

Discovering Your REAL ESTATE MARKET NICHE

Knowing what makes sense for your real estate practice can make all the difference when launching your career or reinventing your real estate agent brand.

A REAL ESTATE EBOOK FROM



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| Your MARKET NICHE **101** |

Figuring out which market niche works best for your brand can be a tricky business for agents of all experience levels. You need to understand yourself and have the willingness to reassess your current situation to figure out if it's time to pivot to a new niche or not. If you're starting out, looking for a change, or merely interested in learning more about matching agent your brand to a market niche, this ebook is for you.

1) FIRST-TIME HOMEBUYERS



This group usually consists of young couples or families looking to own a home or apartment for the very first time. For the most part, they know absolutely nothing and need a lending hand that will lead them every step of the way. They'll be interested in knowing things like the best schools, restaurants, and parks in the area and will most likely be clueless when it comes to properly filling out contracts, understanding your commission structure, and other basic actions that are part of the homebuying journey. The more willing you are to cater to their needs, the better suited you'll be for this market niche.

AGENT BRANDS THAT MATCH THIS NICHE: Younger but knowledgeable agents who cater to providing an all-encompassing home buying experience. Agents who cater to this target market need to be able to field a multitude of questions, some of which may seem elementary or even redundant.

| POPULAR MARKET **NICHES** in Real Estate

2) LUXURY

The luxury home market can be very difficult to break into but is also highly rewarding. One transaction of a high-end house can equate to nearly a year's worth of average revenue for an experienced agent. This target market is wealthy and usually well versed in luxury property transactions. You will need to cater to this clientele to the utmost extreme; every detail counts and providing a world-class home buying experience is a must.

AGENT BRANDS THAT MATCH THIS NICHE: Reputable agents who understand and can break into this niche. Your agent brand must be upscale and provide a sort of service that "goes beyond the call of duty." Owning designer suits, a nice car, and a sleek office are a must. Your brand must be about helping the top 1 percent achieve their goals. Being knowledgeable about investment and commercial real estate can also come in handy. Strong partnerships with high-end local shops are also a plus.



3) OUT-OF-STATE HOMEBUYERS



These are people living out of state looking to move to a new location. They may or may not be experienced homebuyers. This target market will more likely lack local knowledge about items like the school system, the town's go-to repairman, popular boutique shops, and the best restaurants in town. Having a strong breadth of information about these places is essential for this agent. You'll most likely need to provide Facetime or VR access to potential homes. This group is more likely to make a home purchase without even seeing the home, so [incorporating technology](#) into your practice is a must.

AGENT BRANDS THAT MATCH THIS NICHE: An experienced agent who understands the needs of out-of-state homebuyers. You're the official guide to the town and must be able to support them by providing local knowledge about the area. Knowing where to go and what to do is a must and can set you apart from other agents.

4) VACATION HOMES

Very similar to luxury homes, selling vacation homes usually deals with a middle-to-upper class family purchasing their “home-away-from-home.” Getting into the market will also depend on your current location. Oceans, lakes, or mountains are usually a gravitating force that bring in this specific clientele. These homes can vary in pricing and will solely depend on the status of the area and the discretionary funds of the family.

AGENT BRANDS THAT MATCH THIS NICHE: An agent located in a vacation town who knows the area. Many vacation homes may be considered valued investments. For some families, this is more or less an “excuse” to purchase, but still, having viable numbers that demonstrate long-term value growth can help. And like working with out-of-staters, you may receive a flurry of questions regarding things like the best restaurants and hardware stores. The more you know, the better suited you will be to answer their questions.



5) MILITARY FAMILIES

Military families are probably the most intriguing and unique niche you can get yourself into. They are usually cost-conscious and could be in and out of their new house in less than a year. This is normal for both active military personnel working abroad and at home. Much of the time, they will need to be located near their base and will want a plethora of options that provide flexibility with their home purchases.

AGENT BRANDS THAT MATCH THIS NICHE: An ex-military real estate agent or someone with strong familial ties to the military. These families need someone who understands them. They want an agent who can relate back and be flexible with their hectic schedule of moving from city to city and deployment to war zones. It's very common for soldiers to be out on active duty and unable to communicate. Agents who have a background with this sort of activity will be better suited to help this group.

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6) FOR SALE BY OWNERS (FSBO)

An FSBO is an owner who is selling real estate (usually their home) without the representation of a broker or agent. You've probably seen thousands of those red dinky signs where owners will sloppily write in their cell number. Prospecting this group can be very lucrative. However, it will require a strong demonstration of your professional skills, extensive amounts of research, and a true understanding of the value you bring to the table.

AGENT BRANDS THAT MATCH THIS NICHE: Someone who can properly market the intrinsic value of hiring an agent. In the end, FSBOs are thinking about two things: money and that they don't need an agent to do something they can do for themselves. However, most FSBO listings fail and when they do sell, their selling price is almost six figures less than if an agent had been a part of the process. Demonstrate that you can give them that value and you will be able to properly capture this market niche.



HOW TO FIND *Your Niche*

When discovering your market niche, consider these items:

PSYCHOGRAPHICS

Understanding the psychology of your town, including their attitudes and beliefs, will help you tremendously when determining a target market. These human traits dictate not only who you should be targeting but how you should be targeting them.

FAVORITE CLIENT TO WORK FOR

Close your eyes and dream up your perfect client. What do they do for a living? What is their price range and what type of home are they looking for? Sometimes, this person is unattainable and sometimes they are not. Knowing your dreams, even if currently unattainable, can help set your long-term goals of developing who you are as an agent.



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EXISTING NETWORK

An easy market to target is the people you know. Friends and family are where you should start with any real estate practice, and it wouldn't be surprising that this network features similar target markets. By working your magic on them, you'll develop a natural inclination and knowledge base for what their needs are and how to find these people.

YOUR COMPETITIVE ADVANTAGE

What do you do that stands out above the rest? It could be your marketing savvy or your 360-degree, end-to-end knowledge of the homebuying journey. Capitalizing on your competitive advantage and utilizing it towards a specific niche group can be all the difference in your career.

WHO YOU ARE

At the end of the day, the home buying and selling world is a people game. You're selling just as much of yourself as you are the home. Knowing who you are and who you best relate to can help propel you over the top.

EARN PROFESSIONAL CERTIFICATIONS

It will never hurt you to earn more professional certifications and can even be necessary for your job. It's possible your clients may even have a business in other parts of real estate, like property management. Having these certifications can make you an invaluable, necessary person to your clients' business activities.

ABOUT US

Founded in 2005, The CE Shop has become the leading provider of online real estate education through an encyclopedic knowledge of the real estate industry.

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With courses available in all 50 states and D.C., we're driven by a desire to constantly improve, both for ourselves and our students.



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