

French and foreign markets and typical services

France

The country where it all began, France boasts the largest number of terminals -- 5.5 million Minitels at the end of 1990 -- and the most services, over 15,000.

In 1989, 62 percent of French terminals were installed in homes and 38 percent in offices. By 1995 videotex consultants predict the balance will shift to 40 percent in homes and 60 percent in offices as the number of terminals climbs over 8 million. Use of business services is also growing, as seen in their rise to over 50 percent of all traffic.

In France, Alcatel has supplied over 3.8 million videotex terminals or nearly 70 percent of all units installed nationwide.

Home shopping popular

One of the most popular videotex services in France is home or "electronic" shopping, used by 49 percent of all Minitel users to buy everything from clothing to computers. The advantages are clear: no need to fight traffic; a wide selection of goods; and stores open 'round-the-clock.

France's largest home-shopping enterprises have racked up impressive sales with the Minitel. Figures for 1987, for example, showed \$140 million for Camif, \$126 million for La Redoute and \$84 million for 3 Suisses. All the firms also offer traditional mail-order shopping by catalog.

On-line banking simplifies tedious chores

Banking is also a popular application, accessed by 38 percent of all Minitel users. Countless French banks offer services for both private and business accounts.

French bank CCF says that, after 7 years of offering its Vidéocompte Minitel banking services, 200,000 customers, or 55 to 60 percent of the bank's total, use Vidéocompte an average of five times each month. CCF's most popular services are verifying bank balances and managing checking accounts. The services, which cost the bank \$500,000 to set up, earn \$3.6 million in revenue for CCF each year.

Research shows that Vidéocompte has improved customer satisfaction and loyalty at CCF. Alain Ugo, the institution's director of private-banking strategy, says, "Videotex has been and remains an important part of our strategy."

Hotelier streamlines operations

Accor, France's largest hotel group and ninth worldwide, had problems tracking the huge volume of data on paper forms moving between headquarters and its 1,500 establishments around the country. Workers made errors filling in time slips, clerks sometimes entered the same information twice, and data was often missing or out of date.

In 1985 the company developed an in-house videotex application that prepares pay slips and calculates wages. To support this application, Accor installed Minitel terminals at almost all of its facilities. Accounting costs plummeted 50 to 80 percent, and use of the system reduced or eliminated the time needed to manually prepare, send and read slips and key in data.

Truckers locate freight across Europe

France's 23,000 family-run trucking companies had no system for locating freight for outgoing journeys, and finding loads for the return leg was chancy. In 1986 Lamy SA, a 100-year-old publishing house specializing in European business and transportation law, started the 24-hour Téléroute service that puts truckers, forwarders and brokers in touch with one another. Téléroute matches loads with available space and destinations in 30 countries from Finland to Algeria and Ireland to the Soviet Union.

Lamy estimates that 5 or 6 minutes of connection to Téléroute can locate the ideal combination that previously required 20 phone

calls. In 1987 Téléroute recorded 90,000 hours of connections monthly and was growing 17 percent per month. The company has estimated that 50,000 people around Europe use the service.

Téléroute operates in Teletel, Prestel and ASCII and can be accessed with any type of terminal. It provides such information as traffic and road conditions, industry news and exchange rates.

Italy

Italy represents the largest market for videotex terminals outside France. Videotex took off in this country in 1989, and 104,000 terminals were connected to the nation's Videotel network at the end of October 1990. SIP, the nation's public operator, plans to nearly quadruple the number by the end of 1993.

In the 10 months from January to October 1990, users placed 7.7 million calls for 3.0 million hours of connect time, up 365 percent over October 1989 on a monthly basis. In October 1990, the country had 2,000 services on-line, 60 percent using Teletel.

Originally, SIP adopted the Prestel and Bildschirmtext videotex protocols, but no Bildschirmtext applications were ever developed in the country. The current network is multistandard, although services using the French Teletel protocol, which SIP adopted in 1989, account for most connect time.

Revenue per terminal in Italy is approximately \$350, nearly four times as high as the \$100 in France. Revenue per service is about equal to France, around \$2,200.

Alcatel has supplied the lion's share of videotex terminals installed in Italy. In May 1990 the company completed delivery of 35,000 Terminatel 258 units to SIP and has since raised the total delivered to 79,000.

Videotex aids textile industry

In an innovative videotex application, 15,000 textile companies in Tuscany, many of them tiny, subscribe to a closed system that

interlinks them with their subcontractors, banks, insurance companies and chambers of commerce.

Satisfaction runs high in Italy. Based on a survey conducted for the Service Quality Observatory, SIP reported that 66 percent of business users were "quite or completely satisfied" with Videotel services, according to the November 1990 issue of VSB Newsletter published in Rome.

United States

Regulatory decisions in the United States prevent the Regional Bell Operating Companies (RBOCs) from offering their own videotex services. This lack of a central provider has stymied growth of Minitel-based services in the American market.

For several years, however, independent operators have provided national information services over the U.S. phone system. Popular services are CompuServe, GENie, Delphi and Dow Jones News Retrieval, joined recently by Prodigy. All but Prodigy support the ASCII standard. While a majority of users have PCs equipped with modems, people with Minitel terminals can access most of these services.

A federal decision in March 1988 gave the RBOCs greater flexibility. Some of them took advantage of the change to open gateways that enable users to place a single call to a local number, browse through available services and connect to them. Four of the seven RBOCs and Minitel Services Company in New York also have gateways to Teletel services in France.

The American videotex market is estimated to be worth \$300 million in yearly revenue.

Mass-market service flourishes

One of the most interesting Teletel-based services is U.S. Videotel's eclectic offering, which covers the spectrum from an on-line encyclopedia, shopping and airline reservations to listings of museum showings, stock-market quotations and movie reviews. Users access these services with a Minitel or a PC equipped with software that emulates a Minitel. U.S. Videotel, based in Houston and in business

since 1987, has over 20,000 subscribers logging on for more than 300,000 hours each month, making it the fifth-largest Teletel service provider in the world.

USV offers three packages at \$15, \$20 and \$25 a month providing access in steps to its 400 services. A survey in the April 1990 issue of Connect Times, published by market analyst Jupiter Communications in New York, said users spend most of their time on communications and games, respectively 54 and 33 percent. Alcatel has provided all the terminals used by USV.

International communications

The French company CTL started CTL-City in New York in 1986. CTL touted its Minitel service as the first to allow direct communication between the U.S. and France. Today, users in 325 North American cities can access CTL-City locally via a U.S. network; it's also on most of the new gateways operated by U.S. telephone companies.

CTL-City offers a transatlantic chat line, electronic mail, games and the USA Today daily newspaper. The New York host logs about 2,000 hours of connections per month. CTL-City is available in Teletel and in NAPLPS, eventually making it accessible to users of this North American standard when NAPLPS catches on.

Entertainment data base circles the globe

Another international service provider, Baseline, started in New York in 1983 to provide a data base on the entertainment industry. Baseline has users around the world, from Hong Kong and Australia to France and the U.S.

Its Teletel service, also called Baseline, stores over 1 million entries on every aspect of the industry, from movies in production to money earned on the opening weekend. In 1988 Baseline added a selection of general-interest topics from the data base and premiered a service called New York Networks.

To deliver its information, Baseline made an early commitment to Minitels, which has paid off. According to Baseline founder James Monaco, "The Minitel has been essential to our success. A significant percentage of our people use the Minitel; it has the advantage of being much more easily understood than the PC."