

Don't let your product fail:

Avoid overhyping

When the super-secret project got big corporate names like Steve Jobs and Jeff Bezos to sign off, the hype machine went into overdrive. The inventors' secrecy, the prominence of the endorsements, and the beyond-bold claims that this new product -- whatever it was -- would revolutionize our lives of course combined to skyrocket expectations into the stratosphere of the impossible.



Basically, Kamen set the Segway up to fail. Touting a single new product as all of these things, and letting the media get carried away without any real context, doomed the Segway to be a disappointment. All the coverage and crazy claims could hardly be satisfied by the actual Segway, though a more savvy (read: scaled-back and informative) marketing strategy could have generated interest and delivered on its promises.

Take your time

A too-eager team behind Segway let media attention spiral out of control and built the public's anticipation up way too much. Plus, it's probably fair to say Kamen was quite eager to make his big reveal to the world. Initial speculation about the Segway (then known by code names IT and Ginger) suggested it would pioneer new technology in its engine. Kamen even registered domains including that engine's name. But the Segway the public saw unveiled, perhaps prematurely, in 2001 didn't match up.

Setting deadlines is a good thing. Holding yourself accountable to meet those set dates and times is crucial -- it helps you work hard, be efficient, and remember your goals. But sometimes, things just don't go as planned. Allow yourself some wiggle room, and be willing to graciously admit that you miscalculated or misjudged what would work. You must balance pressure to perform with a realistic view of results. It's an important factor in whether new ideas, products, and services succeed. They have to be ready for consumers, and consumers have to be ready for them.

Share (at least some) information

Before it was officially introduced to the public, the Segway's allure came entirely from its mystery. Jobs and Bezos loved it, the media praised it -- and yet, no one knew what the thing actually was.

To an extent, the keep-'em-guessing technique is a viable one. It gets people talking, and makes sure they'll tune in when you finally kill the suspense by sharing your new idea. But Segway's developers went overboard and didn't rein in the outrageous attention they got. Consumers' and industry analysts' minds ran wild, and when Segway finally saw the light of day, it couldn't measure up.

Prioritize accessibility

Forget the marketing blunders that led up to Segway's release. Heralded as one of the world's most important inventions, when it hit the market, its pricetag was a lofty \$5,000. That was, and is, out of reach for the everyman.

If Segway actually could have changed transportation forever, that might not be so bad. But for a souped-up scooter that can't withstand the elements, it's too much. Remember that the products and services you introduce should not only resonate, but also be available to, your customer base. If prototype versions or initial runs wouldn't fit into those price constraints, keep refining production until they do. Otherwise, no matter how excited people might get about what you're offering, it can't truly take hold.

Please follow War Room on Twitter and Facebook.

Follow Karlee Weinmann on Twitter.

Tags: Segway, Products, Brands, Marketing, Strategy, Inventions | Get Alerts for these topics »

Advertisement:

```
<iframe id="" name="" src="http://ox-  
d.businessinsider.com/w/1.0/afr?aid=8439&target=_blank&cb=1821986540" frameborder="0"  
scrolling="no" width="600" height="250"> <a href="http://ox-  
d.businessinsider.com/w/1.0/rc?cs=d2426bab&cb=1821986540" target="_blank">  </a>  
</iframe>
```

Top of Form

Short URL

Bottom of Form

Share:

Twitter

Facebook

Buzz

Digg

StumbleUpon

Reddit

LinkedIn

Email

More about embedding posts »Embed

More about Alerts » Alerts

Newsletter

x

To embed this post, copy the code below and paste into your website or blog.

600px wide (preview)



400px wide (preview)



300px wide (preview)



Karlee Weinmann Writer

Contact:

e-mail:

kweinmann@businessinsider.comuse contact page

Subscribe to her twitter feed

Recent Posts

The Security Contractor For...

INSTANT MBA: When Company L...

5 Marketing Lessons From Th...

The Water Cooler



39 Comments

3

6

Flag as Offensive



Ashley Gene on Dec 11, 1:55 PM said:

Dear Karlee Weinmann nice article and nice to read you first time. Keep it up

AshleGene

<http://linkedinsuccess.org/>

Reply

7

0

Flag as Offensive

do me on Dec 11, 8:53 PM said:

@Ashley Gene:

Hype was about it! So a motorized scooter...so what? They hype, such as on fluffing CNBC, said it might be a levitating car! B.S.

Reply

4

1

Flag as Offensive



cabaretvoltaire(URL) on Dec 12, 3:54 AM said:

@do me:

Reason #1... stupid. Did anybody stop to think it was stupid?

Reply

10

1

Flag as Offensive

RBC on Dec 11, 3:34 PM said:

Thanks Karlee. I still feel the Segway is a very impressive device, but when faced with a choice between other options, such as a used car, a scooter, or a motorcycle, for the same price, It is far too limited in its abilities. If Kamen envisioned it as transport for the masses, he should have had it built where it could have been priced for the masses.

Reply

2

14

Flag as Offensive

FredZ on Dec 11, 8:32 PM said:

@RBC:

Shouldn't we rise up as a people, and with our voices united as one, condemn Newt Gingrich for the failure of this green technology? How are we ever going to overcome the damage this man has done to our country? Millions of metric tons of pollution could have been avoided.

Reply

13

2

Flag as Offensive

nunyabiz on Dec 11, 10:13 PM said:

@FredZ:

This is multiple articles that you inject newt into the discussion You must have a man-crush or hardon for him.

Reply

25

1

Flag as Offensive

artful dodger on Dec 11, 4:13 PM said:

This is all pedantic BS. The exact same article could have been written about the iPad.... except that the iPad is stunningly successful. To this day, I have no idea why anybody needs a \$700 tablet computer over a laptop or a good smartphone-- I just know that tons of people have one. Steve Jobs sung its praises, but a lot of people thought it was overhyped and destined to fail. All the things Karlee Weinmann wrote about the Segway and why it failed could have been written about the iPad and why it succeeded. Stop over-analyzing. Get inspired. Get creative. If you succeed, great, if you fail, keep moving on. That's it.

Reply

4

0

Flag as Offensive

Humperdink on Dec 11, 5:49 PM said:

@artful dodger:

Hit the nail squarely on the head, Artful. Couldn't have said it better.

Reply

5

1

Flag as Offensive

Dagobar on Dec 11, 10:10 PM said:

@artful dodger:

I think it is actually very easy to spot the difference. You really do not need rocket science nor any deep marketing wisdom to see why iPad succeeded and Segway failed. Ipad is "instant-on, always connected" device which can run all the day long, has amazing screen and it is so light that it may replace notebook for light usage (reading, browsing, emails) - and it is actually affordable. Segway is heavy device that it is dangerous both on roads and sidewalks, it is not easy to park at public places, it is useless for transport of goods, it is useless in bad weather and it costs the same amount as reasonable used car. Segway is a toy, iPad is definitely not. Maybe you cannot spot the difference between laptop with 2 kg weight and 4 hrs runtime and tablet with 700 grams and 9 hours runtime, but many who do carry the computer every day in their bags will definitely see the difference.

Reply

1

1

Flag as Offensive

ericv on Dec 11, 11:35 PM said:

@artful dodger:

iPad is fun, Segway is not.

Reply

1

0

Flag as Offensive

rjb_boston on Dec 12, 1:30 AM said:

@artful dodger:

so u dont see the difference between \$500 (for a basic iPad) and \$5000? thats a X10 difference in price. \$500 people can manage, \$5000 not so much. Consider that a good smartphone costs \$200 - \$400, then the \$500 iPad (or even \$700) is not so steep a climb for more screen real estate and greater functionality.

Reply

1

0

Flag as Offensive

artful dodger on Dec 12, 7:20 AM said:

@Dagobar:

The author's premise is that the Segway's marketing and pre-release hype led to its downfall. Presumably, if Dean Kamen followed Weinmann's advice, the Segway could have been successful, or at least perceived as such. Your premise is that the Segway would have failed no matter how its marketing or pre-release hype was conducted, due to its being an inherently inferior product. That's a completely different topic from this article. Thanks for the input, but it wasn't the point.

Reply

0

0

Flag as Offensive

1100cc on Dec 12, 9:18 AM said:

@artful dodger:

If you're only considering the marketing aspect of it, you're right in saying there is no difference. But if you consider the usefulness and utility of the things, there is all the difference in the world! I, like you, have no use for a pad. However a lot of other people do. The Segway on the other hand is no use to anybody except as a look-at-me toy. It can carry nothing except what you can't put in your pockets. It is easily stolen, so you can't leave it for extended periods of time. And most of all, it costs as much as or more than the better options.

Marketing is not everything. Matter of fact, once the first few buyers get on the Web and start sharing their thoughts about it, marketing is NOTHING. Performance and value on the other hand are EVERYTHING.

Reply

0

0

Flag as Offensive

1100cc on Dec 12, 9:20 AM said:

@1100cc:

My previous comment was intended to be in reply to artful dodger, not you. My apologies.

Reply

6

0

Flag as Offensive

Geology Joe on Dec 11, 5:37 PM said:

The Segway was simple a dumba\$\$ product. If you could walk, you didn't need one. If you couldn't walk you rode in your little go cart because you likely couldn't stand either.

You can't even call it a product in search of a market.... it was so much less than that.

Reply

2

0

Flag as Offensive



Joel Milne on Dec 11, 6:45 PM said:

This seem to be an opinion/education piece on business written by a young journalist? With no insider information or interviews. Strange. This article lacks any authority.

I think if you spoke to some of the early investors/executives at Segway who knew what they are talking about, they may tell you that the core mistake was focusing on consumer sales rather than business/government sales (post office, police, etc). That Segway didn't know who its customer was. But I guess that would involve getting an informed opinion. That seems like a lot of work. Maybe BI is starting to become a content mill...

Reply

2

5

Flag as Offensive

Sharn cedar on Dec 11, 8:44 PM said:

@Joel Milne:

So you are saying the strategy should have been to look for a government bailout right away, don't even bother releasing the product to consumers. Pull a GM right from day one - threaten bankruptcy and ask police departments and post office to bail you out. Never even offer the product to the public. Go right to the government, belly up like a squealing little piglet to the nipples of government nourishment. You sir, are a genius. I will invest in your company. You do understand the game in 2012 America. Screw the consumers, who needs them, they are broke ass anyhow, direct to government sales!

Reply

5

2

Flag as Offensive



Joel Milne on Dec 11, 10:39 PM said:

@Sharn cedar:

Are you seriously implying that every product/service the government buys is a bailout? No one cares if a small VC-backed company from New Hampshire "threatens" bankruptcy. They just go bankrupt.

What you are missing, is that their product is much more useful to certain groups than others. Has a higher value/utility. Knowing who your product has the highest value to is critical to success. Think of it like Taser. They built their company by selling their devices to police forces. They sell very little to consumers as a % of overall sales. Is that a bailout? Of course not. What if by selling to the post office, the post office could employ less mail carriers who walk around (who cost WAY more than a Segway)? That's called higher utility/value than a consumer who may use it occasionally as a toy.

Reply

9

1

Flag as Offensive

jlkljkl on Dec 11, 6:56 PM said:

By adding two wheels, kamen could have eliminated the gyroscope and sold the scooter for \$1000

Reply

1

1

Flag as Offensive

evenbetter on Dec 12, 6:07 AM said:

@jlkjlkjlkj:

Outsource to China and sell for US\$1000 c/w gyroscope, made according to Kamen's specs.

Reply

4

1

Flag as Offensive

Sharn cedar on Dec 11, 8:38 PM said:

\$5000 is a crazy price point in 2001. That's like the price of a hit in South Philly, you could get someone taken off for that. Think of the drugs that would buy. Who is going to buy a freaking little toy scooter. My grandma could outrun that in her walker. It adds no value. The product sucked. It adds no value, compare that to a \$250 bike and a hatful of cocaine - that will get you there faster, safer, and with some coke chicks hanging on you. This is not like the iPad, it is mire like if Apple had come out with a huge new laptop, slower than the average, no touch screen, but with a big gyro and a dork helmet to match, and tried to charge \$5000. That would not be a successful product. The dork helmets are neither sexy nor a good fashion statement.

Reply

4

0

Flag as Offensive

ytrewq on Dec 11, 9:42 PM said:

@Sharn cedar:

Your grandma does sub 5 minute miles with her walker? Actually, the speed was one of the problems. Too slow to drive in the street, but riders would mow people down on the sidewalks.

Reply

12

0

Flag as Offensive

CapeCodOwners on Dec 11, 9:11 PM said:

"What went wrong" is that you look like a complete moron when your'e on one. You like a bad Daffy-Duck cartoon.

Reply

4

0

Flag as Offensive

Guy on Dec 11, 9:43 PM said:

It is nothing more than an expensive toy.

Reply

7

0

Flag as Offensive

kimboslice on Dec 11, 9:48 PM said:

The reason segway didn't succeed is it does nothing you cannot do by yourself. Cars are for distance with no effort, bicycles go much faster than walking and cost nothing compared to segway. So, segway costs thousands of dollars to help you WALK. Thanks, I can already WALK.

"We have great news! We invented a device that makes walking easier and faster and it costs as much as a used car!"

No thanks, I think walking is already easy enough, it's free, and I don't have to wonder about losing my legs and parking them somewhere when I get to my destination.

iPads and other stuff do new things. Walking is not new to me since I was 2 years old.

Reply

2

0

Flag as Offensive

GEN Blackhead on Dec 11, 10:08 PM said:

As a platform for a robot it could have tremendous potential so I wouldn't write it off yet.

Reply

2

1

Flag as Offensive

a caveman on Dec 11, 11:51 PM said:

@GEN Blackhead:

Considering people evolved their locomotion before their brains enlarged we could be seeing parallel evolution.

Reply

11

0

Flag as Offensive

anonymous... on Dec 11, 10:28 PM said:

The reasons you give are bullshit. Look, it's not complicated:

1. It's not a cargo vehicle. You can't pick up groceries, carry a suitcase, etc.
2. It's not an all-weather vehicle. Snow, wind, rain, forget it. You can't even carry an umbrella.
3. It's too slow, at 12 mph maximum.
4. All of the above mean that it can't replace a car entirely. You need a car for at least some of your trips.
5. Typical of our modern society, there are a million petty regulatory hurdles that have to be resolved one municipality at a time. In many places you can't legally ride it on either sidewalks or roads. If bicycles were invented today, they'd never be allowed.
6. The showstopper: it was too damn expensive. They needed to price it like a bicycle; instead, they priced it like a car. That's doom foretold, right there.

Look, if Apple had created an iPad that cost \$5000, was the size of a blackboard and was as noisy as a vacuum cleaner, you guys would scratch your heads and blame its failure on hype, accessibility, time-taking and a million touchy-feely MBA reasons, when the real reasons are staring you in the face. Get your head out of your ass for the love of God.

Reply

1

6

Flag as Offensive

Price, Price, Price on Dec 11, 10:59 PM said:

It only failed due to price.

For \$1K, a LOT of people would own one.

Reply

1

2

Flag as Offensive

bonifaceaw on Dec 11, 11:16 PM said:

The run of accurate comments seems to be boil down to two points:

1. It's not good enough.
2. It's not economical enough.

If it were a lot cheaper say \$200 it would have sold quite well, it might have done OK up to perhaps almost \$1000.

If it were significantly better, people may have ponied up the \$5000. Say: Either cargo-friendly, speed up to 35 mph, safe on streets at that speed, range at least 40 miles at that speed, even with hills it might be an urban commuter vehicle. Or usable, sitting, moderately cargo-friendly (say two attache cases), less dependent on operators balance. stair and curb capable, won't collide with walls or pedestrians it might be competitive with motorized wheelchairs or those carts for less mobile shoppers.

Another set of improved specs might yield a letter carrier vehicle. if it permitted carriers to cover twice

the houses they do now, then the USPS might save money acquiring them, perhaps even at \$5000 or higher.

Reply

2

1

Flag as Offensive

ericv on Dec 11, 11:42 PM said:

Beyond dweebish. Blue shirt, light brown (under)shorts: leader of the pack. Never wear a crash helmet while standing.

Reply

0

0

Flag as Offensive

ialwaystrade

What are these? Strikes! Earn three of them in a month, and you'll be sent to the Penalty Box for 24 hours. How do you earn strikes? Write comments that our editors kick to the Bleachers. Want to get rid of the strikes and start fresh? Write excellent comments that our editors promote to the Board Room.

on Dec 12, 2:08 AM said:

Greetings, you are about to be introduced to the biggest trading secret in the world, a trading secret that can give you a 90% success rate, a trading secret that you would never believe without extensive proof, and that is exactly what I provide for you in the form of demonstration videos that have to be seen to be believed: Google Oil trading academy.

Reply

2

0

Flag as Offensive

DesignFirst on Dec 12, 4:28 AM said:

Lesson #5 ...don't design products that MAKE PEOPLE LOOK SILLY and ridiculous using them!

...like virtual-reality headgear ...and Bluetooth earpieces

Reply

2

1

Flag as Offensive

Rick Canceler on Dec 12, 6:53 AM said:

Hmm, reads like the story of Barack Obama to me: the hype, the unknown entity, the promises, the price tag, the failure to deliver - the new American Way?

Reply

0

1

Flag as Offensive

Crawford, TX on Dec 12, 8:04 AM said:

A great ride.

Reply

0

0

Flag as Offensive

plate of pie on Dec 12, 8:54 AM said:

They make your butt stick out in a hideous 'dignity-robbing' way. (The Onion). The helmet makes you look like a lollipop. No helmet, and you look like you have gigantic feet. It adds eight inches to your height, which makes you arrogant, so passers-by hate you, and eventually refuse to get out of your way, causing altercations. Furthermore, thanks to crumbling infrastructure and urban crowding, they cannot be used in New York. If they're not used in New York, THEY DON'T EXIST.

Dean Kamen does great things, but he's going down the same fail road with flying cars. Tell him to stop.

Reply

1

0

Flag as Offensive

plate of pie on Dec 12, 10:17 AM said:

@plate of pie:

...sorry, a little arrogant there, but in this case, if you can't get your urban transport vehicle to work in NY, it doesn't have a great chance.

Dean Kamen is great. He created a wheelchair that goes upstairs. I'm sure many veterans are grateful for that. And his tv show is compulsively watchable, but you'll never get me in a flying car. And I'm sure he can't hear us whining from up in his helicopter and jet plane.

Reply

0

0

Flag as Offensive

Ray

What are these? Strikes! Earn three of them in a month, and you'll be sent to the Penalty Box for 24 hours. How do you earn strikes? Write comments that our editors kick to the Bleachers. Want to get rid of the strikes and start fresh? Write excellent comments that our editors promote to the Board Room.

on Dec 12, 9:26 AM said:

lesson #1 and only one: don't price out of market of your potential customers.!

give me a break.! \$6k for walking? most expensive comfort shoes is about \$300... triple that.. volume price for segway is about \$1000. there was no way you can succeed with 6 times the cost of that.!

Reply

0

0

Flag as Offensive

rocksolidtruth on Dec 12, 11:07 AM said:

I don't understand why this article is so long.

It was the price. Everyone stopped caring immediately once the price was announced.

Marketing had nothing to do with it.

If it was priced at \$199 there would have been millions of them.

Of course they would have had to actually work for longer than a year..

Reply

Receive email updates on new comments!

Top of Form

Email

Bottom of Form

Join the discussion with Business Insider

Login With Facebook Login With Twitter

Top of Form

Name (Required)

Email Address (Required but never displayed)

URL

Comments (You may use HTML tags for style)

Bottom of Form

Join the discussion with your Facebook Login

Send Us A Tip!

Top of Form

Get War Room Emails & Alerts

Learn More »

- Customized instant email alerts (sample)
- Business Insider Select (sample)
- War Room Select (sample)
- Instant MBA (sample)
- Marketing Mondays (sample)

More:

- SAI Select (sample)
- The Wire Select (sample)
- Clusterstock Select (sample)
- Money Game Select (sample)
- Sports Page Select (sample)
- Politix Select (sample)
- The Life Select (sample)
- Tools Select (sample)
- Europe Select (sample)
- Your Money Select (sample)
- Enterprise Select (sample)
- Advertising Select (sample)

- Getting There Select (sample)
- SAI Chart Of The Day (sample)
- Money Game Chart Of The Day (sample)
- Sports Page Chart Of The Day (sample)
- 10 Things In Tech You Need To Know (sample)
- 10 Things Before the Opening Bell (sample)
- Politics in 60 Seconds (sample)
- Closing Bell (sample)
- Apple Investor (sample)
- Google Investor (sample)
- Microsoft Investor (sample)
- Breaking News Alerts (sample)
- BI Research (sample)

Bottom of Form

Advertisement

< a href="http://ad.doubleclick.net/click%3Bh%3Dv8/3bdc/3/0/%2a/p%3B249056088%3B1-0%3B2%3B74557810%3B4307-300/250%3B45190268/45208056/1%3Bu%3D%2Ccm-10509876421_1323738316%2C1245811a8d87881%2Ccollege_foot%2Cax.100-cm.4d7p-bk.gy-ex.alm-ex.11-bv.c19-bv.c11-bv.c63-bv.b14-bv.c1-bv.b8-bv.b28-bv.c27-bv.b4-bv.b79-bv.b13-bv.b77-bv.c22-bv.b7-bv.b87-bv.b56-bv.a85-bv.c44-bv.c38-bv.b53-bv.b58-bv.b84-bv.a70-ti.53-%3B%7Eokv%3D%3Bnet%3Dcm%3Bu%3D%2Ccm-10509876421_1323738316%2C1245811a8d87881%2Ccollege_foot%2Cax.100-cm.4d7p-bk.gy-ex.alm-ex.11-bv.c19-bv.c11-bv.c63-bv.b14-bv.c1-bv.b8-bv.b28-bv.c27-bv.b4-bv.b79-bv.b13-bv.b77-bv.c22-bv.b7-bv.b87-bv.b56-bv.a85-bv.c44-bv.c38-bv.b53-bv.b58-bv.b84-bv.a70-ti.53-ti.231-ti.173-vt.da-vt.cx-

vt.cy-vt.bl-vt.cv-vt.bk-vt.cw-vt.bi-vt.es-vt.eq-vt.gk-vt.gl-vt.bq-vt.p-vt.q-vt.n-vt.l-vt.m-vt.j-vt.fw-vt.k-vt.fn-
vt.dd-vt.dc-vt.fo-vt.ct-vt.bb-vt.cn-vt.eh-vt.bd-vt.cp-vt.bg-vt.cq-vt.ea-vt.cs-
vt.y%3B%3Bspot%3Dvodka_night%3B%7Eaopt%3D2/0/ef/0%3B%7Esscs%3D%3fhttp%3A//bs.serving-
sys.com/BurstingPipe/adServer.bs%3Fcn%3Dbrd%26FlightID%3D3513910%26Page%3D%26PluID%3D0%
26Pos%3D306" target="_blank">

Read more: <http://www.businessinsider.com/10-years-later-the-4-big-takeaways-from-segways-flop-2011-12#ixzz1gNAO7oX1>