



Limited Options Can Hurt Your Business

By Dr. Linda Hancock

ABOUT THE AUTHOR

Dr. Hancock has written a regular weekly column entitled "All Psyched Up" for newspapers in two Canadian provinces for more than a dozen years. Over the years, her readers and clients have said that they have benefited from her common-sense solutions, wisdom, and sense of humour. Dr. Linda Hancock, the author of "Life is An Adventure...every step of the way" and "Open for Business Success" is a Registered Psychologist who has a private practice in Medicine Hat. She can be reached at 403-529-6877 or through email office@drlindahancock.com

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Lately, there has been a strong trend that encourages businesses to focus on a niche which they then market to a particular group of clientele. The theory is that the business owner can then be viewed as an expert who people will respect and go to for services and products.

There are several things that you need to consider though if you are going to do well in a niche:

1. The niche that you choose - Remember, earning revenue means that you have to fill the needs of the clients. If people do not need what you have to offer, they will not buy it, even if you think that this is the most wonderful product or service ever.
2. The location you serve - The internet has made our world into a global village but you still need to attract people who will trust you enough to purchase from you. If you are a physical store in a smaller area, you need to consider if your niche is compatible with the area. For example, you might not find enough people living in rural Alberta Canada who want high-end interior decorator services to earn a living.
3. The price you charge - No matter where you live, you will have some form of competition and people will usually pay what the market will bear. If you are the only store in the area that offers baby items, for example, you will likely be able to raise your prices. On the other hand, if you are one of several stores within driving distance, you may need to lower the prices to remain competitive.
4. The client population you have available - There is an expression that captures the uniqueness of people and their values. "One person's junk is another person's treasure". All you need to do is attend a garage sale to observe this. Frequently antique dealers show up at them and purchase items for pennies that they then resell for hundreds of dollars. It is all about knowing what certain people value and then finding a way of providing it for them.

As a psychologist I have found that by offering options and not specializing too narrowly I have been able to maintain a good full-time income for several years. Providing a combination of treatment, assessment, mediation services as well as doing professional speaking and writing have protected me. I have not suffered during the natural economic cycles that occur in each of these at different times. When there was less work in one area for a period of time, I was able to focus on another area and still do well.

I do believe that you cannot do everything and really need to get good at what you have to offer the clients in your niche. At the same time, though, I recognize the fact that you can limit yourself so much that it hurts your business. The wise thing to do therefore is to consider the above factors and then develop your business with products and services that will be broad enough to realize a good profit for you in good times and bad.