Dyson Japan

A Cyclone In The Vacuum-Cleaner Market

British manufacturer whips up a whirlwind with cyclone technology in bagless vacuum cleaners

British vacuum-cleaner maker Dyson Ltd. has earned a high level of brand recognition in Japan in a very short time, thanks to its revolutionary technology and a smart approach to the local market. The company was started by James Dyson, an industrial designer by profession, who is still rated among the handful of top designers in Britain. In 1978 he noticed that the efficiency of vacuum cleaners was often hampered by the paper bags inside them becoming clogged up, and he set out to devise a bagless alternative.

After much effort he developed what he named the Dyson Dual CycloneTM, and he formed Dyson Ltd. in 1993 to manufacture his new, innovative vacuum cleaners. The company has already managed to capture a majority of the British market for vacuum cleaners, in the process growing into one of the nation’s leading manufacturers.

Conventional vacuum cleaners rely on a bag or filter to hold back dust, which means they clog and lose suction, leaving dust behind in your home. Dyson’s cyclone technology, by contrast, uses the centrifugal force of a whirling airstream to separate the dust from the air, and the vacuum cleaner does not lose suction as a result. This revolutionary technology gives Dyson’s models, all of which incorporate it, better suction than conventional vacuum cleaners, and it enables them to expel cleaner air, since the two filters inside capture even very fine particles.

Dyson is now selling its vacuum cleaners in 24 countries around the world. The sales network, which is centered in Europe, reaches out to Japan and Singapore in Asia.

The new three-tier market

Dyson Japan, which was established in 1998, initiated marketing operations in May 1999. Although it is still a relatively new business, its star is rising.

Public Relations Manager Noriko Kohyama observes that “Dyson is benefiting from an improving image of foreign household appliances in general, and it is also gaining ground on its own right.” In fact, 2001 saw heady growth of 30% in the number of units sold and 50% in sales receipts. The sales network, which makes extensive use of mass merchandisers and department stores, extends to 680 retailers.

Not long ago the vacuum cleaners sold in Japan were mainly paper-bag models priced at some ¥20,000 (US$167) on the average. The supply and demand structure had become rigid, and the market was considered to be saturated. Then Dyson came along and shook everything up. As the superior performance of the cyclone mechanism gained recognition, domestic manufacturers rushed to put together their own versions. “With many new cyclone models...”
being launched, the market has been quite active these two to three years," says Kohyama.

The result is a refashioned supply and demand structure and a three-tier price range with an elevated upper limit. On the lowest tier are the conventional models priced below ¥20,000; on the next tier are domestic cyclone models carrying prices between ¥20,000 and ¥50,000 (US$417); and on the top tier, in the most highly regarded spot, are the Dyson models, which sell for more than ¥50,000.

 Localization pays off

Even as it imparted new life to this mature Japanese market for these household essentials, Dyson came up with a succession of novel sales strategies. For instance, as part of its endeavor to gain name recognition, it provides stores with a stand it has designed for displaying its wares, its logo emblazoned on it.

The company also offers a two-year warranty instead of the usual one year, and it has substantially speeded up the time required for repairs, getting broken vacuum cleaners back to users within 72 hours of collecting them.

Localization features prominently in Dyson's strategy. In other countries its vacuum cleaners usually have a foot-operated on/off switch, but because Japanese consumers are not used to that, models with a switch near the hands were created for the Japanese market. Conscious of the need to avoid damage to tatami mats, Dyson replaced the steel cleaner heads with a gentler plastic one. And while upright models are popular with British consumers, the Japanese prefer canister models they can drag along behind them. This has made the company's DC05 series, a cylinder that sits on the floor and is pulled by its hose, its major line promoted in Japan.

Having gotten a better idea of what the Japanese want, Dyson Japan's personnel are now talking about the development of a vacuum cleaner tailored specifically for this market.

 Effective against allergies

The high performance of the Dyson vacuum cleaner makes it good at doing more than just picking up dirt and dust. It can also reduce the amount of allergens in the home and thereby improve the environment.

Such common causes of allergies as mites, pollen, and pet hair are effectively removed by the cyclone technology. In recognition of this, the British Allergy Foundation has endorsed the DC05 series as an allergy-friendly product.

In a few short years Dyson has put down firm roots in Japan and gained wide brand recognition. But its domestic rivals are working hard to catch up, and by June this year, five major ones had released their own variant of the cyclone technology, bringing Dyson's monopoly in that area to an end. Nevertheless, the company still can create ample room for its own growth by acquainting homemakers with the extra benefits of the Dyson models. Kohyama comments, "We want to make the overall market bigger and gain even wider brand awareness in the premium segment."