

**Scenario 1- Demand When
Only One Type Of Unit Is Available**

Consumers may not be able to pick the kind of control unit they want, or the method of paying for it.

If controls are marketed the way cable TV companies market their cable converters, the consumer may have no choice but to take whatever one control the videotex company offers, and accept whatever payment method - buying or renting - the company requires.

What happens when consumers have no choice, and are offered only one type of control? Which one type of control should be offered? Should it be rented or sold?

NEHST explores six possibilities:

- Selling "A" - keypad
- Selling "B" - keyboard without screen
- Selling "C" - keyboard with screen
- Renting "A" - keypad
- Renting "B" - keyboard without screen
- Renting "C" - keyboard with screen

If only one option is offered, which one works best?

Overall, **the best strategy is selling "A" - the keypad.** The percentage of people willing to buy it depends upon the price charged for it, as shown by comparing the reactions of the five NEHST sample groups, each of which was exposed to a different price for the unit. Demand ranges from 59% among the group given a \$100 cost for the unit to 26% among those given a \$500 cost:

	Among NEHST group shown a purchase price of ...				
	<u>\$100</u>	<u>\$200</u>	<u>\$300</u>	<u>\$400</u>	<u>\$500</u>
Will buy "A" keypad	59%	42%	36%	31%	26%

The next best strategy is renting "A" - the keypad. Slightly fewer consumers are willing to accept this strategy:

	Among NEHST group shown a monthly rental of ...				
	<u>\$4</u>	<u>\$8</u>	<u>\$12</u>	<u>\$16</u>	<u>\$20</u>
Will rent "A" keypad	54%	35%	31%	30%	24%