

(c) Forty-three percent of the respondents expressed interest in Telemeter service

(d) Seven of ten said they would pay \$1.00 for current motion pictures in their homes

(e) Two of three would pay \$1.50 for a New York originated play

(f) Seven of ten would pay \$1.00 for a musical from the Royal Alexandria Palace Theatre in Toronto

(b) *Audience Acceptance*

The actual field experiment which followed the survey passed through two stages of audience development before it settled into a pattern of stability from which meaningful results could be drawn.

Initially, a promotional approach was adopted in achieving mass circulation in the shortest possible time. Service was offered to all comers at random at \$5.00 per cable drop-off, including installation of the Telemeter unit and no service charge thereafter. Novelty, curiosity and a degree of over-zealous salesmanship brought a multitude of orders. About 5,500 subscribers were enrolled in less than a year.

When the novelty receded and curiosity gave way to casualness, it became evident that mass circulation for the sake of numbers bred indifference among a segment of subscribers who lacked genuine interest in this form of specialized service. In sum they became "sometime spenders."

A second and more reasoned approach was initiated 18 months after the cable system was launched, when cable service was extended to a contiguous area—the community of Mimico—and 2,000 additional families were brought within reach of the Telemeter grid.

An installation fee of \$15 was requested of Mimico subscribers plus a commitment to pay \$15 per annum thereafter as a service charge.

Studies were launched to compare the response of the Mimico audience with that of the Etobicoke group, and evidence mounted, after due allowance for an extended period of novelty, that the new subscribers with a greater equity in equipment installed in their homes—plus the obligation of an annual service charge—were making more frequent use of Telemeter than those bound by no financial obligation.

Thereupon, steps were taken to equalize both groups of subscribers. The \$15 annual service charge was appended to contracts of subscribers in Etobicoke—with a 90-day notice of change. The expected defections followed among subscribers who had shown indifference to the service.

Telemeter's 2,500 families in Etobicoke and Mimico, linked to the cable system, represented a realistic audience of interested subscribers whose viewing habits and program desires were carefully screened and respected. Their frequency of usage—selective with programming offered—was far more stable than during initial stages of the Etobicoke experiment, a portent of what might be expected in terms of interest and average spending when subscription television service is expanded to encompass vast numbers of homes and subscribers.

In its five years of uninterrupted service, Telemeter has established, beyond question, that there is a large audience willing to pay for entertainment in the home on a continuing basis and, thus, has demonstrated that the THEATRE IN THE HOME performs a service to members of the public who are unable, or find it inconvenient, to avail themselves of facilities away from home.

Prime pillars of programming were motion pictures and "blackout" sports. The extent of subscriber interest in them was evident in a later survey conducted for Trans Canada Telemeter by Canadian Facts Ltd. In response to a question among 400 subscribers' families as to the "best things about Telemeter," the poll showed:

	Percent
(1) Good movies, current movies (64% men—70% women)-----	67
(2) Sports events (36% men—27% women)-----	32
(3) No commercials (24% men—22% women)-----	23
(4) Being able to see current movies at home; no baby sitters (9% men—10% women)-----	9
(5) See good dramas; new plays (15% men—13% women)-----	14
(6) Educational programs (8% men—13% women)-----	7