

**Overall Demand  
For Shopping At Home**

NEHST shows consumers how a videotex-equipped TV can be used to shop for and order things at home. Shopping at home is offered as a free service to all consumers in all five NEHST sample groups. While there's no fee charged for using the service itself, consumers are told that if they choose to have their purchases delivered to their homes, they may pay delivery fees.

The reason why the service is offered free to all NEHST sample groups is a reflection of two factors:

- \* Most videotex providers expect this to be a "free" service supported by transaction fees or by revenues gained through the sale of merchandise, rather than by monthly subscription fees. In order to encourage as many home shoppers to use the service as possible and therefore sell more merchandise, companies will want to make using the service as attractive as possible. Hence, it makes sense to offer the service for "free".
- \* Earlier research projects have indicated consumers are reluctant to pay a service fee merely for the convenience of shopping at home rather than having to visit a store.

As a result, rather than associate a service fee with shopping at home, NEHST offers the service for free to learn how many consumers are willing to take the service in addition to the other pay services they want.

(Please note that some consumers might pay a service fee for shopping at home if the service enables them to buy things much cheaper than they can at stores. In this case, the savings they gain can more than offset the service fee. This premise was not tested by NEHST, since most companies interested in offering shopping at home don't plan to offer goods and services only at deeply-discounted prices. Therefore, rather than position shopping at home exclusively as a cheaper way to buy things, NEHST positions it as a convenient way of shopping at home rather than in person.)