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Marketing Strategy, Design and Implementation -Launching of a 3D Software Application

Master Thesis at the Department of Industrial Management & Logistics

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Preface

With this master thesis I terminate my study at the Industrial Management and Engineering program at Lund Institute of Technology. The thesis comprises twenty academic points, and is commissioned by EON Development AB in Gothenburg.

I wish to thank the supervisor at EON, Mr. Nils Andersson for his guidance and support and the Senior Software Engineer at EON, Mr. Vinh Sang Tri for great ideas and feedback. Furthermore I would like to thank my tutor at Lund Institute of Technology, Dr. Ola Alexanderson, for supporting me and given me valuable feedback. Finally I wish to thank my friends and family for support and feedback.

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Beatrice Pössl

Sammanfattning

Det här examensarbetet har utförts på EON Development AB i Göteborg av en student på civilingenjörsprogrammet i industriell ekonomi. Arbetet har utförts i samarbete med institutionen för produktionsekonomi vid Lunds tekniska högskola. Examensarbetet undersöker viktiga faktorer för att starta en marknadsfunktion på EON Development.

En marknadsfunktion bör säkerställa nöjda kunder, identifiera och nå ut på potentiella marknader, och samarbeta med andra avdelningar så att motstridiga mål undviks och att onödigt arbete läggs ner på produkter som kunderna inte vill ha förhindras. För att förenkla samarbete mellan avdelningar bör samtliga medarbetare på företaget genomgå en grundläggande utbildning i marknadsföring och det är viktigt att ledningen är en del av, och arbetar för att ha en lärande organisation i företaget.

I Göteborg finns ett samarbete mellan företag i 3D-branschen och hela Göteborgsregionen ligger långt framme i Virtual Reality utvecklingen. EON Reality skulle skaffa sig ännu en konkurrensfördel genom att ha en marknadsfunktion där. Bra medarbetare på en marknadsavdelning är sådana som redan har ett kontaktnät på intressanta marknader, har kunskaper i marknadsföring och som är väl insatta i EON Reality's visioner och mål.

En marknadsplan utvecklas för att utifrån en omvärldsanalys ta reda på möjligheter som kan utnyttjas och för att identifiera svagheter och hot som bör tas itu med. Marknadsplanen mynnar ut i en aktivitetsplan som listar olika aktiviteter. En aktivitet för EON Developments del är att lansera den senaste versionen av en plug-in, EON RaptorTM.

Kund- och återförsäljarrelationer är viktiga och återförsäljare vill inte ha konkurrens från sina leverantörer. För att undvika dilemmat kan EON Development behålla säljfunktionen ute hos återförsäljarna och endast fokusera på marknadsföringen. Om återförsäljarna får fler kunder så blir det mer attraktivt att vara återförsäljare av EONs produkter och då kan provisionen till återförsäljarna minska och i slutändan ökas EONs vinst.

Abstract

This master thesis has been conducted by a student in industrial management and engineering at EON Development AB, Gothenburg, Sweden and in association with the Division of Production Management at Lund University. It investigates important issues for EON Development in order to establish a marketing department within the Gothenburg area.

A marketing function must deal with customer satisfaction and be cross functional to avoid conflicting purposes with other departments within the organisation and to minimise the risk to develop products that customers do not want to buy. Before starting up a marketing function all employees should get education in basic marketing to increase understanding and support teamwork. The management should be a part of, and promote, the learning organisation.

Gothenburg has a cluster of 3D and Virtual Reality industries and is one forerunner region in northern Europe and EON Reality would have an advantage of having a marketing function presence there. Ideal co-workers have a big contact net in interesting industries and have marketing education, good knowledge in the parent company's statement, goals and values and work towards them.

A marketing plan investigates the business environment and specifies different marketing activities. It is a part of a marketing function's tasks to develop a marketing plan. One activity is the product launch of the latest version of the plug-in EON RaptorTM.

Relations to customers and resellers are important and resellers do not want to have competition from their suppliers. To avoid bad will can EON keep the sales function at the resellers and focus on the marketing. More customers for the resellers make it more interesting to be a reseller and then can the resellers' commission decrease and EON's income increase. The resellers' work must be controlled to make sure that the end-users get good training and support.

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1.0 INTRODUCTION

In this chapter are the background to and the specification of the project presented. Furthermore are the project's purpose and delimitation described.

1.1 Background

The software business has world wide total revenues of at least \$600 billion pro annum. One third of that comes from products and two-thirds from software services. In the world, there are 35 000 software firms having more than four employees. Lots of companies, for example Accenture and Cap Gemini Ernst & Young have their revenues only on a services basis. Services and maintenance part of total revenues have increased the last years, in the software business as well as in other business areas. (Customano, M, 2004)

Software includes lots of different technologies and businesses. The strategy has to be developed for each company individually. Different businesses, customers and market segments require different strategies and capabilities. The lack of a marketing function in an important market might be expensive and opportunities might be overlooked. Culture and expectations differ in different areas and markets, and important potential customers might be missed.

EON Reality Inc. is an interactive visual content management software provider. It is a privately held US corporation founded in 1999. The headquarters is situated in Irvine, California, and the development department in Gothenburg, Sweden. EON Development develops 3D visualisation software for various web applications. The customers are mainly large and medium-sized companies such as Samsung and Nokia. Today, most of the customers are based in USA and marketing and sales are currently managed from the EON Reality's headquarter in California.

There is no marketing department at present in Sweden. There is an expressed interest from EON Reality's point of view to expand and start up a marketing function in Gothenburg. The preparing for starting up a marketing function is important but demanding. The first step is to analyse what it takes to have a marketing function and what it involves. Furthermore must the location be investigated, if it really is an advantage to have a marketing function in Sweden, and necessary resources should be identified. Relations to customer and resellers are important and must be investigated as well; resellers might be afraid of competition and do not want a marketing department at EON Development AB. After analysing and identifying factors in a marketing function it is time to make a marketing plan. The marketing plan is a part of a marketing function and specifies different marketing activities. One activity, the first activity in the marketing plan is the product launch of the latest version of the plug-in EON RaptorTM. If the product launch is successful the work with the activities in the marketing plan will continue as well as the implementation of a complete marketing function at EON Development AB.

1.2 Project Specification

This project consists of three major parts, which are related to each other. All parts address marketing and important issues for EON Development AB to start up a marketing function.

- Identifying of important factors in a marketing function
- Recommendation of a marketing plan for an European marketing function
- Planning and implementation of the launch of the latest version of EON Raptor™

The launch of EON Raptor™ should contribute brand naming of EON Reality and their other products. The brand naming should be directed towards industrial users who work with all different kinds of visualisation. Interesting industries are for example graphics, 3D, construction and education.

1.3 Project purposes

The purpose of the project is to identify important factors in establishing a marketing function at EON Development AB. This includes the recommendation of a marketing plan and planning of an important activity, - a product launch.

The purpose of the product launch is to penetrate potential market segments and to establish distribution channels primarily for the EON Raptor™ plug in. A successful introduction would lead to further emphasis on the marketing activities within the marketing plan and may, in the long term, serve as the foundation of a European marketing department.

The project should recommend activities in a marketing plan to increase customer awareness and to enable EON Development AB to increase the brand name. The project should identify new interesting customer groups and target markets.

1.4 Delimitation

The design and implementation of the market plan as a concept is customised and intended for the Western European market. Questions concerning project budget are not addressed. In this study practical assignments are limited to the design and construction of a product site equipped with an online shop function. Customer examination and analysis are based on existing company data. All potential customers have access to the information about the product on the web site and no direct contact with industrial customers will occur.

2.0 RESEARCH METHODOLOGY

This chapter presents and motivates the research methodology used for this thesis.

2.1 Research Methods

The theories in this master thesis should give the reader a deeper understanding of different parts of the marketing plan and a product launch.

To increase knowledge and understanding of the object for the research, in this master thesis, the marketing at EON Development, studies of theories are important. Theories give simplified pictures of how certain things of the reality can be matched together and work.

A theoretical model is developed from a theory. In a model it is not enough with hypotheses because they can only answer certain questions. The model aims to give a certain picture of the reality. The more complicated a model is, the bigger is the chance that it is equivalent to the reality. The complexity and level of details in a model should be adjusted to what it is used for. (Ejvegård, R, 2003)

In this project are some models used to analyse EON Development AB. PEST- and SWOT-analyses are for example accepted models, which have well known underlying theories. The marketing plan summarises analyses and models and gives an overview of the environment for the marketing department.

Action research is inquiry or research in the context of focused efforts to improve the quality of an organisation and its performance. It typically is designed and conducted by practitioners who analyse the data to improve their practice. Action research has the potential to generate genuine and sustained improvements.

It gives researches opportunities to reflect on and assess their knowledge to explore and test new ideas, methods, and materials. Furthermore it shows how effective the new approaches were and help the researchers to make decisions about which new approaches that should be included in instruction and assessment plans.

Action research can be described as a family of research methodologies, which pursue action, or change, and research, or understanding, at the same time. In most of its forms it does this by using a cyclic or spiral process, which alternates between action and critical reflection. Action Research is a three-step spiral process of *planning*, which involves reconnaissance, *taking actions* and *fact-finding* about the results of the action.

The implementation of the product launch and the marketing plan has been carried out as action researches in this thesis. The planning step has involved literature studies and interviews and the taking actions step has resulted in a description of a marketing

function, a marketing plan and a product launch. The control of the marketing plan and the product launch are fact-finding processes. Theories and models are used to confirm the results and to increase the validity and reliability of the analyses.

Description is a common empirical method used for giving the reader deeper knowledge in a certain area. In this master thesis is chapter four, Empirics, descriptive and gives the reader knowledge of the company and the environment in which it operates.

The collected data is analysed in chapter five. The analysis consists of examination and categorisation of data to answer the research topics.

2.2 Qualitative and Quantitative Approach

Qualitative methods are for example action researches and case studies, and they need not involve a survey research. Qualitative studies can have a strong and definite role in research and will probe into areas which answers are unattainable by quantitative means. For a researcher, qualitative methods can be a powerful primary or secondary research tools.

Quantitative methods focus on numeric measurement such as statistical market surveys, linear programming and financial analyses. (Balian, E, 1988)

This master thesis will describe the situation in texts and illustrations. The purpose is to give a general picture of the theory behind the marketing plan and investigate how EON Development AB can implement it. This thesis will mainly use a qualitative approach but some quantitative data is used to support the analysis process.

2.3 Data Collection Methods

The underlying data to this master thesis are collected from different sources such as books, the Internet, articles and interviews. The data is further divided into primary and secondary data.

2.3.1 Primary Data

The primary data for this master thesis is limited to interviews. Through interviews are topics such as the company's vision and objectives discussed but also more quantitative questions such as number of customers and resellers.

Greenfield (2002) identifies different types of interviews. In the *informal conversational interview* questions emerge from the immediate context and are asked in the natural course of things and there is no predetermination of question topics and wording. The advantage is that it increases the relevance of questions but the data will contain different information collected from different people with different questions, which might give subjective data.

In a *guide approach interview* topics and issues that will be discussed are specified in advance. The interviewer decides sequence and wording of questions in the course of the interview. This procedure increases the comprehensiveness of the data and makes data collection systematic for each respondent. The disadvantage is that important topics may be inadvertently omitted.

The *standardised open-ended interview* is characterised by that the exact wording and sequence of questions are determined in advance, and all interviewees are asked the same basic questions in the same order. The advantages that all respondents answer the same questions are the increasing comparability of responses. A weakness is the lack of flexibility.

In a *closed quantitative interview* are questions and response categories also determined in advance and the responses are fixed, “multiple choices”. The interviewees choose among the alternatives, which make the data analysis simple. Responses can be compared directly and aggregated easily. A weakness is that respondents must fit their experiences and feelings into the researcher’s categories and that may be found impersonal, irrelevant and mechanistic.

In this thesis interviews are used for collecting information that are important issues for analyses and understanding. Interviews have been conducted with the chief technology officer, the marketing manager and representatives from the reseller Infotiv AB. Most interviews with the CTO (chief technology officer) have been conducted in an informal conversational way, mainly because he had the office next-door and questions that turned up were asked right away. The interview with the marketing manager has been done as a guide approach interview. The interview with the resellers Infotiv AB was also a guide approach, carried out in a meeting form where topics and issues were discussed.

Because the nature of the issues is complex were standardised open-ended or closed quantitative interviews not useful for this master thesis.

There are many advantages of interviews such as the opportunity to sit face to face with the informants and be able to ask if any indistinctness occur. Large amounts of important and contextual data are quickly obtained and the interview provides background context for more focus on activities, behaviours and events. Some weaknesses of interviewing are that data is open to be misinterpreted and depends on the cooperation of a small group of key informants. Data from interviews might be subjective and personal opinions instead of facts. (Greenfield, T, 2002)

2.3.2 Secondary Data

Secondary data is data available for the researcher and collected for purposes distinguished from the present problem. Books and articles to this master thesis were found in libraries and in the database GUNDA. The Internet provides lots of interesting web sites regarding subjects that have been useful when writing this master thesis.

Keywords used for searching in GUNDA and on the Internet were “3D”, “Marketing Plan”, “Product launch”, “Marketing Strategy”, “SWOT-analysis” and “PEST-analysis”.

2.4 Validity and Reliability

Balian (1988) has a research axiom in his book that describes the meaning of validity and reliability; “If any instrument is valid, it must be reliable. If any instrument is reliable, it may or may not be valid”. Validity is correctness and reliability consistency.

The data for a thesis should be valid and reliable. Primary data is always the best but it is rare that all data for a research consist of primary data. The nature of the underlying problems and questions in this master thesis makes the available methods for collecting primary data limited.

2.5 Sources Criticism

All sources, primary or secondary, might be biased or even wrong and that is why the reliability of the sources used for a thesis should be investigated. To be able to consider a source as reliable it should fulfill four criteria. It must be authentic, written from an independent author, be as new and/or contemporary as possible. (Ejvegård, R, 2003)

A single author who chose and gathered the data, analysed it and drew the conclusions wrote this thesis. The result might therefore be coloured by personal interpretations from the author. The author has tried to minimize this effect by being aware of the issue from the very beginning of the thesis and has thereby tried to keep an open mind during the entire project.

The theory and empiricism in this master thesis have been taken from a lot of different independent sources to avoid incorrectness and to verify its authenticity. Since a part of the master thesis will be built on interviews and the interviewees’ subjective set of values, validity and reliability could be affected.

The awareness of this and the efforts to minimize the effects of subjections by taking a distant approach to the data should increase the objectivity in this thesis.

3.0 THEORY

In this chapter, are the theories that are the basis for the analyses, the results, the conclusions and the recommendations presented. A first step to a marketing function is to analyse what a marketing function includes. Which factors are important? Which management organisation is preferable? Why? When the meaning of the marketing function is analysed, it is time to perform step two, make a marketing plan. The first activity in EON Development's marketing plan is to implement the product launch of a plug-in.

3.1 The Marketing Function

Marketing has been seen as the function that drives an organisation due to its sheer proximity with the consumer. Like other functions, marketing works as a separate department with its own objectives and goals, which are in line with those of the organisation. For small companies where the marketing "department" is only a few or one single person it is naturally to cooperate with the other functions within the organisation. Customer satisfaction is one goal of EON Reality but the marketing alone cannot be expected to meet it. Customer satisfaction is heavily dependent on the performance of other departments and is one example of the necessity of a cross-functional marketing department.

In the software business it is of extra importance that the marketing is cross-functional to meet the customers demand. The fast product life cycle and the hard competition on the software market makes it impossible for software companies to risk to develop products that customers do not want to buy.

The process to start up a marketing department in a small company is challenging, especially when there is no prior competence in the area. Developers and marketers might have cross-purposes, the developer has a great technical solution, which minimises the costs, but the customers have other needs and the marketer tries to satisfy them. It is necessary to cooperate and everyone in the organisation must be aware of the risk of having cross-purposes. Intensive teamwork is one way to identify competitive advantages and to become successful.

Before starting up a marketing function it is a good idea to provide all employees education to get some basic marketing knowledge. This increases the understanding and support teamwork. Change is one of life's few certainties, and in the software business is this very clear truth. Continual learning can make the difference between failure and success. The employees should respond to potentially threatening information in non-defensive ways and identify opportunities and paradigm shifts, and find new and better ways to create value. The management should be a part of, and promote, the learning organisation.

By having regional marketing offices are cultural differences dealt with. The awareness of trends increases and contacts in the local area is easier created with the presence of regional marketing offices. Gothenburg has a cluster of 3D and Virtual Reality industries and is a forerunner region in northern Europe. It is a big advantage to have a marketing function presence there, if the right people are hired. Right people are those who already have a big contact net within the 3D industry and/or have a dedicated interest in the industry and want to increase it. Furthermore should the staff have marketing education and good knowledge about the parent company's statement, goals and values and work towards them.

A marketing plan results in different marketing activities and for a marketing department at EON Development AB it is a good idea to start with the product launch. A product launch involves lots of steps and decisions, which must be made within a short time period and that forces the marketing team to cooperation and at the same time test if the conclusions made during the analyse process in the marketing plan development were right. If the product launch is successful it is a good mark for the marketing plan and inspires to further work with the activities in the plan and to the establishing of a complete marketing function.

After examined the marketing function's meaning for EON Development it is time to start the development process with the marketing plan. The plan is a first step to implement the complete marketing function. In the following sections are the marketing plan and its components discussed. The last section regards the first activity in the marketing plan, the product launch.

3.2 Marketing Plan and Business Plan

The terms marketing plan and business plan are frequently used in marketing literature. Quite often are they used in the same context and it might be confusing to understand what each plan comprises. Here follows an overview to clarify the differences between a marketing plan and a business plan.

A business plan should precisely define a company's business; identify the goals and serves as a summary. The basic components include a current and pro forma balance sheet, an income statement and a cash flow analysis. A business plan helps the company to allocate resources properly, handle unforeseen complications and make good business decisions. A good business plan can be used for loan applications and serves a purpose as information for customers, suppliers and other stakeholders about the companies operations and goals. A business plan has, excluding the marketing plan, a mission statement, vision, an identification of competitors, location, purchasing strategies and human resources.

A marketing plan is made in addition to a business plan and helps the management set realistic short, medium and long-term objectives for the marketing. It should help the company to focus on the most important areas of marketing and to have the right

strategies for price, place, promotion and product assortment. (www.bizhelp24.com/marketing/marketing-plan-6.shtml [27. Jan 05])

A complete plan serves an important purpose as a schedule for marketing activities and objectives but, maybe even more important, is the plan's development process. During the developing process are new ideas coming up and opportunities shown. EON Development AB has, until now, not performed any marketing activities at all and they have to start from scratch with the marketing plan.

In this master thesis is a suggested marketing plan with a time horizon for one year made for EON Development AB

3.3 Market Environment

The market environment, which a company operates in, should be carefully investigated for avoiding missing opportunities. The environment is dynamic and needs to be analysed regularly.

3.3.1 Micro Environment

The micro environment is the specific external (nearer or immediate) environment which an organisation operates in. Often is the acronym SPICC (suppliers, publics, intermediaries, customers and markets, competition) used to describe the internal factors close to the company that have direct impact on the organisation's strategy. (www.raynet.mcmail.com/Business&marketingglossaryM.shtml [24. Jan 05])

Increase in for example raw material prices will have a knock on affect on the marketing mix strategy of an organisation. Prices may be forced up as a result. Closer supplier relationships are one way of ensuring competitive and quality products for an organisation and that is one reason why the suppliers should be regularly investigated. Publics are for example stakeholders, media, local community, the city, politicians, pressure groups and interest groups. Stakeholders are those individuals, or groups, who depend on the organisation, to fulfil their own goals, and on whom, in turn, the organisation depends. Positive or adverse media attention on an organisations product or service can in some cases make or break an organisation. Employing the correct staff and keeping these staff motivated is an essential part of the strategic planning process of an organisation.

Closer relationships with the intermediaries are, like closer relationships with suppliers, one way of ensuring competitive and quality products. For preventing "bad will" there is a need to avoid being the customers' competitor. Organisations survive on the basis of meeting the needs, wants and providing benefits for their customers. Failure to do so will result in a failed strategy and a great loss of income. Competitor analyses and monitoring is crucial if an organisation is to maintain its position within the market. (www.learnmarketing.net/microenvironment.htm [24. Jan 05])

3.3.2 Macro Environment

Macro environment is defined as uncontrollable factors that constitute the external environment of marketing including demographic, economic, technological, natural, sociocultural, and regulatory forces; the general external business environment which an organisation is active in. The macro environment is usually divided into four areas, which are investigated with a PEST-analysis.

(www.raynet.mcmail.com/Business&marketingglossaryM.shtml [24. Jan 05])

PEST-analysis

A Pest-analysis is the identification of the *political*, *economic*, *social* and *technological* influences on an organisation. The macro environment can not be managed but it is necessary to take the factors into consideration while developing a strategy. It is an analysis of the macro environment and topics such as affecting environmental factors and their importance should be investigated in the macro environment analysis.

(www.cins.se/OA/Handledning/default.asp?id=pest [9 Dec.2004])

<p>Political/Legal</p> <ul style="list-style-type: none"> ➤ Monopolies legislation ➤ Environmental protection laws ➤ Taxation policy ➤ Foreign trade regulations ➤ Employment law ➤ Government stability 	<p>Economic factors</p> <ul style="list-style-type: none"> ➤ Business cycles ➤ GNP trends ➤ Interest rates ➤ Money supply ➤ Inflation ➤ Unemployment ➤ Disposable income ➤ Energy availability and cost
<p>Sociocultural factors</p> <ul style="list-style-type: none"> ➤ Population demographics ➤ Income distribution ➤ Social mobility ➤ Lifestyle changes ➤ Attitudes to work and leisure ➤ Consumerism ➤ Levels of education 	<p>Technological</p> <ul style="list-style-type: none"> ➤ Government spending on research ➤ Government and industry focus on technological effort ➤ New discoveries/development ➤ Speed of technology transfer ➤ Rates of obsolescence

Table 1, A PEST-analysis of environmental influences (p 105, Johnson, G, Scholes, K, *Exploring Corporate Strategy*, 1999)

3.4 SWOT Analysis

Different techniques for analysis of resources and competences probably only give small separate parts, but with help from a SWOT analysis the parts are brought together to an overall picture of the market. SWOT stands for strengths, weaknesses, opportunities and threats and summarises the key issues from an analysis of the business environment and the strategic capability of an organisation. The strengths and weaknesses identify the internal situation in the company and the opportunities and threats identify the external situation. This is undertaken together with micro- and macro environmental analyses.

The idea is not only to list these terms of manager's perception; rather should a more structured analysis be undertaken. A structured SWOT-analysis is an important tool for the formulation of the organisation's strategy. It can be used to assess whether there are opportunities to exploit further, for example the unique resources or core competences of the organisation. The goal is to identify the extent to which the current strategy of an organisation and its more specific strengths and weaknesses are relevant to, and capable of, dealing with the changes taking place in the business environment. (Johnson, G, Scholes, K, 1999)

A factor can be both a threat and an opportunity, depending on how the organisation works with the issue. (www.cins.se/OA/Handledning/default.asp?id=swot [9. Dec. 2004])

<p style="text-align: center;">Strengths</p> <p>The company's competitive advantages. For example;</p> <ul style="list-style-type: none"> ➤ Patents ➤ Strong brand names ➤ Good reputation among customers ➤ Cost advantages from proprietary know-how ➤ Exclusive access to high grade natural sources ➤ Favorable access to distribution network 	<p style="text-align: center;">Weaknesses</p> <p>The absence of certain strengths may be viewed as a weakness.</p> <ul style="list-style-type: none"> ➤ Lack of patents ➤ A weak brand name ➤ Poor reputation among customers ➤ High cost structure ➤ Lack of access to natural sources ➤ Lack of access to key distribution channels
<p style="text-align: center;">Opportunities</p> <p>The external environmental analysis may reveal certain new opportunities for profit and growth.</p> <ul style="list-style-type: none"> ➤ An unfulfilled customer need ➤ Arrival of technologies ➤ Loosening of regulations ➤ Removal of international trade barriers 	<p style="text-align: center;">Threats</p> <p>Changes in the external environment may present threats to the company.</p> <ul style="list-style-type: none"> ➤ Shifts in consumer tastes away from the company's products ➤ Emergence of substitute products ➤ New regulations ➤ Increased trade barriers

Table 2 A SWOT-analysis (www.quickmba.com/strategy/swot/ [9. Dec. 2004])

3.5 Market Opportunities

Opportunities in the business environment are those factors that provide possibilities for a business to expand and increase sales and profits. A successful company identify the threats and eliminate them or turn them into opportunities.

3.5.1 Market Segments

High development costs as well as competitive pressures are forcing companies to rush products into as many markets as possible. But at the same time, a company can ill afford new products that are not effectively introduced, marketed, and supported in each market the company competes in. A balance must be found and a first step is to identify interesting market segments.

3.5.2 Targeting

The focus should be put on the market segment that has the most opportunities for the company. Characteristics of the intended target market must be identified and dealt with. The main characteristics can be summarised by eight O:s, occupants, objects, occasions, objectives, outlets, organisation, operations and opposition. Occupants are targets of the marketing effort and should be categorised in different dimensions such as demographics, geography, psychographics or product-related variables (usage rate and brand loyalty for example). Occasions are moments when members of the target market buy the product or service and the objectives are the motives behind the purchase. A computer software provider markets not products but solutions to problems.

Outlets are places where customers expect to be able to procure a product or be exposed to messages about it. The organisation describes how the buying or acceptance of an idea takes place. It is interesting to know who makes the decisions in an organisation and how the operations behind the purchase request proceed. The opposition refers to the competition in the market segment and that will vary from direct product-type competition to competition from other products that satisfy same need. (Czinkota, M, Ronkainen, I, 2001)

3.6 Marketing

The activities of listening to customer needs, assessing the competitive landscape and then designing and creating products and services accompanied by messages that shape audience perceptions, leads to opportunities for revenue. The primary objective of marketing is to deliver products and services to the right audience at the right price and right time, thereby increasing brand loyalty. (www.fivetwelvegroup.com/question.html [2 Dec 2004])

3.6.1 Objectives and Other Strategy Terms

Lots of terms and definitions are related with strategy. A *mission* is a general expression of the overall purpose of the organisation, which is in line with the values and expectations of major stakeholders and concerned with the scope and boundaries of the organisation. The mission can be referred to as fundamental questions like “What business are we in?”, “Who are our customers?” and “What are the key performance objectives, such as profits, growth, or market share, by which we measure success?” Understanding of the company’s mission helps managers generate ideas and design new products and services. If its mission is too broadly defined, the company could enter areas in which it has no expertise. If the mission is too narrowly defined, the company could miss promising growth opportunities (Krajewski, L-J, Ritzman, L, 1999).

The *vision* is the desired future state of the organisation. It is the aspiration of the company. If the vision not can be communicated in five minutes or less and get a reaction that signifies both understanding and interest, the vision is not yet done.

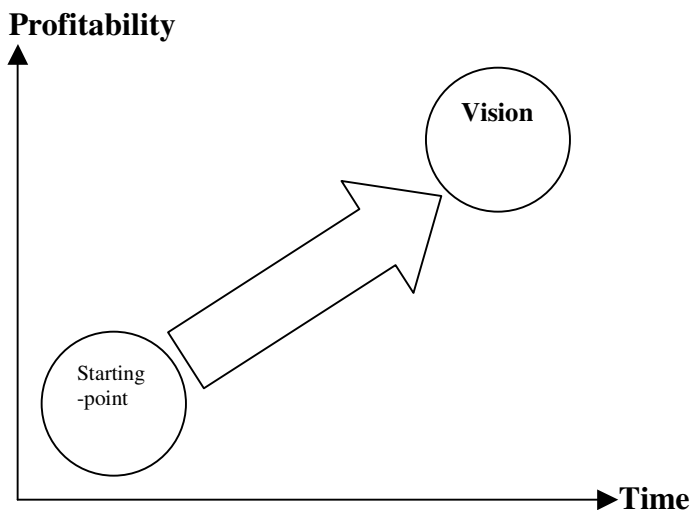


Figure 1 Strategy and vision

The starting-point is the company’s position right now and the vision is where the company wants to be in a couple of years. The strategy includes all the way from the starting-point to the wanted state.

The *goal* is a general aim in line with the mission. An *objective* is a quantification and more precise statement of the goal. Objectives must be clear and define results in measurable terms. They should have a stated time frame for achievement. It must be easy to control them and see if the objectives are fulfilled. A marketing objective is a statement about the level of performance the organisation intends to achieve and should seek answer to the question “Where do we want to go?”. If there are multiple objectives, they must be consistent and not in conflict with each other.

(www.onlinewbc.gov/docs/market/MKPLAN_object3.html [25. Jan 05])

The objective is the starting point of the marketing plan. Once environmental analyses and marketing audit have been conducted, their results will inform objectives. A good idea is to remember that an objective should be SMART, Specific, Measurable, Achievable, Realistic, and Timed.

(www.marketingteacher.com/Lessons/lesson_objectives.htm [27 Jan. 05])

3.6.2 Management and Strategy

Successful businesses are successful because they create and keep customers. They do this by providing better value for the customer than the competitors do. Marketing management has to assess which customers they are trying to reach. It has to design products and extend services that provide better value for the customer and competitive advantages for the company.

A company compete through establishing diversities that are difficult for other organisations to copy. To achieve the diversities two strategic choices need to be made.

1. Choose an activity (product, service etc.)
2. Choose how to perform the activity

The environment influences most of the decisions taken by the marketing management and therefore the management must take changes in the environment into consideration. The changes should have an influence on the marketing mix. It is the marketing management that should understand and manage the links between the business and the environment and specify the mix of marketing variables that will best serve each market. The variables are known as the elements of the marketing mix or the four P:s, product, price, place and promotion. Each consists of a submix of variables and policy decisions must be made on each.

The *product* policy is concerned with all the elements that make up the good, service or idea that is offered by the marketer. Tangible characteristics such as core product and packaging as well as intangible characteristics such as branding and warranties are included. Many products are a combination of a concrete product and the accompanying service.

Pricing policy determines the cost of the product to the customer. The product *price* must be balanced between the company's cost for the product and the strength of demand. The price strategies include distribution and margins to be made by the middlemen who assist in the marketing effort must be taken into account. Functional, quantity, seasonal and cash discounts must also be taken into consideration in the price strategy. The price is the only element in the marketing mix that generates revenue.

The *place* element, or the distribution, in the marketing mix has two components, channel management and logistics management. Channel management is concerned with entire process of setting up and operating the contractual organisation, consisting of various types of middlemen. Logistics management is focused on providing product availability

at appropriate times and places in the marketing channel. Place is the most long term of all the marketing mix elements and the most difficult to change in the short term.

For software and IT businesses is the Internet of certain interest. Not only because it is an outstanding market place, the Internet provides a chance for the company to show their capability and superiority. To convince respect and inspire software customers and others working in the IT area it is necessary to have sites that show how outstanding the company is. Customers to software companies normally have deep knowledge of computer science and are not impressed of a website with delimited functionality. Functions such as online shops and downloads are essential and must work satisfactory.

The web design must be appealed to the target group and should be developed and designed by marketers and technicians together. Sites need to be designed to be compatible with the marketing methods. Every site is showcasing something and presentation is vital in the showcasing of anything.

Finally, the *promotion* element has to do with communications to customers and middlemen and in order to interact, advertising, sales promotion, personal selling and publicity are important. Because the purpose of all communications is to persuade, this is the most visible and sensitive of the marketing mix elements. Trade-offs are required for the marketing mix to be a helpful model within marketing management. Different products, different stages of the product's life cycle, available resources and customers, are factors that influence the marketing mix. (Czinkota, M, Ronkainen, I, 2001)

Strategy in software companies

In the end of the nineties most of the biggest manufacturing companies around the world redesigned their strategies to take advantage of the opportunities in the knowledge- and technology-intensive sectors. (Estabrooks, M, 1995)

Products business is where most of the revenues come from software licence fees and service business is where the revenues mainly come from client projects such as customisation, consulting, training, system integration, support and enhancements. For product business volumes, scale economies and share are of importance and therefore is it necessary to understand general customer needs. The goal is to produce a bestseller product. For a service business, focus lies on custom systems, scope economies, recurring revenues and account management. The company must understand the specific client needs and it is important to establish long term relationships with the customer.

Platform products sell even in bad times because they are driven by complements and upgrades, multi-year subscriptions and maintenance. Some companies can not make their own complements. In service business revenues can rise dramatically both in bad economical times and over the company's and products' life cycles. Companies that started up in the product business often become services or hybrid solutions companies.

The best is hybrid solutions; it has the best from service and product businesses. It has potential for strong recurring (services and maintenance) and scalable (products) revenue.

But it requires daunting skills in both product development and in client service capabilities. There is always a risk to get stuck in the middle and not do either well or be best in class.

It might be hard to develop “a best seller” and especially in bad economic times is there a risk for a huge fall of products. The only guaranteed revenues in bad times may be services and maintenance for already existing customers and software packages can become commodities. Services are more labor intensive than products and have lower profit margins. It is hard to scale service businesses without adding people and nowadays it might be difficult to attract funding or do an initial public offering (IPO). (www.xp2003.org/keyspeeches/cusumano.pdf [18 Nov. 2004])

3.6.3 Organisation

For an organisation it is very important that the spirit and culture are inspiring and motivate the employees to participate in the strategy. Every single person in a company should feel comfortable and not hesitate to come up with ideas. An organisation that is capable of benefiting from the ideas, the variety of knowledge, experience and skills of individuals within the company has a great competitive advantage. There are some key issues for a company to take advantage of the “indoor-ideas”. The company’s goal and vision should be clear and all employees should be aware of and work towards them. Teamwork and cooperation between hierarchy boundaries should be encouraged. The job of top management is to create this sort of organisation by building teams and networks that can work in the desired direction. Within this kind of learning organisations, the company learns from its employees and usually are changes made easier than in other more conservative organisations.

The company needs an objective overall view to be able to continually and creatively change in line with the demand from the world around. (Johnson, G, Scholes, K, 1999)

Standing at the same place is taking one step back. A successful organisation learns continually and creates value from outside and inside changes. Changes should be seen as important, revenue generating and developing routines. Organisational myths and assumptions are questioned and every single employee feels him- or herself comfortable coming up with reports, good or bad. (Matheson, D, Matheson, J, 1998)

3.7 Action Plan

In the action plan are the activities to be able to reach the marketing objectives listed. An action plan should be written and the plan should include details of the tactics for reaching the objectives. The activities are divided into four groups, product, pricing, distribution and promotion activities.

3.8 Control

The control is used to assess effectiveness of strategies and actions and to modify strategies and actions if necessary. The objective states where the company wants to be and the plan how it should act to reach it. The control should monitor the proposed plans as they proceed.



Figure 2 The Marketing Control Process
(www.marketingteacher.com/Lessons/lesson_control.htm [27 Jan. 05])

Control involves measurement, evaluation, and monitoring. Resources are scarce and costly so it is important to control marketing plans. Assuming from the marketing objectives are performance standards set and the actual progress will be compared to these. These standards can be completion dates or sales objectives for different activities. Corrective action (if any) is then taken. If corrective action is taken, an investigation also needs to be undertaken to establish precisely why the difference occurred. (www.marketingteacher.com/Lessons/lesson_control.htm [27 Jan. 05])

The marketing plan can be controlled in many ways, for example through market share analysis, sales analysis, quality controls and cash flow statements.

For EON Development AB the control strategy should be sales analysis because of the limited recourses to perform other types of controls properly.

3.9 Product Launch Strategy

A typical activity in an action plan is a product launch.

The impact of an effective product launch can be great, but so can the cost of one that is poorly executed. For software products it is common to do a global product launch. That means introducing a product into countries in more regions within a narrow time frame. To achieve this, a company must undertake a number of measures. The company should be involved in the first stage of the product strategy formulation to ensure that local and regional considerations are part of the overall corporate and product messages. A product launch team consisting of representatives from different departments can approach problems from an industry standpoint, as opposed to a home country perspective, enhancing product competitiveness in all markets. Adequate consideration should be given to localisation and translation requirements before the launch. The advantage of a simultaneous launch is that it boosts the overall momentum and attractiveness of the product by making it immediately available in key geographic markets.

Global product launches require more education and support of the sales channel than domestic efforts or drawn-out efforts do. This is due to the diversity of the distribution channels in terms of support and education they may require before the launch. A successfully executed global launch offers several benefits. It permits the company to showcase its technology in all major markets at the same time. By setting a single date for the launch, the entire organisation will be forced to gear up quickly for a successful worldwide effort. A simultaneous worldwide introduction also solves the dilemma of having old models or versions in some markets while customers know of the existence of the new product. (Czinkota, M, Ronkainen, I, 2001)

Having the product on the market allows the validation or rejection of important estimates or assumptions about customer attitudes and behavior that would have been made during the development-phase. It could also reveal unanticipated problems or opportunities. The company can now get to know if the customers find problems in using the product, if they use it as much as expected and the satisfaction of the customers.

The product launch should be evaluated and that can be done in the three areas product platform evolution and brand extensions, market evolution and competitive evolution. Companies and organisations that use software are in general very good at following trends and news in their own area. Software companies should have informative and technologic advanced web sites because of software companies' high demand and expectation in the computer science's area.

To find the right time for a product launch many factors need to be taken into consideration. It is important to coordinate the launch with competitors' launches of almost the same products. Launching a similar product as a competitor did two weeks earlier is not only pointless it is also waste of money.

Before the actual launch it is a great idea to make potential customer attentive of the launch with a campaign. The campaign can include commercials and other forms of advertising, mails, special designed web sites and telephone calls. Press releases are effective and give the opportunity to reach media. For companies with weaker brand name it is a good idea to combine the press release with an informative article about the company behind the product and theirs' other products and/or services. When the launch starts the customers will be contacted and informed of the product once again.

4.0 EMPIRICS

Here follows an introduction of EON Development AB and its parent company EON Reality Inc. The chapter provides information about customers, resellers and competitors and gives a brief overview of the 3D industry today.

4.1 Company Overview

The company overview gives the reader a background to performed analyses and drawn conclusions.

4.1.1 EON Reality Inc.

EON Reality Inc. is a software provider that develops and offers 3D solutions. It is a US corporation founded in 1999. In California, in Irvine is the headquarters situated and the development department is in Gothenburg in Sweden. There are sales and support offices in Chicago and Melbourne and resellers in 18 countries. EON Reality Inc. has 35 employees. The development department, EON Development AB has 5 employees and develops 3D visualization software. The employees have a background in Prosolvia, a Gothenburg-based company in the industrial simulation area that went bankrupt in the end of 1998.

EON Reality's overall strategy is built upon costumers' values and the mission statement is "EON Reality, designs, manufactures and markets PC-based 3D interactive rich media software for use within E-commerce, E-learning and Architecture". The core competence is developing and offering flexible 3D PC solutions with high graphic quality.

EON Reality has a functional structure and it aims to have straightforward communication everywhere in the organisation.

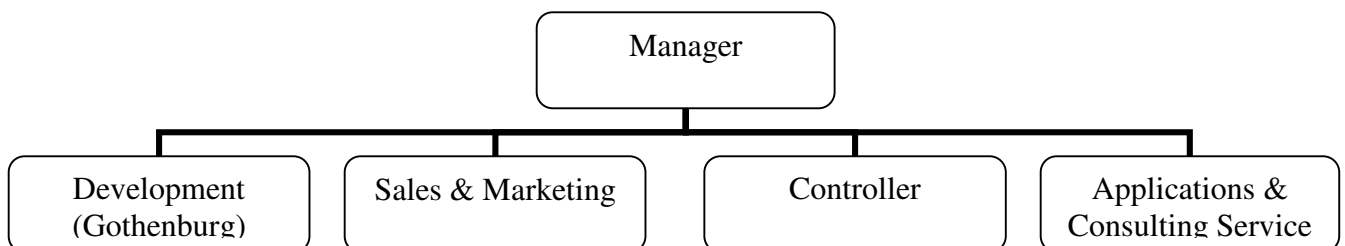


Figure 3 Organisation structure at EON Reality Inc. (Kjellström, B, 2005-01-10)

There is a project manager and a manager responsible for the outsourcing of modelling. The outsourcing is concentrated to China and England.

Reuse of software is a lodestar and constitutes the base in the development strategy. Before starting up a new project, the development team analyse possibilities of reusing existing code. By reusing functions and classes, lots of time and money are saved. The development team also search for software components among the public open source code and in “in-house” repositories. A new technology within the business area in which EON is involved is taken into consideration and is evaluated. To be a world leading company, it is important to continually be innovative, creative and aware of new trends.

4.1.2 Product and Service Description

One important difference between EON’s products and its competitors’ are the available platforms and the flexibility in the functions. Easily explained is EON’s software only available for Windows platform but the software provides high flexibility. Competitors’ software does not have the same flexibility but can be run on different platforms such as Windows, Mac and Linux. EON has started the developing process for software for Linux and they plan to develop it for Mac. years. Mac is big in the graphic industry.

EON is a family of products for creating and publishing interactive software content based on 3D. EON products bring simulation technology to the Windows platform and the Internet. The product solutions are combining software tools for creating interactive 3D content.

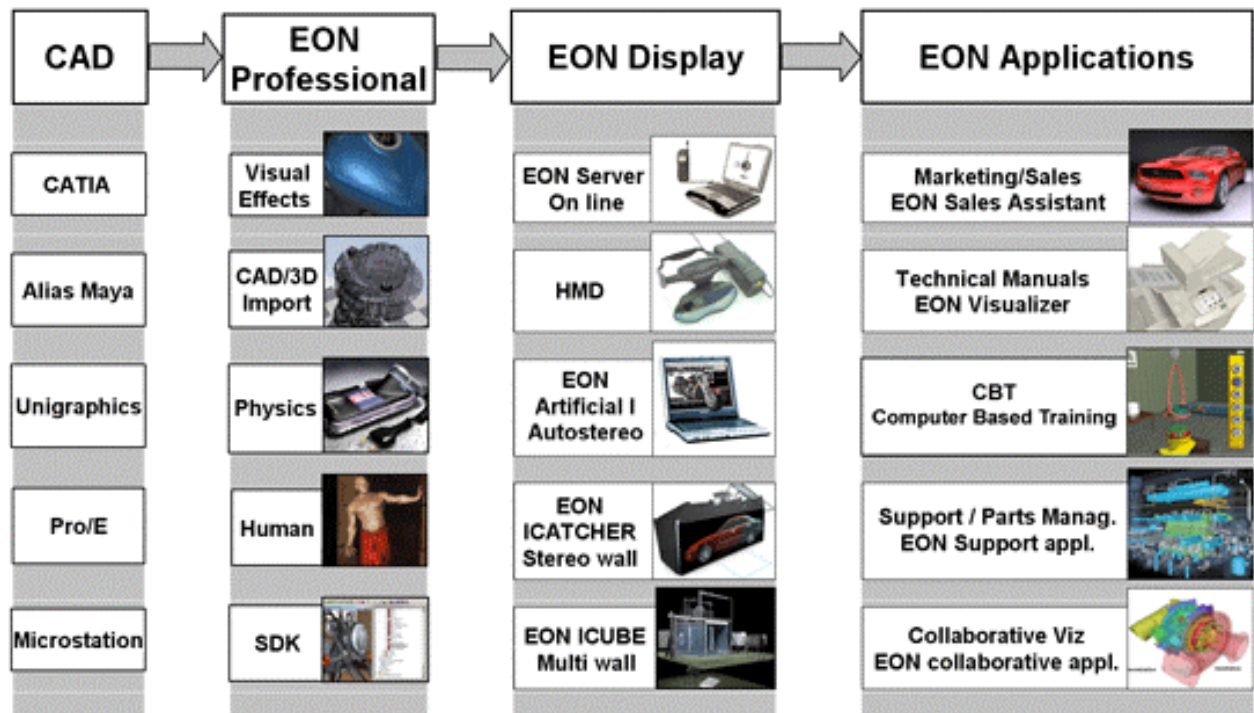


Figure 4 An overview of EON’s software (www.eonreality.com)

The 3D models are built in almost any professional 3D modeling package such as CATIA, Maya and Unigraphics, and then imported into EON Studio (available for Windows 95/98/NT/2000), where interactive 3D simulations can be created. EON software includes different ways to describe logic in simulations. EON Studio is similar to working with animations in object oriented multimedia-authoring tools such as Director, but in 3D instead.

It is simple to design interactions using drag & drop techniques. More elaborate logic can be created through embedding scripts (VB Script or Javascript).

EON Professional includes a CAD and 3D data exchange module for fast optimization and conversion to native EON formats. Among the thirty supported formats in the base module are AutoCAD, CADKEY, IGES, Maya, 3d studio max, LightWave, SOFTIMAGE 3D, WaveFront and SolidWorks.

EON software can be integrated with applications with various display systems. Examples of display systems are EON Road Warrior™ (tablet PC), EON Artificial I™ (device for holographic stereo without glasses) and desktop reality systems.

EON Applications are customer centric return on investment (ROI) based products that have been developed in response to the significant increase in corporate demand for interactive 3D solutions. They provide a link to existing enterprise solutions provided by companies such as SAP, Oracle and Siebel and are used for marketing.

EON Studio is software to create interactive simulations in 3D. These can be displayed using specialized virtual reality environments, or on an ordinary PC via the Internet.

The EON Viewer is a stand-alone plug-in for Internet Explorer and Netscape. It can be used to interact with the 3D object or simulations. EONX is an ActiveX plug-in (Microsoft's answer to the Java language, an ActiveX control is roughly equivalent to a Java applet) for Explorer and Netscape.

EON Server can be used to host large applications (e.g. for e-commerce catalogues with thousands of 3D models), and enable a kind of "streaming" called Dynamic Load. Dynamic Load even allows the users themselves to down- or uploads objects on demand. A web interface with e.g. checkboxes or a Shockwave interface can be used to control which object is loaded. For smaller applications any web server can be used. (www.eonreality.com)

4.1.3 Technical Description and Features of EON Raptor™ web studio 2.1

EON Raptor Web Studio is a plug-in for Discreet 3d Studio Max (3ds max) and Autodesk VIZ for real-time viewing of models and creation of interactive content for the Internet. It is a tool that combines the steps required for real time web 3D publishing into one 3ds max plug-in. EON Raptor is by far the most inexpensive product in EON's assortment and serves a purpose as an entry-level to EON's other products.

EON Raptor provides fast and easy web publishing for 3D models and possibilities to reproduce and visualise design reviews in real time. With EON Raptor recordings of real time animations only need a fraction of data file size compared to AVI/MPEG- films. Objects can easily be hidden or shown and there are zoom functions. The light baking function (Render To Texture) and Radiosity solutions in 3ds max that save light and shadow information on 3D objects, can be translated by Raptor as well, optimizing the usage of memory while capturing highly complex and natural lighting.

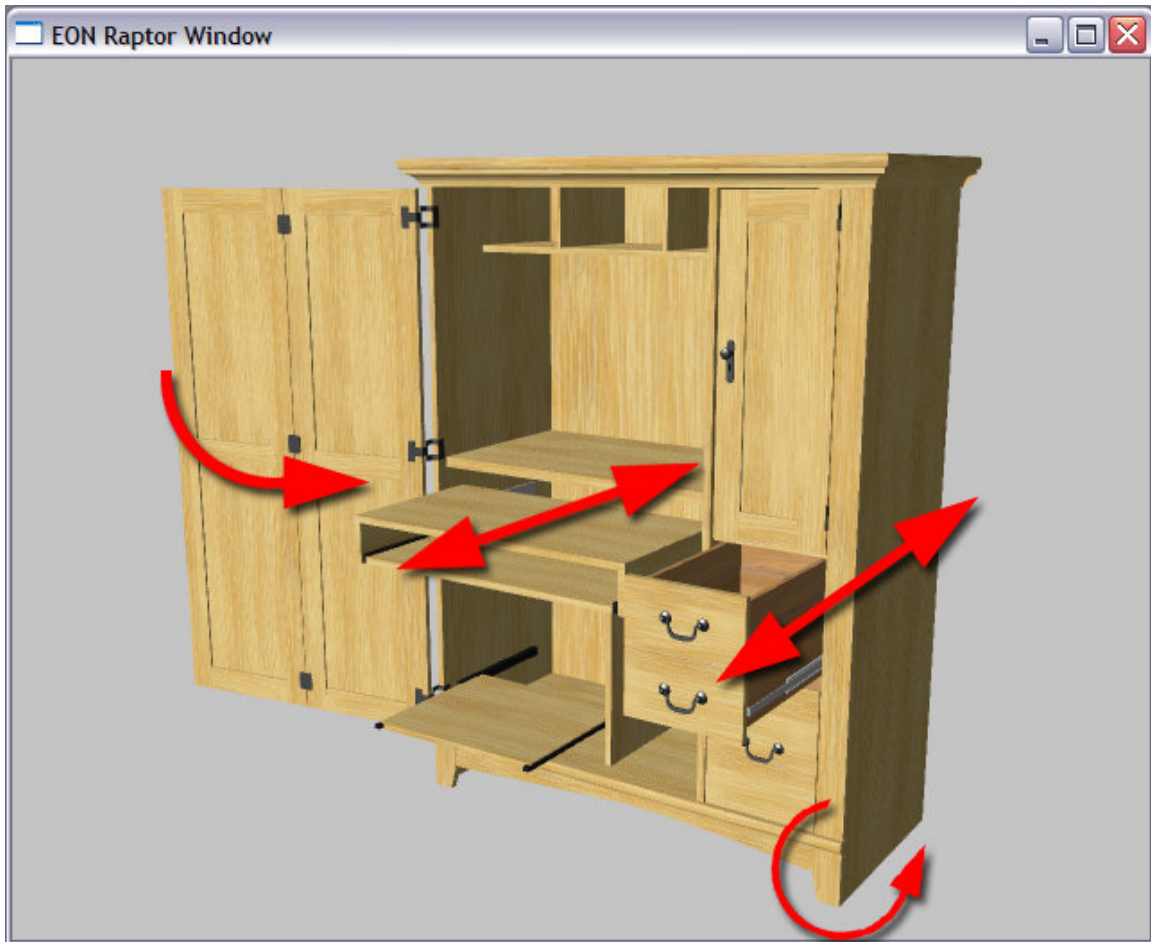


Figure 5 An armoire visualised with EON Raptor. The interaction makes it possible to open and close drawers, doors and desks and to rotate the whole object with just a mouse click.

4.1.4 Customers and Resellers

On EON Reality's E-tailing site, over 30 million 3D downloads have been made and currently 200 000 personal edition licences have been distributed. 3 000 seats of commercial software are installed worldwide and 55 universities and educational institutions in 25 countries have licences. The customers are operating in different line of

businesses, such as education, sales, marketing, architecture, vehicle industry, power industry and electronics.

Companies such as Office Depot, Suzuki, Dell, Lexmark, Canon, Hon, Samsung, Shimano, Audi, Nokia and Bank of America are using EON's software solutions. In the academic world for example Chalmers and Lund technical universities are using software from EON.

EON Reality sends e-mail to new possible customers and resellers to get in contact with them and to make them aware of EON and their products. Two times annually EON Development participates in 3D exhibitions. Other kinds of sales promotion and advertisement are not undertaken by EON Development AB, but are handled by the sales department in the USA.

The resellers are spread around the world, for example in Sweden, Spain, Italy, Portugal, England, Germany, Taiwan, Singapore and Japan. A vision is to have at least one reseller in every European country. Almost all of the resellers are using EON's software themselves and are at the same time resellers and consultants. One example is Infotiv AB in Sweden that is an exclusive reseller of EON's software in Scandinavia and uses it themselves for client projects.

The resellers have access to technical support, product training and education. From that point of view of EON Reality, it is important to have professional resellers with good knowledge in the product assortment because the resellers have almost all contact with the end users and are responsible for training and support.

4.2 The World of 3D

3D is an acronym for 3 dimensions. A 3D effect gives the viewer a visual impression of depth in a 2D picture. The use of 3D technology began in the late eighties as flight simulators in the military industry, which was the only industry to afford it. The advanced 3D technology required big and expensive computers. Later on, the civil aviation and the automobile industry started to use simulators based on the 3D technology.

Nowadays the use of 3D technology is spread over lots of different areas such as construction, architecture, medicine and, of course, the game industry. The game and film industry uses graphic technology, which is around two years ahead of the graphics used by other industries. An increasing branch with good future prospects is sale support. More and more companies in the 3D business offer their customers solutions for sale support. The salesmen who can show their customers spectacular 3D plans with rotating objects have an advantage. It is not only impressing; it is much easier to get a feeling of how it looks like in reality. Another branch with good prospects is the construction industry. Construction plans in 2D are upgraded to 3D plans.

Two of EON Reality's competitors are ViewPoint and Realtime Technology even though they do not have exactly the same product assortment. Realtime focus more on CAD, but they both have software, which competes with EON Studio and EON Professional. The price-levels are about the same.

Viewpoint Corporation provides visual application development products, content creation and delivery technology. The company has 100 employees at its headquarters in New York City, San Francisco, Los Angeles, Chicago, Detroit and London. (www.viewpoint.com/pub/company/about_overview.html [4. Feb. 05])

Another competitor is the French company VirTools. VirTools employs 40 people and maintains a network of 20 resellers worldwide. The headquarters is located in Paris. VirTools software is used for creating networked applications in the fields of industrial simulation, visualization and virtual reality, video games, marketing and multimedia which makes it to a direct competitor to EON Studio and EON Professional. (www.virttools.com/company/index.asp [4 Feb 05])

TurnTool is a Danish company that provides software similar to EON Studio and Professional. Superscape and the Dutch company Quest3D are more focused on the game industry but are competitors to EON's software. One unique aspect of Superscape is that they do not sell the software, only consultant services related to the product.

The Gothenburg-based company Opticore is a provider of design visualisation and communication software for manufacturing companies and design organisations. They are more focused on creating 3D models from CAD data than EON Reality is, but still it is a major competitor.

All software that is competitors to EON Studio and EON Professional, has about the same price, € 5 000 -10 000.

Some of the competitors to EON Studio and EON Professional have the functions as EON Raptor has included but there is software that only competes with EON Raptor.

The English company Cubicspace has a product called rtre™ real time rendering. The functions are similar to EON Raptor's but rtre™ is discreet certified and cost twice as much as EON Raptor.

VR4Max is a real-time interactive virtual reality environment to view, check and distribute 3ds max and Autodesk VIZ designs, similar to EON Raptor. (www.vr4max.com/ [4 Feb 05])

Shockwave 3d is a technology that allows developers to create 3D applications and content for use on the Web for free. Macromedia provides Shockwave 3d and it is being supported by a large number of digital content creation tools, such as 3ds max, Maya and Softimage.

Cycore has a product called Cult3D, which is a competitor to EON Raptor. But Cycore is “resting” and has only support for its old customers. No new software is developed and no business is made at the moment and therefore is Cycore no longer a competitor.

5.0 THE MARKETING PLAN AT EON DEVELOPMENT

In this chapter is the marketing plan at EON Development AB (here EON) discussed and formulated.

5.1 Marketing Environment Analysis using SPICC and PEST Analysis

To analyse the micro environment, which EON operates in, the acronym SPICC (suppliers, publics, intermediaries, customers and markets, competition) is used and a PEST analysis is made for analysing the macro environment.

5.1.1 Micro Environment using SPICC

EON does not have specific relations with its suppliers. Due to the kind of business which EON operates in are supplier-relations not as strong and important as it is in other businesses. EON Development's parent company does have more important supplier-relations. Some projects are outsourced, for example modelling using EON's software, and in that case is the supplier-relations more important.

Hardware is the most important product provided by suppliers. The employees at EON have good knowledge about hard- and software. When they buy new hardware they buy separate parts and build the computers together themselves. Graphic cards are expensive and important for EON and they have a far-reaching cooperation with the graphic card manufacturer nVIDIA. EON is a small customer and does not have a special agreement with Dustin or Greene, which are EON's suppliers of hardware.

The developers at EON have a high level of educational attainment and are loyal to the company. The development team has worked together for years. They are specialised, each one in certain areas of the software developing. If anyone of them should quit, EON would face troubles. To keep the staff motivated, office parties and ski trips are organised. The working hours and the vacations are flexible and the organisation is based upon individual independence and responsibility. In periods it is possible to work from home. The developers are responsible for further training themselves.

A year ago, companies working with virtual reality and 3D industry in the Gothenburg area, established a cluster within BRG, Business Region Göteborg AB. The initiative to BRG was taken from Gothenburg and other municipalities in the region to create new jobs.

At EON is almost no effort made to establish contact with media. In USA where the parent company operates are lots more done but the focus lies on the American market. An effective way of getting closer to the European market is to have a marketing function

here. The brand is quite weak, even though EON Reality is one of the world's leading software providers in its branch.

Because almost all of EON Reality's resellers are using EON's software themselves it is important to have good relations with them. The resellers have individual agreements that give them between 20% and 50% of the sales in commission. The resellers are responsible for training and support of their customers and EON's control is very limited.

Around 55 universities worldwide use EON's software. The licenses that educational institutions have are not that profitable in the short term as the commercial licenses are. On the other hand, in the long term, they can be very valuable. Students who are used to, and have good knowledge of EON's software might be the greatest customers when they start their careers. Maybe they are not just going to use the software themselves; they can be sales promoters and introduce the software at their jobs.

Large companies such as Suzuki and Nokia are already customers but the collaboration can be intensified and extended. The competition on the software market is hard and like many other companies in the software industry has EON changed from a product business to offering hybrid solutions. For managing and succeed in the change the organisation needs to be flexible, which EON is. Lots of efforts need to be made and the organisation must be dynamic to survive in the software business. For successful companies are the software business profitable and the demand on markets such as East Europe, South America and Asia offer opportunities.

5.1.2 Macro environment using PEST Analysis

The uncontrollable factors in EON's environment are identified in a PEST-analysis.

Political and legal factors

Parts of the software are based on open sources. Most of the open sources allow commercial use even if some functions might be only for sale. A risk with open source is that the developing stops but EON tries to have back up plans for eliminating that risk. For example are the developers' documentation standardised and each single step of the programming and design must be written down.

Sweden has a strict labour law to protect the individuals in the working life, but the law is under political discussions. Some people are of the opinion that it is too strict and prevent small companies from recruiting new employees.

Sweden is a member of the European Union, which makes trading in the area easy and inexpensive and gives EON Development AB advantages over companies from outside the union.

Economic factors

The economic condition of the Gothenburg area is good. It is one of Sweden's fastest growing region and lots of big companies are represented in Gothenburg. As the second

largest city in Sweden, and with the biggest harbour in Scandinavia, Gothenburg plays an important role in the Swedish economy.

The low dollar rate has a negative influence on EON Reality and makes the developing in Sweden more expensive. For the customers and for EON Development it does not have an impact.

Sociocultural factors

Sweden has a high social standard and the education system is one of the best in the world. The universities have worldwide fame and large sums are invested for research. The inhabitants are in general high educated and recruiting competent staff should not be a problem for an attractive employer such as a high technology company.

Gothenburg has one of Sweden's largest universities with 50 000 students. At Chalmers University of technology were around 40% of Sweden's graduate engineers and architects educated. Under those conditions is the location of EON Development very good. 250 kilometres south from Gothenburg is the region of Öresund including the universities in Lund, Malmö and Copenhagen.

Universities and educational institutions in general want to strengthen their bounds to the industry and welcome activities such as workshops and collaboration with master theses and different projects.

People in general are attracted to new technology, especially when it is something visible such as 3D visualisation. One example is a popular tourist attraction called Maxxima in Sweden's biggest amusement park, Liseberg. It is a big 3D cinema where the public uses glasses to get a strong 3D feeling.

Technological factors

3D is a growing technology and the future opportunities should be good. Big companies have shown interest for visualising objects in 3D. A good example is the interest of showing ultra sounds of foetus in 3D. Manufacturer of ultra sound such as Philips and Siemens cooperate with companies in the 3D industry.

The entrance barriers for new competitors are theoretically few, but many of the companies, which have start working with 3D software, have not been successful enough and disappear quickly. The software for creating spectacular 3D models is not very expensive comparing to other software and are quite easy to learn and use. Artistic talented persons with some computer skills can use programs to model great things for example advertising agencies. But, since it is a kind of art the user should have artistic talent and for modelling for example buildings, good knowledge in CAD are necessary and persons with the combination of skills might be hard to find.

Developing 3D software involves high starting up costs and long time before generating revenue. Developing costs, lack of artistic talent and poor marketing knowledge are three failure factors.

The computer industry is facing problems with illegal copying of software programs. The loss of income is huge.

5.2 Situation Analysis using SWOT analysis

In the SWOT analysis are EON's strengths, weaknesses, opportunities and threats analysed and listed.

5.2.1 Internal Analysis: Strengths and Weaknesses

First are the internal capabilities that can support EON in achieving its goals identified, analysed and ranked. The weaknesses are the internal factors that can be seen as competitive disadvantages. The analysis of weaknesses indicates the aspects of the business that should be improved or compensated for in some way to minimize their negative impact on the marketing strategy. The most important strength is the human resource but it is a weakness at the same time.

Strengths

The employees are competent and motivated. They have clear work instructions and they work effectively. The organisation has straight communication as a lodestar, which limits the risk for doing unnecessary and time wasting work. The work is individualised but if someone has ideas or needs support the developers work as a team. The possibility to independent work with flexible working hours might increase the wealth of ideas.

The company has an open-minded culture where ideas are welcomed and where the employees are independent and respected. The "Swedish mentality" is especially appreciated in USA, where the traditional company culture is more conservative than in Sweden.

EON Reality has a stretch function and is focused on continuing being one. Listen to the customers' needs is obvious and their requests are the basis for new developing. This should remain at a Swedish marketing department. EON is innovative and flexible in the development process. They try to follow trends and are not stuck with a bad or out of date solution.

The parent company is situated in USA, which gives EON international connections. The global approach helps the whole company. It is easier to have a marketing department in Europe, serving the European market than only having one in the USA. Following trends and establish contacts are more successful when a company has the possibility to operate close to the customers. Cooperation is easier, even though lots of communication can be done over the Internet, personal meetings and support is important.

The cooperation with the graphic card manufacturer nVidia provides advantages such as possibilities to influence the developing process and to get expensive graphic cards for free.

Weaknesses

The dependency on the employees is not agreeable but hard to avoid because the developing work that EON does is quite specific and special programming skills are required.

EON has had too little public exposure and quite few people know about or have ever heard about EON. Lack of exposure is one important factor that leads to a weak brand.

The plug-in EON Raptor is not Discreet certified but one of the biggest competitors to the product is. To be a Discreet certified 3ds max plug-in the company has to attend a “certifying- program” where the product is evaluated and gets a quality stamp. Discreet is a big software reseller, which sells software on the Internet. The lack of access to that distribution channel is a weakness.

Disrespect of release dates is a weakness. A releasing date is set but then postponed, not only once, often twice or more times, and this cause unnecessary irritation from resellers and customers. The goodwill is affected and contributes bad reputation.

The user’s manuals and the tutorials contain incorrectness and misspellings. That makes user frustrated and causes waste of time (and money) for the customers.

EON does not have a pricing strategy. The software business is not very price sensitive; it is often of more importance that support and other product related services are good. Some of EON’s resellers and customers get discounts and do not need to buy a whole software package and in the meantime other do not have discounts or have to buy all components in for example EON Professional. The rewarded customer groups are arbitrary which can make other resellers and customers irritated and it affects the goodwill. A positive reputation is valuable but negative talk is spread like a wildfire and must be avoided.

EON does only have one reseller in Scandinavia. It is an exclusive reseller and pays extra (gets lower commission) for that. No investigation is made if it is valuable to having just one reseller, or if sale could increase with competition among the resellers.

In general is the lack of knowledge and control of the reseller a weakness. No evaluation of the resellers’ contact with the end users is made and the quality of the support provided by the reseller is not investigated.

5.2.2 External Analysis: Opportunities and Threats

This section is based upon data from the analysis of the marketing environment. The opportunities and threats that EON faces from outside influences are listed.

Opportunities

- The Gothenburg area
- Increasing interest in 3D from public in general and of profitability lines of businesses such as sales support and content management in special
- Possibilities to cooperate with big companies in for example medicine and electronic industries
- Possibilities to cooperate with universities and other educational institutes
- 2D construction plans are converted into 3D plans
- East Europe is an interesting market

Threats

- Open sources might be a threat if they disappear or become commercial
- Fast changeable branch of industry
- Illegal copying of software

5.3 Matching Strengths and Opportunities

EON's competent employees can, to a greater extent than today, have workshops and demonstrations for possible customers in the Gothenburg area. That would be a perfect activity for brand naming. Big companies can be contacted and introduced to EON's solutions. For a big company is the investment very small but for EON can that kind of promotion bring enormous value.

Already today EON cooperates with some universities, but the cooperation can increase and be extended to other universities and educational institutes. One example is "Högskolan i Trollhättan och Uddevalla" which recently started an education program with focus on 3D. A workshop there is a good way of putting the name into the students' awareness.

To get involved in the changeover from 2D construction plans into 3D plans it is necessary to contact relevant companies. It involves time and money wasting activities to find companies to work with but it might generate high income and lead to valuable cooperation in the future.

The increasing public interest in 3D visualisation brings opportunities. On exhibitions, for example in manufacturer and furniture exhibitions, could the presence of EON's software be very popular and would increase the brand value. On 3D exhibitions is the competition stronger and the products are not distinguished among others, but those exhibitions have another value, for creating contacts and adopt trends.

East Europe is an interesting market and might be very valuable in the future. Due to the limited resources at EON Development it is a suggestion that the parent company handles the contacts but delegate eventual demonstrations or customer visits to EON Development or its resellers. The Eastern Europe has a great market potential, especially now in connection with the EU enlargement. The industry in East Europe is developing very fast. There are important factors that have to be dealt with before any efforts are made to start up marketing activities in East Europe. Failure in the prearrangement can cause enormous costs. Differences in culture and business customs must be adopted and still is Russian and German bigger languages than English. But in the software business is the knowledge of English in general quite good so it should not be a too big problem. A large investment may be necessary to investigate the market to find the best distribution channels.

South America and Asia are also interesting markets and there does EON Reality already have some resellers. An intensified cooperation with them might open up for more profitable markets.

5.4 Converting Weaknesses and Threats

A goal should be that all four developers have enough skills about the other developing areas to learn a new area fast if necessary. All developing steps must be documented in a standardised way that everybody easily understands. Collaboration with universities can increase by coming up with ideas on thesis subjects. When it is recession it is a perfect time to recruit new key persons because the choice of competent people is large.

For making EON a strong brand it is very important to reach interesting groups with possible customers. Everyone who works with or is interesting in 3D and Virtual Reality should know about EON and their products and services. The best way is to contact media and be active sending out press releases combined with an informative article about EON and its products. Hopefully they find it interesting and publish it. Exhibitions are perfect to show the capability of the software. Another more gambling way is to provide products for participating in different tests and evaluations. Good score is wonderful publicity but bad test results can be a disaster!

The technical documentation must be improved. Incorrectness and misspellings in manuals and tutorials are unacceptable. Some parts of the existing tutorials need to be new written.

Release dates must be kept and it is a bad idea to set a date before it is clear that all updates are done until that specific date. If it is not sure, it is better to wait to set the release date.

The product rtrTM from Cubicspace is Discreet certified – EON Raptor is not. Discreet is a well-known company in the 3D industry that empowers 3ds max plug-in and other software related to visualisation and 3D. To get the Discreet certification the product is tested, evaluated and if the result is satisfying, certified. This procedure cost quite a lot of money but serves an important purpose as a quality stamp of the product and customers are often willing to pay more for a certified product.

The Discreet Certified 3ds max Plug-in program puts the seal of approval on a new category of plug-ins that meet specific requirements for added value and integration with 3ds max software. Discreet is an important distribution channel because it is well known and has a good reputation in the graphics- and 3D industry. Being available there is important and that is the second reason why it will be good invested money to join such a certifying program.

A pricing strategy should be set and used for all customers. If exceptions are made they must be supported by well-founded arguments. The pricing strategy should contain prices for support and education to resellers. Resellers that have happy customers and handle the education and support in a good way should be rewarded. Resellers, which need extra support and services from EON, should pay for it.

It should be investigated if it is valuable having just one reseller or if competition among the resellers can increase the profitability for EON. There is a point of starting up a spiral of positive effects. If end customers demand increase, more companies are interesting of being resellers of the products and the competition between the resellers increase. That forces the resellers to be flexible and come up with new ideas to stay competitive. In the end it is possible for EON to decrease the commission to the reseller and generate more profit.

The resellers should be evaluated frequently and the contact with end-users needs to increase. The resellers should be investigated and important issues are the resellers other products in the assortment and their relation to the companies, which products they also sell. This is done for avoiding being recommended as “a second choice” from the reseller. It is an advantage if the reseller sells products related to 3D, but not direct competitive products. The resellers’ knowledge of EON’s products should be good to guarantee the support and it might be necessary with controls of it to avoid dissatisfaction from end-users. The control might be considered as negative from the resellers. Therefore is it important to strengthen the cooperation so the necessary control can be made without risking too much “bad will” from the resellers.

It is important to be informed of trends by following magazines and cooperate with customers and resellers. All trends must be followed up and evaluated, it might be a success to follow it, and if you decide to do so you should be on the market before your competitors. It is an advantage to have a flexible organisation as EON has. It is important to continue being a learning organisation and willing to change in line with the environment.

5.5 Identifying the Target Market

EON Development should focus on businesses with lots of potential users to spread reputation and the brand quickly.

5.5.1 Identification of Market Segments

The products and services in EON Reality's assortment have a broad range but to be successful in the marketing in Europe with the limited resources EON Development has to focus on a few market segments. To find interesting ones, the market should be reinvestigated regularly because of the extremely dynamic nature of the software market.

For EON Raptor is the market segment all 3ds max users. There are 160 000 3ds max licences in the world and at least double as much illegal licences. One third of the licences are in Europe.

EON Studio and EON Professional are the basis of EON's software assortment and the market segment is larger than for EON Raptor. Users of Studio and/or Professional do not need 3ds max. EON's software requires Windows as platform but development for software for other platforms is going on.

For service solutions are the market segments even larger and of big future interest, engineering industry, design and fashion industry are some examples. Services can to a greater extent than today be outsourced to low-cost countries, especially less advanced work

5.5.2 Targeting

A good starting point for EON Development is 3ds max users in Scandinavia and Western Europe. EON RaptorTM can be used as a first contact with EON's software. In France is the French company VirTools a strong competitor and on the French market is it difficult, almost impossible to compete with them. Therefore it might not be worth to invest in France.

In the Gothenburg area are many potential markets for different service solutions using EON's software. Companies, which work in construction, manufacturer and fashion industries, can be offered demonstrations.

All universities and educational centres, which work with multimedia and 3D, are of big interest for EON and definitely a target market.

5.6 Marketing Objectives

The marketing objectives for EON are set to have a reference to compare the results to. One of the objectives is to have articles published in at least ten European magazines connected with interesting industries within a year. The other one is to have access to at least five 3D commercial web sites on the Internet, where EON's software should be described and evaluated. The sites should have links to EON and its resellers.

The sales objectives must be realistic, set after discussions with resellers and the parent company.

5.7 Marketing Strategies and Organisation

At EON it would be a good idea to have a marketing department or manager, which is responsible for creating and keeping customers, but the sales function should remind at the resellers. The staff at EON could have further education in marketing and keep focus on having a learning organisation. The responsible for marketing should know about trends and interest among the customers and come up with ideas to R&D.

Another important marketing function is brand naming and for EON is that of particular interest. Even though the products are unique in some categories; the company is unknown for too many people working in the 3D business. Possibilities to present the company and the products for public must be taken.

5.8 Control and Evaluation

EON's marketing department should make, control and evaluate the marketing plan. The control is used to assess effectiveness in the activities and to modify strategies and the marketing plan if necessary. Performance standards including sub-ordinate targets and detailed time schedules are defined. The control process follows the model in chapter three (figure 2) and starts with the marketing objectives discussed in section 5.4. The objectives are compared to the performance standards that are compared to the actual results. After an evaluation eventual corrections and alterations are done. The control process is then repeated.

As discussed in chapter three, the best control strategy for EON is sales analysis. The data is easily received from the parent company in USA and from the resellers.

6.0 THE ACTION PLAN FOR EON DEVELOPMENT AB

In this chapter are suggested marketing activities presented in an action plan. The activities are divided into four areas, corresponding to the marketing strategy's 4 P's, product, pricing, distribution (place) and promotion activities. The activities should be made and evaluated before June 2006. The product launch of EON RaptorTM web studio 2.1 is discussed in the last section.

6.1 The Action Plan

Product Activities

The Product Launch of EON RaptorTM web studio 2.1 (see section 6.2).

The manuals and the tutorials need to be corrected and updated and be available on paper and online.

The software packaging needs to be redesigned to a more “professional” look.

To be competitive with rtreTM, EON Raptor needs to be discreet certified. A certification shows of quality and might bring a possibility to increase the price.

Pricing Activities

There is a need for introducing a pricing system and lay down general principles for customer who wants to buy separate parts from the EON Studio and EON Professional packages.

Support and training of resellers and customer must be quantified and charged. Reseller who do not need much support and have satisfied customer should be rewarded.

Distribution and Promotion Activities

The best way is sending press releases to media and at the same time give them an interesting and informative article about EON and its products. Hopefully they find it interesting and publish it. A published press release and article, in for example Ny Teknik, is not only great promotion, it is for free. Another more gambling way is to provide products for participating in different tests and evaluations. Good score is wonderful publicity but bad test results can be a disaster!

Web sites are a very important distribution and promotion channel. The costs are low, comparing to other media and the chance to show the company's technical capability is great. The design and the function must be attractive, easy, secure and indirectly mediate the company's values and visions.

Interesting media to contact are computer magazines but also magazines for other industries to show different 3D solutions.

Companies, which have their product catalogues on the Internet, can be contacted and showed how they can improve the products' visualisation on the web with EON Raptor. Interesting Swedish companies are for example Jula, Clas Ohlsson, Hobbex and Teknikmagasinet.

Exhibitions are especially interesting for EON. 3D demonstrations can be made very spectacular and would be a high light on for example an interior exhibition. The same matter is it with workshops at universities.

Workshops and seminars can be offered to companies, which operates in target markets.

6.2 The Product Launch of EON Raptor™ web studio 2.1

EON Reality has a global product launch strategy and should continue with that after established a Swedish marketing department. EON Raptor is a good idea to launch at the same time as a big company, for example Nokia, a big customer to EON, redesign their web sites.

The product launch of EON Raptor requires preparations. The online purchasing and downloading functions on the web site (see Appendix B for a proposal) must be controlled and working. After that it is time to contact media and send them the press release (see Appendix A for a proposal). Resellers in targeted markets should be informed about the campaign.

There are lots of web sites for 3ds max plug-ins and communities for 3ds max user and those pages are perfect for promotion and brand naming. Relevant pages should be identified and contacted.

The cooperation with, and the control of reseller should increase. End-users can be contacted and the resellers' support evaluated. Where necessary should measures been taken. It might be further education of the resellers in using the products, EON's visions and ambitions or marketing.

7.0 CONCLUSIONS AND RECOMMENDATIONS

This chapter present drawn conclusions and recommendations resulted from researches and analyses made on EON Development AB and its environment.

The action plan should be followed, it is not a guarantee for a marketing success, but it is a well-reasoned guideline that hopefully helps a marketing manager to get started.

The price on EON Raptor must be set, should it remain €500 or should it be given away for free? Using EON Raptor as an introduction to EON's assortment is a good idea. One possibility is to take away some of the functions and have an "EON Raptor light" for free. If the user needs more functions it is possible to buy them. One idea is that Raptor can be used for free but for saving you need to buy a "save-function" but other limitations are possible as well. It would be necessary to do some changes in the code to have a "light version".

The pricing strategy for EON Raptor must be set. A free "light"-version can have good brand naming effects and a discreet certified Raptor might be able to have the double price. Which of the two strategies should be followed, or is it possible to have both products at the same time?

Resellers, which have verified good relations with their customers and provide support and training in satisfying way, should be rewarded.

Eastern Europe is an interesting and high potential future market but lots of efforts are necessary to entry that market. It takes time and resources to establish businesses on a new market and it is better to let EON Reality be responsible for Eastern Europe. EON Development should keep focus on Scandinavia and Western Europe in the beginning.

A customer survey can be done in order to be able to get a more specific picture of trends and needs.

If EON Development starts up a marketing department with a sale function in Gothenburg it would compete against its own resellers. This must be avoided because the resellers do not want competition from EON Development. Either must EON keep the sales function at the resellers and just lead the marketing or focus on selling other products, for example EON Raptor. Another possibility is to have the whole sale function for Scandinavia "in-house" but that needs a big calculation where badwill, customer relations, lack of competencies and other big issues must be investigated and discussed. In the near future it is more realistic to keep the sales function at the resellers and focus the marketing activities on the end-customers. More customers for the resellers make it more interesting to be a reseller and then can the resellers' commission decrease and EON's income increase. The resellers' work must be controlled to make sure that the end-users get a good training and support.

Western Europe is a very important market, especially for a software company such as EON Reality. Here are world leading industries headquarters situated and the research and development potential is high. It would be an advantage to have a marketing function presence here. In Gothenburg is EON Reality already present and to enlarge EON Development with a marketing function should not be too expensive or time wasting for them. The advantages are likely to by far cover the costs.

EON Reality has many competitive advantages and the environment invites to opportunities, which if used, gives them a great potential to grow and increase the profitability.

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APPENDICES

APPENDIX A

Press release




EON Raptor™ – bring life to your 3ds max models on the web

EON Raptor™ 2.1 is the ultimate 3ds max plug-in for fast viewing of large and complex content in real time. You can create interactive content without any programming skills and publish it to the Internet in minutes.

You can download EON Raptor™ 2.1 on the webpage, www.eonreality.com/raptor2.1/.

EON Reality, Inc. is the world's leading interactive visual content management software provider. EON's software solutions are helping companies increase sales, communicate product functionality effectively and decrease the cost of service, training and technical support. Many large corporations such as Suzuki, Dell, Lexmark, Canon, Samsung, Audi and Nokia are using EON's software solutions.

For more details see attached file. 



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APPENDIX B

Web Design for EON Raptor Homepage



Official website for the new release of EON Raptor™ web studio 2.1

Special Offer



PRODUCT PHOTO

About EON

Download

Online Shop

Tutorial

Demos

Sign up

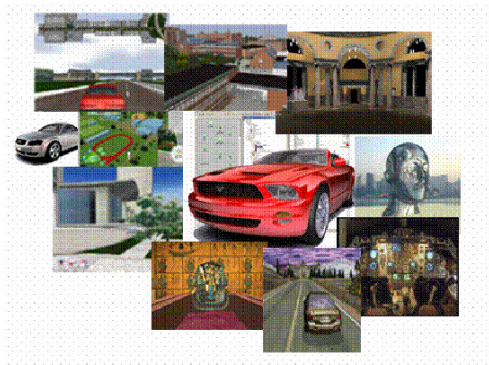
Contact



EON Raptor web studio 2.1 brings life to your 3ds max models on the web. This is the ultimate plug-in for Discreet 3ds max and Autodesk VIZ for fast real-time viewing of large models and rapid creation of interactive content for the Internet. 5th of November is the date of the release of EON Raptor web studio 2.1. You can buy the latest version online on this website and you can download and test it.

Examples of features provided by EON raptor

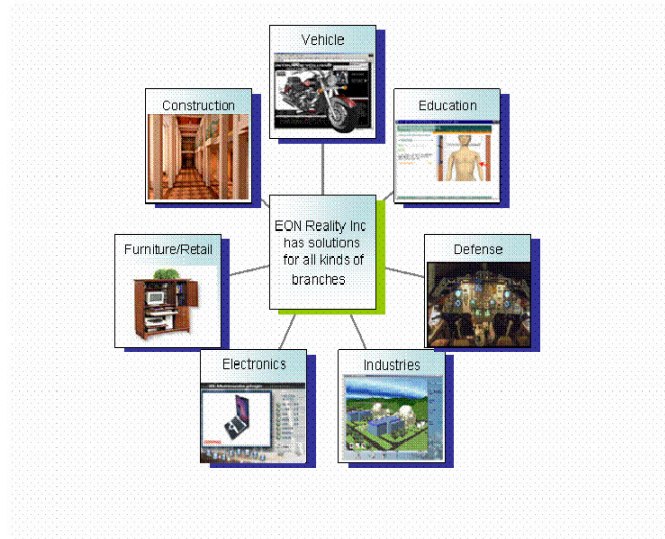
- Easy wizard driven web publishing. For example interactive product catalogue information used in sales- and support applications
- Free web and CD-ROM publishing offering html templates for effective web integration. Support for quick and easy distribution over the Internet
- Fully integrated within the program 3ds max 4 or later
- Allows real-time viewing within 3ds max 4 eliminating the need for expensive hardware
- Intuitive navigation and user interface



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EON Reality, Inc. is the world's leading interactive visual content management software provider. EON's powerful software solutions are helping companies increase sales, communicate product functionality more effectively and decrease the cost of service, training and technical support. Many large corporations such as e.g. Suzuki, Dell, Lexmark, Canon, Samsung, Audi and Nokia are using EON's software solutions. Find out more about EON Reality and our products and our services. To learn more about us and our concept visit the company site at www.eonreality.com





Official website for the new release of EON Raptor™ web studio 2.1

Download EON Raptor 2.1

EON Raptor 2.1 can be downloaded for two weeks free testing (36,1 MB). EON Raptor requires a license to work. Install the full version of EON Raptor and receive a two weeks trial license by following the download link and fill out the form. You will receive an email with the temporary license number within 24 hours. Please make sure that your email address is correct. By downloading software from the EON Raptor Web site you agree to the terms of our license agreement. Please read it before downloading. License agreement for EON Raptor™ web studio 2.1.

System requirements

Windows XP/ME
 Windows 2000
 Windows NT4
 Windows 98
 3ds max: Version 4.0 or higher
 Autodesk VIZ: Version 4.0 or higher.
 DirectX: DirectX 7 or later.

Please choose operating system:

Windows XP/ME ▾

Download

Obtain the EON License

Please enter the following information to receive your two weeks free trial of the new version of EON Raptor™ web studio 2.1.



Name:

Email:

Installation

The program is installed on the harddrive by running the EONRaptorSetup.exe file. To be able to install the new version of EON Raptor the previous program version must be uninstalled.

NÄGON ANNANSTANS!!!!!!!!!!!!

The installation creates a copy of the .msi (Microsoft Installation) file in c:\Program Files\EON Reality\Setup Files. This file is then used if any of the Raptor components are deleted by mistake from the system.

1. Select the EON Raptor installation file.
2. Double-clicking on the file and follow the on-screen instructions.
3. Place the license file in its proper directory, which is listed in the below table.



Operating System	Directory
Windows XP/ME	C:\Windows\FLEX\lm
Windows 2000	C:\winnt\FLEX\lm
Windows NT4	C:\winnt\FLEX\lm
Windows 98	C:\Windows\FLEX\lm

In case of any technical difficulties or problems please contact us at support@eonreality.se



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Official website for the new release of EON Raptor™ web studio 2.1

Online Order

Please select the quantity of EON Raptor™ web studio 2.1 you want to purchase. In the table you can see what you have selected to purchase.

Product Name	Quantity	@ Price	Remove Item
EON Raptor™ web studio 2.1	<input type="text"/>	€ 395,00	<input type="checkbox"/>
Total EUR			

EON Raptor Web Studio

EON Raptor Web Studio (hereafter Raptor) is a 3ds max plug-in (for version 4 or later) that is enable to display and interact 3ds max content in real-time with intuitive controls. Simple interactive behaviors can also be authored rapidly without leaving 3ds max. The completed application can then be published to a web page for viewing with a browser, exported to a standalone file for viewing with the free EON Viewer application or exported to EON Studio for further editing to create even more complex 3D applications. EON Studio is a complete visual authoring tool for creating 3D interactive applications, with support for high-end VR hardware and powerful user-extensible components.

With the use of Raptor, the 3ds max user can create interactive walkthroughs and design reviews within minutes, saving time and cost and offering a more flexible design tool due to its interactive nature.

- Real-time 3D visualization
- Seamless integration with 3ds max 4.0 or later
- Full-screen support
- Intuitive navigation and user interface
- Support for quick and easy distribution of content over the Internet
- Html templates for rapid Web integration
- Highly compressed file format with support for user-customizable geometry and texture compressions
- All 3ds max contents can be exported, including animations, lights, cameras, parent-child relationships, pivot point, multi-materials, etc
- Interactions can be created to trigger animations by clicking on selected objects



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Sales/credit record

Name

Mailing address

Cardholder's name

Card type

Account number

Expiration date on card, month/year ex. 05/99

Amount of transaction €





Official website for the new release of EON Raptor™ web studio 2.1



EON Raptor Web Studio Documentation

1.0 Introduction

EON Raptor Web Studio (Raptor) is a 3ds max 4/viz plug-in that enables you to display and interact 3ds max content in real-time with intuitive controls. Simple interactive behaviors can easily be authored without opening additional programs outside 3ds max. The completed application can then be published to a web page for viewing with a browser, exported as a standalone file for viewing with the free EON Viewer. It can also be exported directly into EON Studio for further editing to create even more complex 3D applications. EON Studio is a complete visual authoring tool for creating 3D interactive applications, with support for high-end VR hardware and powerful user-extensible components/peripherals.

2.0 EON Raptor webstudio Tutorial

Section	Link
1.1	Getting started
1.2	Customizing the Raptor simulation
1.3	Navigating in the Raptor window
1.4	Creating interactivity
1.5	Web distribution
1.6	Interaction
1.7	Interactive dialog
1.8	Interactive parameters
1.9	Interactive dialog buttons
2.0	Questions & Answers

3.0 Reference manual and userguide

4.0 Licensing

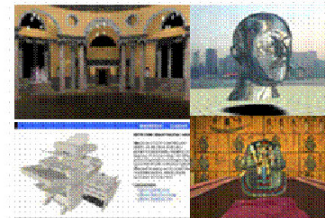
In order to use EON Raptor Web Studio you need a license file on the computer. The name of the license file is eon_raptor.dat, and it is placed in the c:\winnt\FLEX\im directory. If you don't have a valid license you will get a dialog when starting EON Raptor. In order to create a license file you need the host ID of the computer and a certificate number. The host ID is found in the About box of EON Raptor, and the Certificate number is given to you when EON raptor Web Studio is purchased.

5.0 Technical support

Mail to support@eonreality.se

Read more about EON Raptor in the brochure.

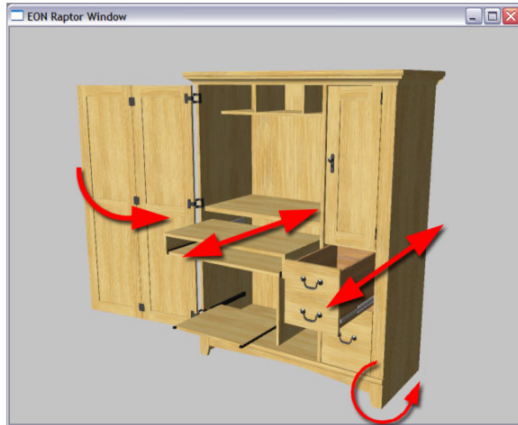
 [EON Raptor brochure](#)



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An armoire visualised with EON Raptor. The interaction makes it possible to open and close drawers, doors and desks and to rotate the whole object with just a mouse click.

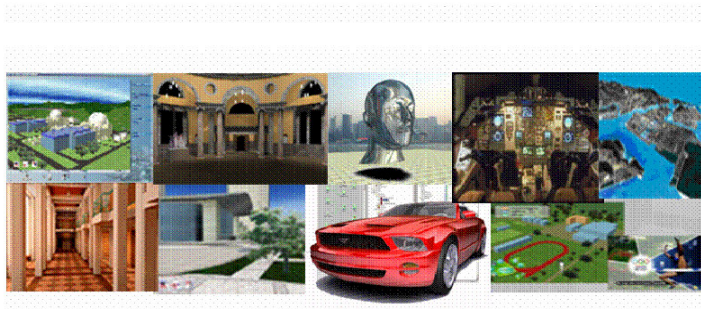


Official website for the new release of EON Raptor™ web studio 2.1

Sign up for our EON Raptor web studio e-mail news and special offers.

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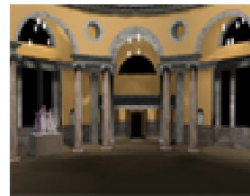
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