

**Home Computers,
Video Games,
And Videotex Control Units**

Consumers' interest home computers and video games are obviously related to their interest in videotex control units. The new generation of home computers emerging now are capable of decoding videotex pictures, and most videotex units will probably double as home computers. Since most videotex providers plan to offer video games as a service, videotex units will overlap with dedicated video game users.

Some industry observers suggest the growth of videotex will occur only after consumers have already purchased home computers and/or more sophisticated video game units. Once they've bought these devices, they'll look for additional things to do with them, and begin using videotex services.

Another scenario suggests the opposite - many consumers are less interested in home computers or video games, but strongly interested in videotex services. While they are not likely to buy a home computer or video game at present, they'll want a home terminal once videotex services become widespread. In fact, the availability of videotex will trigger the home computer "explosion."

NEHST research supports the latter scenario.

Home Computers

Consumers are much more likely to purchase a unit positioned as a videotex control than as a home computer. Here are the facts:

- * Only 14% plan to buy a home computer
- * 52% will buy a videotex unit when the cheapest unit available is \$500. 75% will buy one when the cheapest unit is \$100.

The research suggests that a home computer manufacturer can sell 4-5 times as many home computers by positioning them as videotex units rather than computers.