposure to markets, as some offerings may be exclusive to other affiliate banks. Try to maintain several affiliate bank accounts and look for the hot niches in each to promote.

One type of up-and-coming format is the cost-per-action affiliate bank. These are known as CPA programs. They pay out not solely based on a sale, but on some action performed by a visitor to a site. It can encompass activities like polls, site registrations, subscriptions, puzzles, and sales. The payouts are usually higher than a pay-per-click campaign, and the publisher may not even have to make a sale to collect. At a time when people may be more willing to part with information rather than cash, cost-per-action banks can generate more income when other programs fail.

Advertisers like the CPA programs because they are paying for leads that they can later market to, unlike a pay-per-click campaign where the visitor remains somewhat anonymous. They have a results-based campaign that helps them to determine just how productive their advertising dollars are in comparison to other types of programs or products. Right now, there may be fewer CPA affiliate banks than the other type, but this is changing rapidly. More and more advertisers are moving into the CPA model, and Internet marketers should be ready to cultivate these new networks to make sure that they are ahead of the trend in years to come.

More Social Networking Exposure

One of the biggest changes that has occurred in recent years and is set to literally explode is the use of social networks for Internet marketing. Sites like Facebook.com and Twitter.com are a great way to generate contact leads and then use them to market your affiliate programs and other online

ventures. The problem comes around when traditional marketers get onto these social networking sites and start to use conventional techniques to generate sales, like spamming people. This will automatically get them banned. Instead, new techniques for marketing have to be implemented, and value is the number 1 driving force to a sale.

Every day, new ways of making income appear, and savvy Internet marketers have to be on the ball to recognize a sales opportunity. Having a social networking profile on the main sites already is a good way to get a foot in the door to a trend that is only set to increase over time. In fact, these networks are so powerful and vast that they could even give the Google search engine a run for its money.

Imagine that instead of using keyword searches for your next purchase, you hop online and make an inquiry to all of your friends on Facebook. Immediately, you get a response from a number of them telling you what and who they recommend for your needs. This provides a level of trust that is non-existent when you type in a search into the Google search engine, and it is why it will be the way that people will buy in the future. Friends trust friends and not machines. It's not too far-fetched to expect that these social networks will eventually become their own search engines with greatly improved ways to buy online with no spamming and/or solicitation. If you are not online in an authentic manner where someone can recognize you as a live human being by the time this revolution takes place, you'll be left far behind in the Internet marketing race. Get online to these sites and get a profile.

Conclusion

It's important to view large social trends that are going to impact purchasing behavior in the future, as well as to understand hot niches for Internet marketing. That is just part of the equation to become a successful Internet marketer, however. In addition to being able to identify and to market to growing trends before they saturate the marketplace or get too high in competition, there is the shifting sand of how to market online that changes too. If you were to identify hot niches and continue to merely use pay-per-click campaigns, you might make some money, but you will be ignoring larger and larger markets that are emerging from social media sites and cost-per-action programs. Staying at the top of your game when marketing a hot niche means understanding that techniques for advertising are constantly changing online too.

Just as new advertising techniques increase over time, more markets appear online from emerging countries that are expanding their Internet connectivity. It may be that your hottest niche works best when it is marketed to people in the UK, versus the US or maybe even China. Innovative marketing techniques will help to increase the returns on any

niche that you market to and will literally explode the highest potential of very hot niches.