

Products are created to fill the need gap of people. Whenever a need arises, companies manufacture goods which fulfill the desire by providing utility to the consumer. But in some cases, a few products attain such class and value, that they become premium status symbols. The product, by virtue of its high cost and limited and customized demand, becomes a premium niche product. And this is where the concept of niche marketing comes into the picture.



Niche marketing is basically catering to a very restricted and limited target group for marketing of products. Wheat, pulses, fruits & vegetables are all basic needs of every person and don't require any marketing. Commodities like clothes, furniture, footwear etc require advertising and marketing so as to create their brand identity in this competitive market. But there are certain products which are aimed at fulfilling only the needs of a certain [segment](#) of the market, and such premium products form a niche segment.

Automobile industry has a huge market globally. Cars are made as per the requirement of consumers and are categorized as sedans, SUVs, hatch-back etc on the basis of utility. Automobile industry targets the middle class segment with cars like Honda, Hyundai, Tata Motors, Chevrolet and upper class segment with cars like BMW, Mercedes, and Porsche. But above this exists an extra premium niche segment and brands like [Ferrari](#), [Bentley](#) and Rolls Royce form a part of this. All these brands are customized, tailor-made and made to order. Not only do these exclusive brands have a high price but they also experience as a marketing by selective and personalized marketing. These are such huge and [premium brands](#)

, that they don't require TV and print advertising like other products. Promotion of Ferrari and Rolls Royce brands is done through exclusive auto expos, display at premium hotels etc. Ferrari

also promotes its brand with an all exclusive merchandising exercise through apparel, watches, mobile phones etc. Since they are targeted to a very small target group, it becomes an extremely niche market.

Another example of a premium niche market can be understood by the mobile phone industry. Mobile phone sector has a huge market across the world. [Nokia](#), Motorola, Samsung etc are a few market leaders who make mobile phones ranging from basic handsets to fully featured camera, mp3, internet and 3G enabled phones. But despite this there exists an extremely premium market for mobile phones and this is where Vertu luxury mobile phones are exclusive niche products due to their expensive finishing and latest features. Vertu mobile phones are high end phones which have a gold and diamond finishing which makes them expensive collector's items, and thus there is only a niche market with premium customers.

Art, painting, antiques etc at auctions are also very niche and premium products. One of the most popular global event, Christies auction, is a by invitation only event where products which go under the hammer are Exclusive collector's items. Thus, this segment too comes as a niche and premium market. Similarly, customized yachts, private jets etc are all a very niche market [targeting](#) the rich class, where advertising and marketing is totally different as compared to normal products.

A niche market is the small part of the market where specific product features are aimed at satisfying specific market needs, as well as the price range, production quality and the demographics that is intended to impact. But despite being having a small target group, a premium niche market is a gold mine for businesses.