

# The Dyson Multiplying Effect

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Page 44

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## Abstract

Talking about visionary entrepreneurs, Dyson revolutionized the quite boring home appliances category with a bag-less vacuum cleaner, a fan without blades, and more recently a 23.75 carat golden hairdryer. The group based in Malmesbury generated over 4 billion euros in sales last year, hitting a new high. Asia was driving 73% of this phenomenal 40% growth (1). But how did Dyson achieve this tour de force? What can other brands targeting the Asian or the luxury market learn from it? Dyson managed to dominate its markets with more expensive products, by targeting the right personas, making sure products are must-haves, demonstrating their benefits, learning from failure, and keeping a sharp vision.

**Keywords:** Dyson, design thinking, luxury, aesthetics, wait marketing, adapting locally, home appliances, technology, automotive

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## **Price has never been a problem**

From the get go, Dyson gained market shares in the upright vacuum cleaner market from the UK to the USA, as well as in the cylinder vacuum cleaner market in Japan or Australia, in spite of retail prices higher than its competition. In the USA, Dyson seduced 20% of the market with retail prices that were three times higher than its competitors. It was the question of a “Dyson-effect” in Australia and New Zealand, where consumers were also willing to pay a premium price for the vacuum cleaner. If some think a golden hairdryer is pushing the envelope, Dyson has continuously proven them wrong by carefully targeting the right personas (6).

## **Must-have Products**

For whom is a Dyson product a must-have? Who are the target customers? The vacuum were targeting allergic people, pet owners, and people conscious of the necessity of having clean air in the room. For this type of customers, the Dyson has always been a must-have. For other people, it was a useless product, unless they were looking for status.

The Dyson Air Multiplier was initially launched as a bladeless fan, generating cold or warm air instantly, via a low air pressure system, multiplying the speed of the air by 50%. The popular product has been smartly enriched with air cleaning abilities. Now with high air pollution levels, both indoors (allergens, chemicals, dust, gas, smoke) and outdoors (construction, exhaust from cars and people), the benefits are becoming more and more obvious and Dyson products such as the “purifying fan” shifted from nice-to-have to must-have (4).

## **Benefits are everything, from Airblade to Dyson Airwrap**

Even if a little bulky and initially aimed at hair professionals, the Dyson Airwrap - that captures your hair and renders them in curly locks in a heartbeat - seduced by its usability, hair-friendliness, and long-lasting volumizing effect.

Another Dyson immediate success is the Airblade. Many airports, hotels, companies, and schools have adopted the innovative hand drying system. Who hasn't fought in public toilets with impossible-to-grab paper towels or hand dryers blowing air as strongly as an asthmatic ant would do. Looking like a toaster for fingers, Dyson's

invention dries hands two to four times faster than another hand dryer, while using 83% less energy. Dyson always follows the same three steps (2):

1. *Does my product solve a problem?*
2. *Can it do it better than substitute products?*
3. *Is my product a must-have for certain types of customers?*

Dyson always starts with its users' frustrations. For instance, Dyson concluded that the electric hand dryer would not work very well, would consume a lot of energy, and that paper is not environmentally friendly. The same can be said for the vacuum cleaner that was getting stuck and didn't vacuum properly.

### **A "Wait Marketing" approach with Dyson Demo Stores**

An issue is that distributors didn't get the innovation. Or maybe they didn't want to give up the revenues generated by vacuum cleaners with bags. Consequently, the product took 14 years to hit the shelves.

The distribution of vacuum cleaners has diversified and now you can bump into them in supermarkets and even grocery stores. The idea is to attract consumers who are not really thinking of replacing their vacuum cleaners. Some channels are indeed better suited for exploring innovations, like the gifting areas in department stores, or viral videos. Over time and in countries where Dyson was less popular, the brand arranged a booth with its different products in department stores or at the check-out area in high-end grocery stores, even in waiting areas at airports and shopping malls, using the "Wait Marketing" approach, consisting of promoting products and services while consumers are available waiting, and more receptive (2).

After Tokyo, Paris, London, and Shanghai, Dyson just opened Demo Stores in Milan and Mumbai (3). The same winning recipe was used for the Airwrap with celebrity hairdressers demonstrating the product.

### **Learning from failure**

Dyson commercial successes have been widely covered, but have you heard of the brand's biggest failure: The Contrarotator? Using the same cyclone technology used in the vacuum cleaner, the air multiplier, the newly launched hairdryer used the same bold colors that made its success, using as usual a pricing policy at least 50% higher than competitors if not more, using innovation that led to real efficiency with

two drums rotating in opposite directions allowing to divide the washing time by two, Dyson managed with the Contrarotator to design a failure. Launched in 2000, Dyson washing machine has been removed from the market 5 years later. To understand what went wrong, it best is to visualize the use of the products. First, picture someone vacuum cleaning. With a traditional vacuum cleaner, the whole process is painful and lengthy. With a Dyson, the same person can complete the dreadful task in half the time, what a relief! But, not take the example of the Contrarotator washing machine. The same user is back and puts the laundry in the machine, and then what? Is he or she waiting in front of the machine? Of course not, so the fact the machine will be ready in 30 min instead of 60 min, doesn't change the user's day (2).

### **From autonomous vacuums to vehicles**

Roomba manufactured by iRobot has been the most popular robotic vacuum cleaner so far with millions of units sold. The government of South Korea even shared its objective to become the leader in robotic vacuum cleaners with one robot per household and Samsung was clearly developing in this direction, challenged by Dyson also considering this market. But voilà, James Dyson has always been bothered by polluting diesel cars and decided to put all of Dyson's knowledge and know-how in designing an autonomous vehicle.

Ironically the first cars made were electric. Dyson intends to solve at once the automotive bad engineering (like ineffective wipers) and health hazards (diesel, safety) with its own vehicle. As Dyson is a fan of planes, he promised a radical design change for this electrical vehicle to be released in 2021. It was not clear whether the "DysonMobile" would be rolling or flying – based on latest filled patents it should at least have had some off road capabilities (5). But Dyson decided to refocus the whole \$3.1 billion automotive program on designing just a groundbreaking battery instead of a whole vehicle (7). The team will play to its strength as paradoxically, the major issue with autonomous vehicles is the lack of autonomy of the battery. And this is all due to the fact that batteries hate variations in temperature. That can translate into well-known overheating issues (8) but also recently discovered aversion to cold side-effects, where electric vehicles would lose half of their capacity at a temperature of  $-7^{\circ}\text{C}$  (9). A perfect playground for Dyson

to unleash once again their air multiplying technology in a very promising position as batteries might be the new black gold.

The key takeaways from the Dyson success story are that in order to design, position, and commercialize innovative products, brands gain by:

- *taking into account shoppers' needs and purchasing drivers,*
- *designing products that are must-haves for the target personas, meaning the benefits are such that the price is not a problem anymore,*
- *making sure to cross the shoppers' path, always in a respectful way,*
- *allowing shoppers to try the products, and experience the benefits.*

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