


Forbes / Entrepreneurs

MAR 25, 2015 @ 12:43 PM 1,921 

# Build Niche Expertise To Grow Your Business

**Larry Myler**, CONTRIBUTOR*I write about B2B sales strategies.* [FULL BIO](#) 


Opinions expressed by Forbes Contributors are their own.

## TWEET THIS



Successful attempts at niche dominance abound.

Because most industries tend to move toward commoditization—where competitors match each other over time on price, quality, speed, service, etc.—entrepreneurs are constantly seeking ways to differentiate their offerings in the minds of buyers. But the common factors that are most often focused on (price, quality, speed, service, etc.) reach inevitable limits, at which point price cannot feasibly be dropped any more, quality can no longer reasonably be improved, speed cannot be profitably enhanced, and service levels hit immovable limits. The end result of commoditization is, in most cases, a general degradation of the fiscal health of all concerned. Before this competitive race to the bottom afflicts your company, you may want to explore a different path to differentiation: Specialized niche marketing.

Successful attempts at niche dominance abound.  Look into almost any industry and you will find players that have demonstrated how to generate premium pricing, reasonable-but-not-excessive quality, sustainable speed and service, while building market share and brand equity. Here are just a few examples. Can you use any of their strategies to differentiate your company through specialization?

## Business Cases

1. Eric Kandell, Founder and President of [lowvarates.com](#), watched his mortgage business grow, even during the recession, because of his focus on veterans who have unique needs and opportunities when buying or refinancing their homes. “While many other mortgage companies were going out of business, we were able to expand,” remembers Kandell. “We have the ability to do all kinds of loans, but focusing on the veteran niche has made all the difference for us.” As a national

lender operating in 47 states, [lowvarates.com](#) has been able sell more favorable offerings that are only available to veterans, such as 100% loan-to-value lending limits, 3 to 5-year fixed rates on ARM loans, and no appraisals or income verifications on refinanced loans. Becoming the veteran loan expert has helped Kandell's business write over \$600M in mortgages in 2014 alone. And because only 20% of eligible veterans currently have VA mortgages, there is still a massive niche market for Kandell to grow into. Can you focus on a niche market that's large enough for your company's future growth?

2. We've all been bored to tears while on hold in some company's phone system, listening to a repeating loop of nauseating music. But when you think about it, this is the perfect opportunity for businesses to entertain, educate, and sell to captive-audience customers. This is a niche that [Mind The Gap](#) has been serving for over twenty years. According to Founder and CEO Marc Gallo, "The on-hold gap can be an ideal setting for offering customers great comedy, interesting trivia, enticing promotions and engaging music. The right recordings can actually make the on-hold experience enjoyable for customers and profitable for the company." Mind The Gap writes and records its own music, and has access to a wide range of voice talent. Can your business fill a narrow need in ways that are appealing to all participants?

3. There are a lot of challenges to building a successful law firm, but the founders of [Bachus & Schanker, LLC](#), in Denver have pursued a legal niche that has worked well for their clients and their business. Established in 1996, the firm has excelled through a willingness and ability to take more cases to trial. "Many Personal Injury law firms will settle cases too early in the litigation process," states Kyle Bachus, Co-Founder. "We have developed a reputation for leveling the playing field between our clients and insurance companies, simply by developing our capacity to go to trial more often than most." This niche practice of doing more work for clients has yielded higher settlement amounts across the board. Can you create your own niche and produce more customer value by going the extra mile when compared to your competition?

Every entrepreneur likes to think "big," but to grow your business fast you may need to think "narrow" and concentrate on a niche that others might have overlooked.

*Larry Myler: CEO By Monday, Inc., adjunct professor in the Rollins Center for Entrepreneurship & Technology at BYU, author of [Indispensable By Monday](#).*