

# Innovation at Line 6: The BackTrack Digital Recorder

#### Case in Brief

Having already made a name for itself in the guitar business, Line 6 realized that it needed a detailed understanding of its customers' needs if it wanted to continue to meet its aggressive growth goals. Using Strategyn's Outcome-Driven Innovation (ODI) methodology, the company was able to:

Discover opportunities for new market creation related to the jobs guitarists are trying to get done

Develop a revolutionary digital recording device called BackTrack, which focused squarely on the unmet needs of guitarists

Introduce a product to the market that is capturing significant market share and receiving glowing accolades from customers and professional reviewers



# **Client Challenge**

Line 6 made a name for itself by developing the leading guitar amplifier in the music industry, along with a host of other successful products, including digital modeling guitars. Yet despite its success, the company saw a risk in relying on the innovation approach that had worked for it in the past. Marcus Ryle, Line 6's cofounder and senior vice president of research and development, noted, "Our past successes were largely based upon the experience and knowledge of our staff. However, as we continued to grow, we recognized that there was a risk in relying solely on employee intuition and experiences to drive decisions that were becoming larger and larger investments for our organization."

Line 6's management realized that customer needs, not technical capability, were the key to meeting its aggressive growth goals and pioneering new markets. Michael Murphy is the product manager for the BackTrack, the product that was eventually developed using Strategyn's ODI methodology. He recalls, "We knew how to make this product, but we did not understand why we should make it. And we didn't want to make a product just because we could."

Rachel Cruz, Line 6's user experience group manager, believed that if the company understood the jobs its customers were trying to get done, it could expand its customer base through innovation. "As an organization, we are really good at understanding our current customers," notes Cruz. "But we know that to meet our aggressive growth goals, we need to understand how to bring additional types of customers into the fold."



# **How Strategyn Helped**

Line 6 applied Strategyn's ODI methodology to uncover the jobs (customer needs) that guitarists playing music at home were struggling to get done. Drawing on the responses of 51 guitarists, Line 6 uncovered 108 functional jobs (jobs related to the act of playing the guitar) and 18 emotional jobs (jobs related to how guitarists want to feel when playing) in a broad spectrum of areas, including preparing to play, learning material, developing skills, playing for inspiration, composing, and capturing a performance.

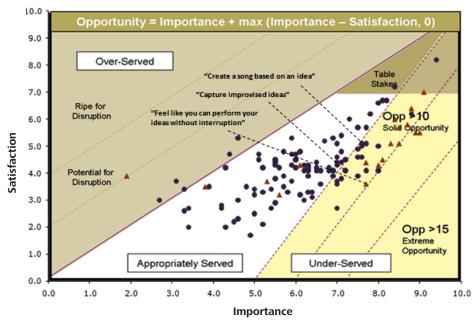
Next, using ODI-based quantitative research techniques, Line 6 had 668 guitarists prioritize those jobs. The opportunity landscape revealed that 17 of the guitarists' functional jobs and 13 of their emotional jobs were underserved—that is, current offerings by Line 6 and others were not helping customers get the jobs done satisfactorily. These underserved jobs highlighted opportunities for Line 6 and provided indispensable direction to the company's innovation efforts. As Ryle explains, "When you are trying to provide solutions, knowing the prioritization of customer needs can have a big impact on what features you include and how you communicate with customers about a new product."

"BackTrack is something we probably would not have developed without the strong showing in the ODI qualitative results, which were then confirmed in the quantitative study. It helped us to see a whole new market opportunity."

—Marcus Ryle, Cofounder and Senior Vice President of Research and Development, Line 6

It was during the qualitative interviews with guitarists that Line 6 had its original epiphany for the product that would ultimately be introduced to the market as the BackTrack. A focus on jobs led to a recurring discussion theme: the frustration guitarists experienced when they tried to capture improvised melodies, harmonies, riffs, etc. The recording solutions already on the market were unsatisfactory because they required the guitarist to be a technician while seeking musical inspiration. The prioritized results indicated that this underserved job represented a promising opportunity. They also revealed related underserved jobs—both functional ones, such as creating a song based on an idea, and emotional ones, such as feeling like you can perform your ideas without interruption.

## The Opportunity Landscape



The opportunity landscape for guitarists' jobs revealed a number of opportunities for product innovation. Underserved functional and emotional jobs led to the development and launch of the BackTrack, which opened up a completely new market for Line 6.

To learn more about the opportunity landscape, see Anthony W. Ulwick, What Customers Want (New York: McGraw-Hill, 2005).

#### egend

- Guitarist Functional Jobs
- ▲ Guitarist Emotional Jobs



"BackTrack helps the musician to stay in that creative mode without having to think or worry about capturing their inspired ideas."

 Marcus Ryle, Cofounder and Senior Vice President of Research and Development, Line 6

These ODI results guided product development and messaging efforts for the BackTrack, a completely novel recording device designed specifically for guitarists. Introduced in late 2008, it is the only digital recorder on the market without a record button—and in that strategic omission lies its genius. It is always ready to record, thanks to technology that lets it operate only when the musician is playing. Once it is plugged into the guitar and turned on, a guitarist doesn't need to think about it again—like TiVo for guitar.

Based on the ODI opportunity landscape, Line 6 knew which features would add customer value and which ones would simply add cost. By staying focused only on the underserved jobs during product development, Line 6 was able to position BackTrack between high-end solutions, which provided unnecessary features at greater cost, and low-end solutions, which compromised sound quality and required too much user involvement. Ryle describes BackTrack as the solution to "the classic left-brain, right-brain conundrum," and adds, "BackTrack helps the musician to stay in that creative mode without having to think or worry about capturing their inspired ideas."

#### The Results

Using Strategyn's ODI process, Line 6 uncovered 31 unmet needs and created a new product to address several of those needs—the BackTrack portable digital recorder. The focus on underserved functional and emotional jobs led to features such as "always on" (no-button) recording, a prominent "Mark" button to call out the best ideas onthe-fly, and a "Play" button for instant-replay playback. Other features included better-than-CD-quality audio recording, flash memory that records up to eight hours of playing time, and a fast USB connection for importing audio files to the computer. In addition, the focus on underserved jobs gave Line 6 the confidence to stay away from features such as displays, meters, stereo recording, and level adjustments that would have added costs without satisfying the underserved needs of the musician. Finally, the ODI results enabled Line 6 to craft messaging that resonated with guitarists. Playing on the concern that great musical ideas often come when there is no recording of them, Line 6 came up with the slogan "Inspiration Insurance" to describe the BackTrack.

The result is an innovative product that delivers exceptional value, squarely focused on the functional and emotional needs of guitarists. As a reviewer on Harmony Central remarked, "Every songwriter or improvising musician has wished at least once that he could rewind his life to capture that moment of inspiration that got away. That one second of perfect poetry that sped fleetingly by, never to be repeated. Well, the Line 6 BackTrack aims to ensure that your epiphanies never escape again by offering up a small, cleverly designed, and surprisingly functional recording device that's about the size of a cell phone and a lot lighter."

"Based on the consistent, positive comments from reviewers and customers, we are really confident that the new BackTrack product serves the market well."

-Michael Murphy, BackTrack Product Manager, Line 6

Customers have responded with similar praise for BackTrack. On a guitar enthusiast message board, one guitarist writes, "Absolutely brilliant idea. First, I'd like to say—thanks. This is something I've been looking for at a reasonable price for quite a long time. It's exactly what I want. It'll automatically record my guitar when I'm writing, without breaking the creative flow. It'll record band rehearsals and shows, and it's very reasonably priced. Bravo, Line 6!"

Sales response has also been highly favorable. In just six months, BackTrack captured more than 25 percent market share for digital music recorders among the largest retailers in the industry.

And the long-term prospects for expanding the total market offer even more promise. As Ryle concludes, "I think that we have a much bigger market opportunity ahead of us because BackTrack is serving a job much better than existing recorders. The long-term opportunity may be about reaching guitar players who have not bothered to buy today's recorders because they have not served their needs well."



Since working with Strategyn, Line 6 has captured significant market share and received glowing accolades from customers and professional reviewers. "Through the outcome-driven innovation process, we were able to enter a new market with a product that is very different and successful."

-Michael Murphy, BackTrack Product Manager, Line 6

#### **Learn More**

Strategyn is an innovation consulting firm specializing in the management of innovation. To learn how to make Strategyn's Outcome-Driven Innovation methodology the cornerstone of your company's corporate innovation efforts, visit strategyn.com.

Publications that explain the details behind Strategyn's methodology include:

- Anthony Ulwick, What is Outcome-Driven Innovation?, (White paper, March 2009).
- · Anthony W. Ulwick, Turn Customer Input into Innovation, Harvard Business Review 80, No. 1 (January 2002).
- Anthony W. Ulwick, What Customers Want, (New York: McGraw-Hill, 2005).
- · Anthony W. Ulwick and Lance Bettencourt, Giving Customers a Fair Hearing, MIT Sloan Management Review 49, No. 3 (Spring 2008).
- Lance Bettencourt and Anthony W. Ulwick, The Customer-Centered Innovation Map, Harvard Business Review 86, No. 5 (May 2008).
- Lance Bettencourt, PhD, Service Innovation: How to Go From Customer Needs to Breakthrough Services, (New York: McGraw-Hill, 2010).

## **Contacts**

#### **United States**

Tony Ulwick CEO & Founder Strategyn ulwick@strategyn.com +1 415 787 2706

## **Europe**

Petr Salz **Director of Business** Development psalz@strategyn.com +31 0 40 2261800

## France & Italy

Maurizio Beltrami Managing Partner maurizio.beltrami@ strategyn.com +41 79 596 34 27

# Germany, Austria, **Switzerland**

Martin Pattera Managing Partner martin.pattera@strategyn. +43 7472 65510 121



Strategyn® & Outcome-Driven Innovation® are covered by U.S. and other foreign registered trademarks of Strategyn Holdings LLC. The Outcome Driven Innovation Process is covered by many issued and pending U.S. patents.