In summary, at any given price, most people who buy videotex fall into two categories: they either buy a single pay service, or they buy two or more. Few select only the free services. Lowering the price doesn't change this pattern - it simply doesn't cause many more people to buy additional services. Therefore, charging higher prices makes more people spend more money for videotex.

## Does Offering The Market A Fixed Bundle Of Services Increase Revenues?

We've seen how the research suggests that charging higher prices causes consumers to spend more on videotex. Can consumers be forced to spend more if the only way they can get any videotex services is to buy several of them?

What if a videotex provider doesn't allow people to choose the number of services they want? What if videotex is offered only in a fixed bundle, or package, of services?

Will this strategy force people who ordinarily buy only one service to instead buy many, and therefore result in increased revenues?

Insight is provided by NEHST, which tests interest in buying videotex services in several ways. In one section of the questionnaire, people are offered services unbundled - that is, they can buy one, two, or as many as they wish, creating their own combinations.

In another questionnaire section, no choice is offered. Consumers are told the only way to get any videotex service is to buy a fixed **bundled** package of services consisting of:

Banking at home News service (with ads) Shopping at home Shopping guide Rental of a videotex keypad control unit

All of this is offered for one flat monthly fee. The cost of the bundle varies among the five NEHST sample groups:

Group shown lowest prices - \$4 a month Group shown second lowest prices - \$15 a month Group shown middle prices - \$26 a month Group shown second highest prices - \$37 a month Group shown highest prices - \$48 a month