Executive Summary

Prior to commencing development of SeeNx^{TM} video conferencing software, EyeNx's sales and marketing department conducted a product trial program to study the marketability of a new, consumer oriented, video conferencing product.

This report outlines the sales and marketing strategies employed by the company and discusses the results of this trial program.

I. Introduction

In order to minimize capital expenditure and reduce time to market, EyeNx executed a licensing agreement with a multimedia technology company to use a product, developed in 1998, for this study. The product, named NetPhone, was a peer-to-peer PC based software only video conferencing product.

Due to an outdated algorithm utilized by NetPhone, it was only capable of providing full duplex voice communications over dial-up connections (<56kbps) and slow (11 fps) voice and video communication over broadband (>128kbps).

II. Marketing Approach

Following EyeNx's sales strategy, the trial program utilized the following channels. Please note that no advertising or marketing budget had been allocated to this program. As result, the product was promoted via direct sales contact by EyeNx's sales team and free E-Commerce sites only:

1. E-Commerce – Posted 30 day free trial software on EyeNx's download page, download.com and zdnet.com. All users accessing EyeNx's web site were asked to input their name, email address, and how they learned about the product.
2. ISP's – Directly approached large and small ISP"s for co-branding, reselling, and distribution.
3. International licenses – Contacted foreign distributors, resellers, and technology companies for possible licensing agreements.
4. Commercial (OEM, Universities, Enterprises) – Approached various PC web camera manufacturers, Universities, and small to medium size companies. Promoted sales of NetPhone software to be bundled with PC cameras, employed in Universities for distance learning and communications, and utilized by various companies to reduce travel cost and improve interdepartmental communication.

III. Product Trial Results

The results of this six-week trial program yielded the following overwhelming results. During the trial period we saw users from all over the world download copies to test. As result of the downloads, EyeNx received hundreds of requests from consumers and enterprises worldwide.

At the end of trial program our marketing efforts resulted in:
- ?? 4000 Downloads from our web site
- ?? 1500 Downloads from download.com & zdnet.com
- ?? 20% requested purchase
- ?? LOI by University of Jamaica
- ?? Business case approval and technical evaluation by two large ILEC'S / ISP
- ?? Substantial interest from Verizon, SBC, and Bell South
- ?? Substantial interest form AT&T Broadband and Compaq Computers
- ?? Two international licensing discussions
- ?? Many leads and significant interest from local small ISPs

IV. Conclusion and Recommendation

As result of this study neither we nor our clients found any of the leading, software based, products worked satisfactorily at any speed. The high-end, hardware based, systems[1] were able to provide acceptable performance, however the high price and technical expertise needed to install the hardware were major barriers to success.

The trial program also highlighted the significant market opportunity for an easy to use, high performing, and moderately priced software based video conferencing product.

(1) Some competitors similar products require additional OEM hardware items be purchased and added to the client's PC to facilitate proper operation (e.g. sound and video card upgrades). And/or competitors require the user's call to route through their network servers.