

A Lesson in Innovation – Why did the Segway Fail?

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The Segway PT is a two-wheeled, self-balancing battery electric vehicle invented by Dean Kamen. It was launched in 2001 in a blizzard of publicity. Yet it has failed to gain significant market acceptance and is now something of a curiosity. In this article Paul Sloane takes a look at what lessons to be learned from the failure.

The product is very clever. It works well. The company, [Segway Inc.](#), had tremendous funding and resources. The level of press and TV exposure was astounding. So what went wrong? What lessons about the success or failure of innovations can we learn?

1. **Expectations were too high.** The Segway was described as the future of transport. As an innovation it was said to be on a par with the PC or the internet. Inevitably it could not live up to this level of hype. PR exposure is generally useful but this time it was overdone.
2. **It was a product not a solution.** The product works well but it lacked a support context. Where can you park it? How do you charge it? Do you use it on roads or sidewalks? Our cities are designed for pedestrians or speedy vehicles and this was neither so it had no proper infrastructure to support it.
3. **No clear need or target market.** Who was the target market? Who really needed this? It was an appealing novelty but there was no compelling need for anyone to buy it – and it was very expensive.
4. **It was an invention rather than an innovation.** The Segway was patented and kept under wraps until its launch. There was no user feedback or iteration in the process. Its inventors were then surprised when people criticised or ridiculed the design for being ‘dorky’ rather than cool.
5. **Regulation.** The Segway fell foul of regulation in many countries where it was banned from sidewalks and roads because it did not fit any existing categories. This is a problem for a truly revolutionary product – but it was not properly anticipated.

Most successful innovations involve some degree of iteration, experimentation, openness and collaboration. They need an eco-system to support them. They target users who need the benefits they offer. A radical invention with ample backing still needs to gain market acceptance. It is an uphill path and that path proved too steep for the Segway.

By Paul Sloane



About the author: Paul Sloane held senior positions at IBM, Ashton-Tate, MathSoft and Monactive. He is the author of over 20 books which have sold over 2 million copies in total. Titles include *How to be a Brilliant Thinker* and *The Innovative Leader*. He speaks, writes and leads workshops on creativity, innovation and lateral thinking. He also facilitates innovation camps for major corporate clients. For more information visit www.destination-innovation.com