

# Profitable Niche Selection Guide:

## DO LESS WHILE EARNING MORE



**Every year we update our guide to selecting profitable niches. If you're familiar with digital and eCommerce trends, you know how fast things change. This is still good news for you though!**

**That's because it's only getting easier to research the profitability of a niche product before you start building your drop shipping store. This will give you a clear picture of market trends, releases, and ways to be profitable within a broad, over-saturated niche, hint: sub-niches!**

# DON'T RUSH THE NICHE SELECTION PROCESS

One of the first steps in eCommerce is choosing a niche... it's also the biggest point where we see people get hung up. While you shouldn't make niche selection harder than it is, it's more important to not rush the process.

Niche selection is a common topic of discussion in our DSL Labs community. As you can tell from the conversations below, there's plenty of help and advice shared as well!

 **Edwin** [redacted]  
November 8, 2016 · New London, CT

Any advice on a niche i should begin with?  
Thanks!

Like Comment

4

 **Daniel** [redacted] I'm at day 12 and still can't find a decent niche. It's no doubt the hardest part of the process  
Like · Reply · 1y


 **Edwin** [redacted] Same here lol im still doing research on what sales  
Like · Reply · 1y

 **Daniel** [redacted] Tell me if you find something good. Just do what he does in the first section of the course, that's what I'm doing  
Like · Reply · 1y

 **Carole** [redacted] If you get an easy answer on this one - Please let me know! Hey, it never hurts to ask! 😊  
Like · Reply · 1y

 **Isaac** [redacted] Drones!  
Like · Reply · 1y


 **Gabriel** [redacted] Take your cellphone or a notepad, go walk in town and look at everything around you. Go through malls, restaurants, hotels, stores, museums, look for hobbie lists on the web. Go to the library in the magazine section go through all magazines and take notes. Make a list of at least 100 niche if not more.  
Like · Reply · 1y


 **Ognyan** [redacted]  
November 26, 2017

[Niche Selection]  
When thinking of a niche, would you recommend looking at Amazon at all? Obviously it is the 1st place to go for physical products, but if we see something is selling in good volume there, I can't decide if it is a bad thing or a good thing - after all, we have something that people are buying, on the other hand... none of us can beat Amazon. P.S. I am talking about first stage of coming up with niches, not using Amazon for validating if you should get in it or not.

Like Comment

1

 **Mary** [redacted] Some people might do that but I don't look at Amazon at all. I've been an Amazon seller for 2 years and the primary demographic is middle class and the best items usually sell between \$12.00 to \$65.00. The DSL method is about selling high-ticket items... [See More](#)  
Like · Reply · 10w

 **Michael Coghlan** I think **Mary** [redacted] above hit it on the head with where the ideal price point is within Amazon. With that said I usually use Amazon Today Deals, then sort by \$200 and above for UNIQUE IDEAS... Not saying that I love all the items in there, to be honest usually only a single item or two per page actually work; but it is something I use when I am trying to force myself to think outside the box. I actually have a video on this I was supposed to send to Anton weeks ago but Q4 got the best of me. I will try to get that to his team and uploaded into the DSL youtube channel for you all to use shortly!  
Like · Reply · 10w

# DON'T RUSH THE NICHE SELECTION PROCESS

To give you a little background, my [very first eCommerce](#) store started making money within 24 hours of going live. **I made a sale for \$485 the FIRST night that my store was able to accept orders.**

I'm not telling you this to show off. I'm telling you because I want you to know the secret to my drop shipping method. The same secret [I used to make over \\$3,000](#) of sales in just over three weeks.

People are often shocked when they hear this because it sounds like I just threw together an online shop and starting making money through luck. But the truth is I spent A LOT of time prior to launching. In fact, it's all about the preparation.

Before my store launch, I did a ton of market research in order to have the best chance of success once I was ready to launch. There was one reason that I made \$485 within hours of launching. It was because I found a profitable niche that fit a certain criteria.

Keep reading to learn all the details, **plus step-by-steps of my favorite methods** to research the current profitability of any eCommerce niche.

# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHE IN 2018

This guide will cover the first and arguably, one of the most important steps in building your own profitable eCommerce business: **selecting profitable niches**. Selecting a niche can make or break your [drop shipping](#) business making it one part of the drop shipping process you don't want to rush.

**BREAKING IT DOWN, THERE ARE TWO TYPES OF NICHE THE BAD (NON-PROFIT-ABLE NICHE) AND THE GOOD (PROFITABLE NICHE):**

## GOOD NICHE



LOTS OF SALES

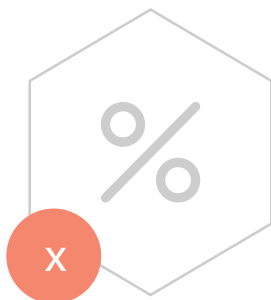


LOW AMOUNT OF  
CUSTOMER SERVICE



HIGH PROFIT

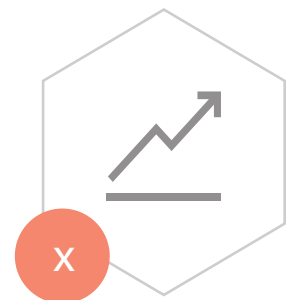
## BAD NICHE



NO SALES, OR  
MANY PROB-  
LEMATIC SALES



LOTS OF CUSTOMER  
SERVICE NEEDED



SMALL MAR-

# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHE IN 2018

It's not hard but there are quite a few methods that you need to know in order to select a profitable drop shipping product. When searching for a profitable niche that's good for the drop shipping model you'll want to use these methods:

## METHOD #1: FOCUSED BRAINSTORMING



Like all projects, the first step is brainstorming.

Before you can test different niches for profitability you need to think of niches to test. This doesn't mean you think about it on the ride to a friends house, you need to block off time and focus on brainstorming.

**TIP:** When first brainstorming profitable niches, make a list of at least 50 good niches that fit the criteria above.



[www.dropshiplifestyle.com](http://www.dropshiplifestyle.com)

# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHEs IN 2018

To brainstorm new ideas, I often think of things that I've recently bought online. As well as asking family and friends what they've recently purchased. Also, think about what you've bought in the past. Think about all your family and friends and what they have in their houses.

Write everything down, even if it seems questionable at the time. I then take this list and begin running them through my "tests". Tons of niches are profitable, but that doesn't mean you should rush into them.

## ONCE YOU HAVE YOUR FIRST LIST OF NICHEs, VIEW THEM THROUGH THESE FIVE LENSES:

- 1. COMPETITION** – Scout out other drop shipping stores and see what products are over-saturated. You don't want to sell those.
- 2. LOYALTY** – Don't go for a niche or product that is dominated by a national brand(s).
- 3. PRICING** – It's easy: the higher the price of the products, the greater your profit margin will be!
- 4. WEIGHT** – Shipping is expensive but a winning combo is a high-priced product that has low shipping weights.
- 5. RETURNS** – Don't pick a product with sizing and style preferences, they will have an astronomical return rate.

# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHEs IN 2018

## METHOD #2: RESEARCH AND EVALUATE CURRENT DROP SHIPPING TRENDS

eBay is still a good place to check if items sell online but don't base your prices off of eBay's. They're far too low. Even though it's not as relevant these days, it's still a good place to brainstorm profitable niches.

Once you're on eBay, you want to identify products in different niches that are expensive (to me, that's \$500 or more, but it's up to you). Then go through different categories on eBay and change your search results to show "completed listings". If the completed listing is in red it means the item did not sell. If it's in green it means the item sold.

Look closer into the products that are shown in green and search for completed listing only for that specific product. I used to do this over and over until I identified about 20 products within one niche that almost ALWAYS sold (10+ units per day).

**TIP: Tons of niches are profitable, but that doesn't mean you should rush into them.**

When I started I wasn't drop shipping. I was importing from China, so I contacted a few suppliers that I had found on [Alibaba.com](http://Alibaba.com) and requested price lists for these exact products. I then contacted a customs broker and got shipping quotes for a container of the products. Next, I factored in all of my other expenses and learned I could sell these on eBay at the same price as many competitors and make a 50%+ profit on each sale! But that was back in 2006...



# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHE IN 2018

## METHOD #3: USE AMAZON'S HELP TO SELECT VERY SPECIFIC NICHE

Amazon is the world's biggest retailer and they sell pretty much everything under the sun. That's what makes it one of the best places to find profitable niches and the products that are "red hot".

HERE'S THE STEP BY STEP PROCESS TO FINDING PROFITABLE NICHE USING AMAZON:

1. Click on the 'All' tab at the left of the main search bar it will show a list of categories or 'niches'.
2. Click on a specific category, that interests you (or at random).
3. Then leave the search box blank and hit 'Go'.
4. A new page will display and on the left-hand side a whole list of subcategories or 'sub-niches' will pop up.
5. Click a subcategory and it'll take you further down into the niche into a more specific sub-niche.
6. You now have drilled down into specific niches and can even go further still.

Amazon is especially great to help you find a super specific niche and the products that sell best. Even better is you can choose 'best sellers' from the navigation bar at the top of the page just under the search box and see what's currently selling best.

There's no way you can't find a profitable niche on Amazon, or at least have a good brainstorming session browsing the site. Amazon's "Best Sellers" page is updated hourly making it a solid resource for profitable niche selection!

# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHE IN 2018

## METHOD #4: THINK LIKE A MARKETER

Now, I know that I'm not selling on eBay anymore and I don't think you should either. But, a lot of this advice is still useful in the world of drop shipping today. The first (and most important) tip I will share on finding a profitable niche when drop shipping is **SELL EXPENSIVE ITEMS!!**

Based on my experience, the average net profit when drop shipping is about 20% of your total sales. Basically, you'll make 20% profit on a \$1,000 item and a \$10 item so you could

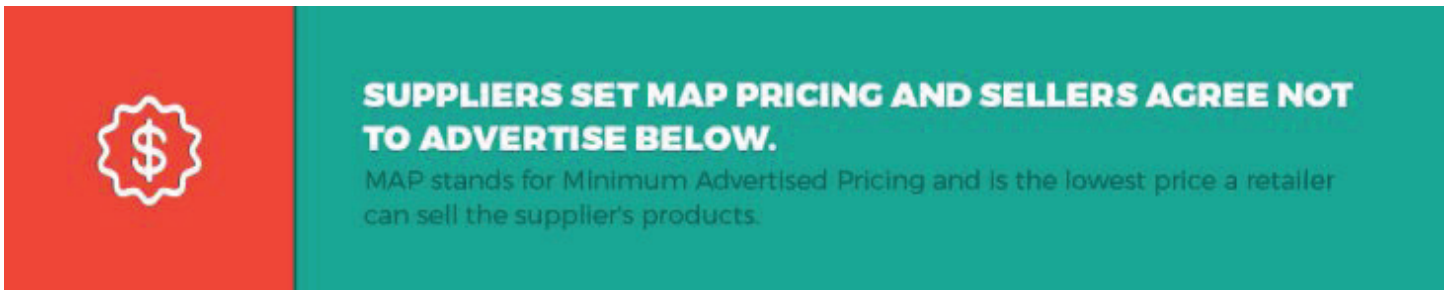


# 4 GUARANTEED METHODS TO FINDING PROFITABLE NICHE IN 2018

either make \$200 or \$2 per sale. If you want to make money, you need to sell expensive items.

There's nothing else to it. Not that complicated, right?

Once you've identified these items you need to find some potential "future competition". Online retailers who are already selling these items. Unfortunately, there's no way to find



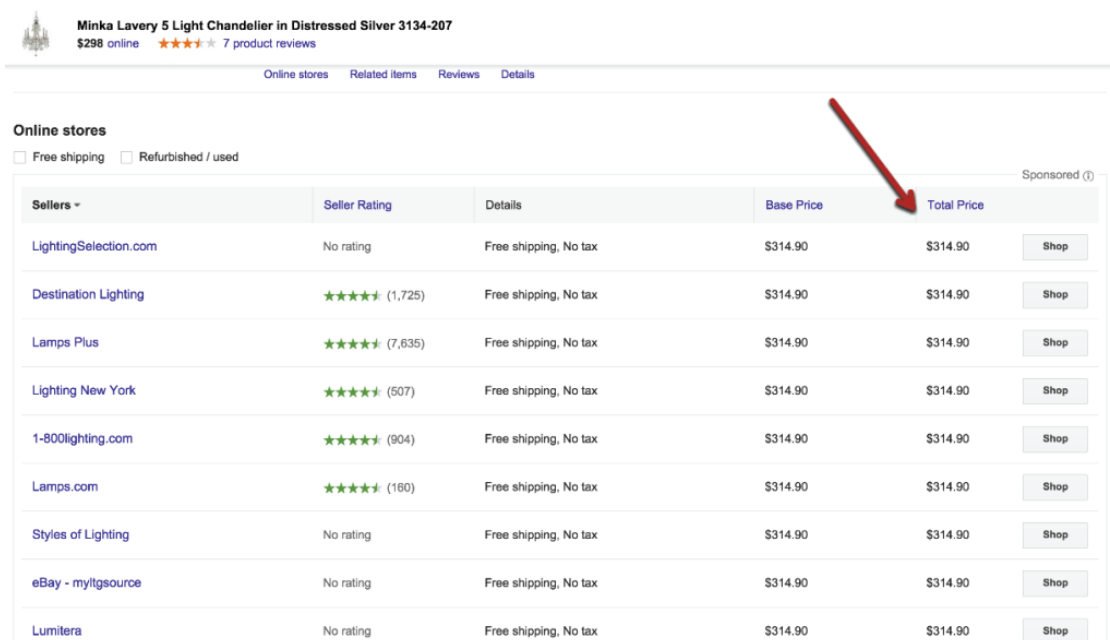
**SUPPLIERS SET MAP PRICING AND SELLERS AGREE NOT TO ADVERTISE BELOW.**

MAP stands for Minimum Advertised Pricing and is the lowest price a retailer can sell the supplier's products.

out how much money they make on each sale at this point. BUT you can find out if this niche is profitable by seeing if the suppliers enforce MAP policies.

If your results show different prices, that are all over the place, then this supplier does NOT enforce MAP. If the results say something like "\$999 from 3 stores" and there are no other prices listed for the same exact item then you've likely found a supplier that enforces MAP! You can now move onto the next step.

You can call these potential suppliers to see if they enforce MAP policies. But the easiest



**Minka Lavery 5 Light Chandelier in Distressed Silver 3134-207**  
\$298 online ★★★★★ 7 product reviews

Online stores Related items Reviews Details

Online stores  
 Free shipping  Refurbished / used

Sellers	Seller Rating	Details	Base Price	Total Price	Sponsored (1)
LightingSelection.com	No rating	Free shipping, No tax	\$314.90	\$314.90	Shop
Destination Lighting	★★★★★ (1,725)	Free shipping, No tax	\$314.90	\$314.90	Shop
Lamps Plus	★★★★★ (7,635)	Free shipping, No tax	\$314.90	\$314.90	Shop
Lighting New York	★★★★★ (507)	Free shipping, No tax	\$314.90	\$314.90	Shop
1-800lighting.com	★★★★★ (904)	Free shipping, No tax	\$314.90	\$314.90	Shop
Lamps.com	★★★★★ (160)	Free shipping, No tax	\$314.90	\$314.90	Shop
Styles of Lighting	No rating	Free shipping, No tax	\$314.90	\$314.90	Shop
eBay - myltsource	No rating	Free shipping, No tax	\$314.90	\$314.90	Shop
Lumitera	No rating	Free shipping, No tax	\$314.90	\$314.90	Shop

# TWO MORE TIPS FOR NICHE SELECTION FROM OUR EXPERT DSL COACHES

Our elite group of Certified [DSL Coaches](#), work hard with DSL members to ensure they [never feel alone](#), frustrated, or confused in their drop shipping journey. We've got an incredibly smart group of coaches who love to help new members find [drop shipping success](#). Here's two tips they want you to know when researching profitable niches:

## TIP #1: THINK JUST OUTSIDE THE BOX

Michael Coghlan has been a coach with us since we started the program and he's the perfect example of a great coach. While Michael helps members grow all aspects of their drop shipping businesses, [niche selection](#) is one his specialties.

His biggest tip for selecting a highly-profitable niche? You gotta think barely outside the box. Michael explains:

"When people pick their niche they often fall into one of two categories. Either people choose a very common niche idea or one that is too 'out there'. The common niches are often over-saturated. Leaving you in a highly competitive marketplace that you'll struggle to thrive in.

"The other mistake is choosing an outlandish niche. Something that is very specialized, making it very difficult to make consistent sales without a ton of extra work. Again, if you research properly you'll see that niches like this **feel more like a boutique than an automated business** (the kind that will give you freedom).

"The real way to excel at drop shipping is to pick a product idea that is just outside the box. For instance, **my best selling product ever was a portable ice maker**. If you think about it, it was just barely outside the box. Not as common as a refrigerator, but not as UNCOMMON as say a walk in deep freezer for a restaurant. Finding that nice balance early on makes niche selection a much easier process."

# TWO MORE TIPS FOR NICHE SELECTION FROM OUR EXPERT DSL COACHES

## TIP #2: GET OUT AND OPEN YOUR MIND



Get out and open your mind. It's amazing how many potential winning niches you can find.

Brent William is one of our drop shipping coaches and is an expert at niche selection. His biggest tips for new members to the community is [to not get overwhelmed](#) with niche selection:

“Everyone struggles with this, but what you need to do is open your mind. Get out among the shops and big stores for a day, pay attention to what’s around you as you walk around. It’s amazing how many potential winning niches you can find.

“Also, when using [Google Shopping](#) you can search broad words like outdoors or furniture. Then on the left hand side, reduce the search down to items over \$500 or \$1,000 (Perfect Priced Items). You’ll get a ton of interesting ideas by scrolling through all the pages. By using broad keyword search terms can uncover things you never thought of.”

# GETTING STARTED AND FINDING YOUR WINNING NICHE

## GETTING STARTED AND FINDING YOUR WINNING NICHE

Finding a profitable niche is the most important factor that goes into building a successful drop shipping store. To help get you started brainstorming drop shipping products, here's my list for the most profitable niches right now:

1. Racing Bicycle Wheels (New Tires = Repeat Sales)
2. Skeet Shooting Launcher (New Skeets = Repeat Sales)
3. Grills / Smokers (Wood Chips = Repeat Sales)
4. Video & Photography Lights (New Bulbs = Repeat Sales)
5. Pottery & Ceramics (New Material = Repeat Sales)
6. Automatic Pet Feeders (Pet Food = Repeat Sales)
7. Mobile Bars (Restocking = Repeat Sales)
8. Commercial Restaurant Equipment (Restocking = Repeat Sales)
9. 3D Printing (New Material = Repeat Sales)
10. Bow Hunting (New Arrows = Repeat Sales)

You'll notice that these [top 10 niches](#) provide plenty of opportunities to create repeat (and loyal) customers. Repeat customers are the type of customers that continue to buy from your drop shipping store for years to come.

This means you'll have a much higher [customer lifetime value](#) and a higher ROAS (return on [ad spend](#)). Keeping long-term strategies like this in mind when you're researching profitable niches will not only help bring in a consistent cash flow, but will also increase the value of your drop shipping store over time!

# NEXT STEPS...

I hope after reading this guide that you've got one or more niche ideas in your head, and are as excited as I am about making your first sale online! My program is the best step-by-step eCommerce training out there, plus it comes with an international community of 5,700+ drop shippers. Along with myself, this community is here to support you on your journey to building a profitable business. Now here's how to get started:

- 1 **Brainstorm ideas for your profitable niche**
- 2 **Join the community and get access to Drop Ship Labs here**  
[\(https://www.dropshiplifestyle.com/ls/join-dslabs/\)](https://www.dropshiplifestyle.com/ls/join-dslabs/)
- 3 **Follow my system that will put you on the right path to building your own highly successful online business!**

Best of luck and I'll be seeing you in our private community!

JOIN NOW TO ACCESS DROP SHIP LABS

**ANTON KRALY**

- Creator of Drop Ship Lifestyle -

<https://www.dropshiplifestyle.com/>

