



ROP Campaign Analysis

Research and Analysis of Media

January 2010

What is RAM and How Does it Work?

- **RAM Methodology**

- **RAM uses online panels of consumers to measure consumer recall, engagement and response to ROP advertising.**
 - RAM works with newspapers in 30+ markets to recruit a representative panel of their newspaper readers; participation is voluntary and rewards are provided to the panelists by the newspapers each time a panelist participates in a survey.
 - RAM weights the panel responses by age, gender, and readership frequency to match the newspaper's readership profile.
 - Surveys completed by newspaper readers 1-2 days after ad distribution.

- **Key Measures**

- **Standard measures include:** Ad recall and thoroughness of reading the ad. Consumer engagement measures such as liking of ad, uniqueness, appeal, interesting ad, and positive feeling toward advertiser.
- **Optional questions include:** Response to ad such as intent to seek more information, visit a website or a store.

- **Normative Database**

- Results for the LG Electronics ads were benchmarked against RAM database of all full page ads tested for digital TV manufacturers.
- Represents 5 ROP ads in the RAM normative database, 2119 consumer surveys out of its 15MM+ interview database.

LG Electronics RAM Test Background

A Picture So Beautiful, We Can Barely Contain It.



LG
Life's Good

47SL80
47" CLASS 1080p
240Hz LCD HDTV
47" Measured diagonally

- Full HD 1080p Resolution
- TruMotion 240Hz
- Seamless Design
- Intelligent Service
- 4 HDMI V1.3 with Deep Color

\$1799.95
REGULAR PRICE \$2499.95

\$100 INSTANT SAVINGS

42" 3999.95 (SUGGESTED RETAIL PRICE) **\$1499.95**

**Is it a TV?
Or something better?**

Experience the freedom of a wide open screen that goes right to the edge, thanks to the new SL Series by LG. It's sophisticated style matched with the very latest technology. A new frontier of design has begun. For more information visit www.LGusa.com.

LG Official Consumer Electronics Partner of the NCAA



<p>\$150 INSTANT SAVINGS</p> <p>42PQ30 42" CLASS 720p PLASMA HDTV 42" Measured diagonally</p> <ul style="list-style-type: none"> • 720p-HD Resolution • 800Hz Sub-Pixel Driving • Intelligent Service • 3 HDMI V1.3 with Deep Color <p>\$649.95 REGULAR PRICE \$799.95</p>	<p>\$150 INSTANT SAVINGS</p> <p>42LH30 42" CLASS 1080p LCD HDTV 42" Measured diagonally</p> <ul style="list-style-type: none"> • Full HD 1080p Resolution • 60Hz Refresh • Smart Energy Saving • 3 HDMI V1.3 with Deep Color <p>\$699.95 REGULAR PRICE \$849.95</p>	<p>\$100 INSTANT SAVINGS</p> <p>50PS60 50" CLASS 1080p PLASMA HDTV 50" Measured diagonally</p> <ul style="list-style-type: none"> • Full HD 1080p Resolution • TruP Control Display • 800Hz Sub-Pixel Driving • 4 HDMI V1.3 with Deep Color <p>\$1199.95 REGULAR PRICE \$1299.95</p>	<p>\$260 INSTANT SAVINGS</p> <p>47LH60 47" CLASS 1080p 1080p LCD HDTV 47" Measured diagonally</p> <ul style="list-style-type: none"> • Full HD 1080p Resolution • TruMotion 120Hz • Intelligent Service • 4 HDMI V1.3 with Deep Color <p>\$1139.95 REGULAR PRICE \$1399.95</p>
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Abt
Feeling People... Since 1926
www.Abt.com

LG
Life's Good

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ROP Program Background:

- Full page, full color ads ran in the main news section by M3 Media.
- The following dates were measured by the RAM Consumer Panel:
 - Sunday, January 3, 2010
 - **Consumers surveyed after first exposure to LG ROP ad**
 - Sunday, January 17, 2010
 - **Consumers surveyed after multiple exposures to LG ROP ad. (3-4x exposures, varied by market)**

Research Objective:

- Measured the LG Electronics ad after the first ad exposure and again after consumers were exposed to the ad multiple times to measure the effect of frequency.

Executive Summary

The LG Electronics ROP Campaign Had Strong Response After the First Ad -- Consumer Response Increased Significantly After Multiple Ad Exposures

- **Website visits/ intent increased +50% between consumers surveyed after the first ad vs. consumers surveyed after the third / fourth ad date.**
- **Purchase / purchase intent increased + 63% between consumers surveyed after the first ad vs. consumers surveyed after the third / fourth ad date.**
- **Ad effectiveness increased with frequency – after 1 ad exposure, the LG ad was 73% more effective than the category median; after 3-4 ad exposures it was 108% more effective:**
 - The LG Electronics ad on 1/3 had an ad effectiveness index of 173 (vs. 100 index for the category median of ads tested for Digital TV Manufacturers.)
 - After 3-4 ad exposures, the LG Electronics Ad on 1/17 had an ad effectiveness index of 208.

The LG Electronics ROP campaign generated strong Ad Stopping Power and High Response by Consumers in the Market for an HDTV

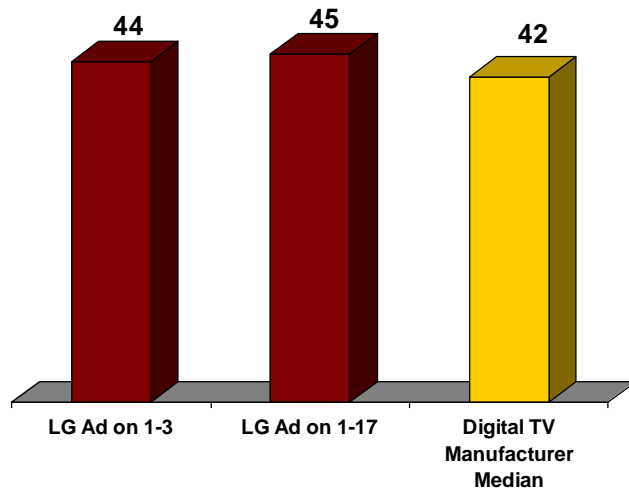
- **The LG ROP ads had very strong stopping power for consumers currently in the market for an HDTV: 68 - 71% recalled seeing the LG ad.**
- **Consumers in the market for an HDTV had very high response to the LG ads:**
 - 46% looked / intend to look for more information
 - 36% visited / will visit the website
 - 36% visited / will visit the advertiser
 - 22% purchased or will make a purchase



**ROP Campaign
RAM Survey Results
Ad Stopping Power (Ad Recall)**

Ad Stopping Power: LG ads generated strong ad recall

% of Consumers Who Recalled LG ROP Ads
vs. Median Recall of Digital TV Manufacturer ROP Ads



A Picture So Beautiful, We Can Barely Contain It.

LG
Life's Good

47LB60
47" CLASS 1080p
240Hz LCD HDTV
47" Measured Depth
• Full HD 1080p Resolution
• TruMotion 240Hz
• Seamless Design
• Intelligent Sensor
• 4 HDMI V1.3 with Deep Color

\$1799.95

\$100 INSTANT SAVINGS
42" \$1499.95

**Is it a TV?
Or something better?**

Experience the freedom of a wide open screen that goes right to the edge, thanks to the new SL Series by LG. It's sophisticated style matched with the very latest technology. A new frontier of design has begun. For more information visit www.LGusa.com.

LG Official Consumer Electronics Partner of the NFL

<p>42PDS 42" CLASS 1080p PLASMA HDTV 42" Measured Depth • 1080p Resolution • 600Hz Sub-Pixel Driving • Intelligent Sensor • 4 HDMI V1.3 with Deep Color</p> <p>\$649.95</p>	<p>42LH60 42" CLASS 1080p LCD HDTV 42" Measured Depth • Full HD 1080p Resolution • 600Hz Sub-Pixel Driving • Intelligent Sensor • 4 HDMI V1.3 with Deep Color</p> <p>\$699.95</p>	<p>50PDS 50" CLASS 1080p PLASMA HDTV 50" Measured Depth • Full HD 1080p Resolution • 600Hz Sub-Pixel Driving • Intelligent Sensor • 4 HDMI V1.3 with Deep Color</p> <p>\$1199.95</p>	<p>42LH60 42" CLASS 1080p LCD HDTV 42" Measured Depth • Full HD 1080p Resolution • 600Hz Sub-Pixel Driving • Intelligent Sensor • 4 HDMI V1.3 with Deep Color</p> <p>\$1139.95</p>
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Abt
Pleasing People... Since 1936
www.Abt.com

LG
Life's Good

Takeaway: The LG ads generated strong stopping power among consumers with +44% ad recall. This was in line with other ROP ads tested for digital TV manufacturers.

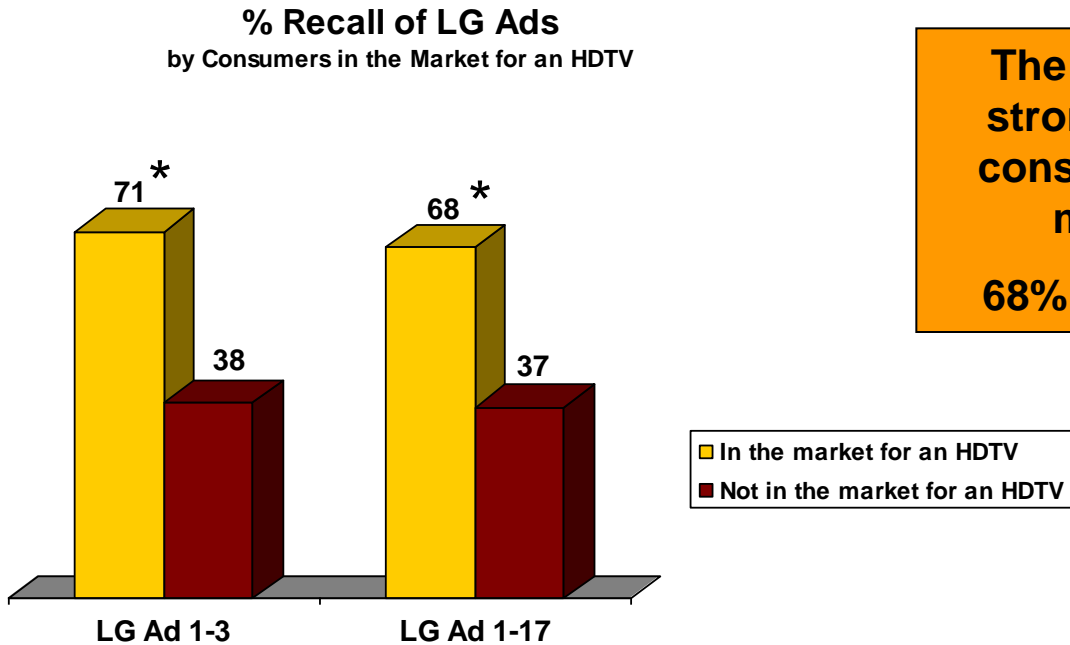
Q. Did you see/read this ad when you read the newspaper?

Base: All Consumers, Ad on 1-3 N=802; Ad on 1/17 N=1,687

*Results are statistically significant at a +95% confidence level.

Ad Stopping Power:

68%- 71% Recall by consumers in the market for an HDTV



The LG ROP ads had very strong stopping power for consumers currently in the market for an HDTV
68% - 71% Recalled the Ad

Takeaway: 20% of consumers said that they were currently in the market for an HDTV. The LG ads had the highest recall (68-71%) by these consumers.

Q. Did you see/read this ad when you read the newspaper?
Custom Question added to the survey: Are you currently in the market for an HDTV?

1-3 Ad: In the market N=157, Not in the market N=645, 1-17 Ad In the market N=317, Not in the market N=1,370

Note: Custom questions added to the survey do not have RAM Medians Available. Custom measures are compared to a Control Group.

* Results are statistically significant at a 95% confidence level vs. those not in the market for an HDTV.





**ROP Campaign
RAM Survey Results
Response Measures**

Action Measures:

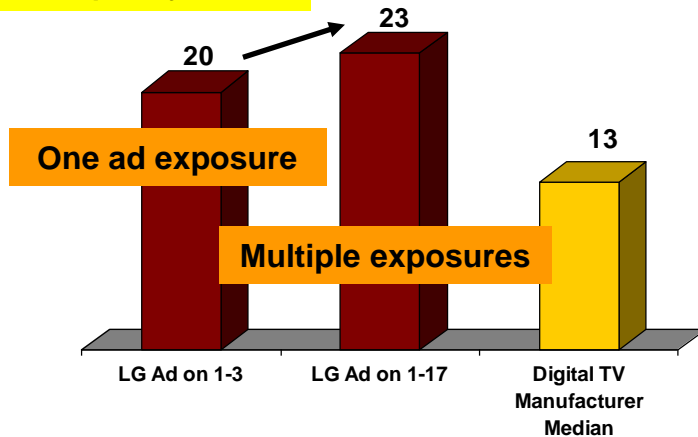
Website visits/intent increased +50% with ad frequency

% of Consumers

Who Looked/Will Look for More Information

vs. Median of Digital TV Manufacturer ROP Ads

+15% increase in intent to look for information due to frequency

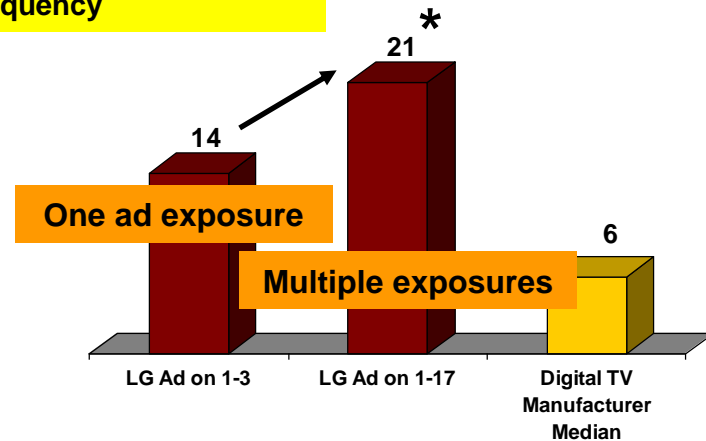


% of Consumers

Who Visited/Will Visit Website

vs. Median of Digital TV Manufacturer ROP Ads

+50% increase in intent to visit website due to frequency



Takeaway: Both LG ads performed higher than the median for Digital TV manufacturers. **Consumer intent to visit the website grew significantly, +50%,** after consumers were exposed to the ad for several weeks.

Q. Have you looked for or will you look for more information as a result of seeing this ad?

Q. Have you visited or will you visit the web site as a result of seeing this ad?

Base: Consumers who recalled the ad, Ad on 1-3 N=353; Ad on 1/17 N=724

*Results are statistically significant at a 95% confidence level vs. Ad on 1/3.

Action Measures:

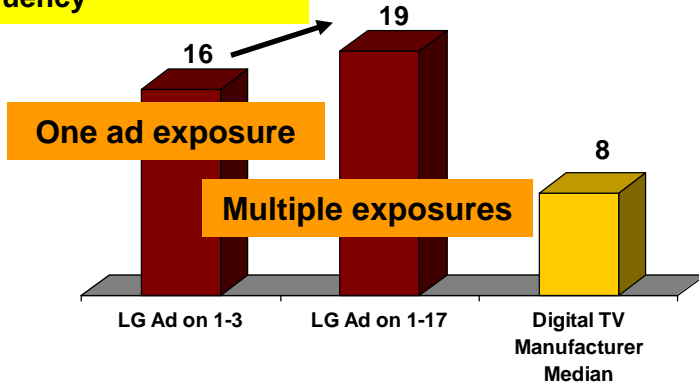
Purchase intent increased +63% with ad frequency

% of Consumers

Visited/Will Visit Advertiser

vs. Median of Digital TV Manufacturer ROP Ads

+19% increase in intent to visit advertiser due to frequency

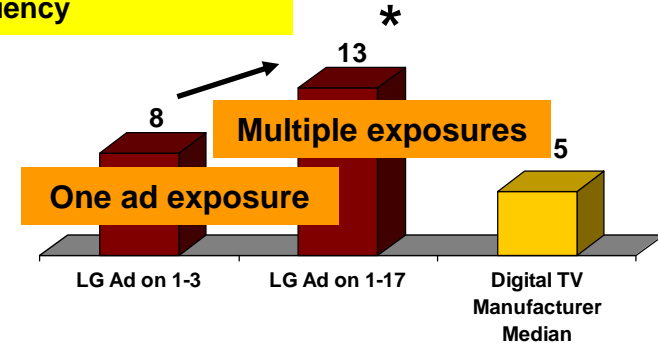


% of Consumers

Purchased / Will Purchase

vs. Median of Digital TV Manufacturer ROP Ads

+63% increase in intent to purchase due to frequency



Takeaway: Both LG ads performed higher than the median for Digital TV manufacturers. **Consumer purchase intent grew significantly** after consumers were exposed to the ad for several weeks.

Q. Have you visited or will you visit the advertiser as a result of seeing this ad?

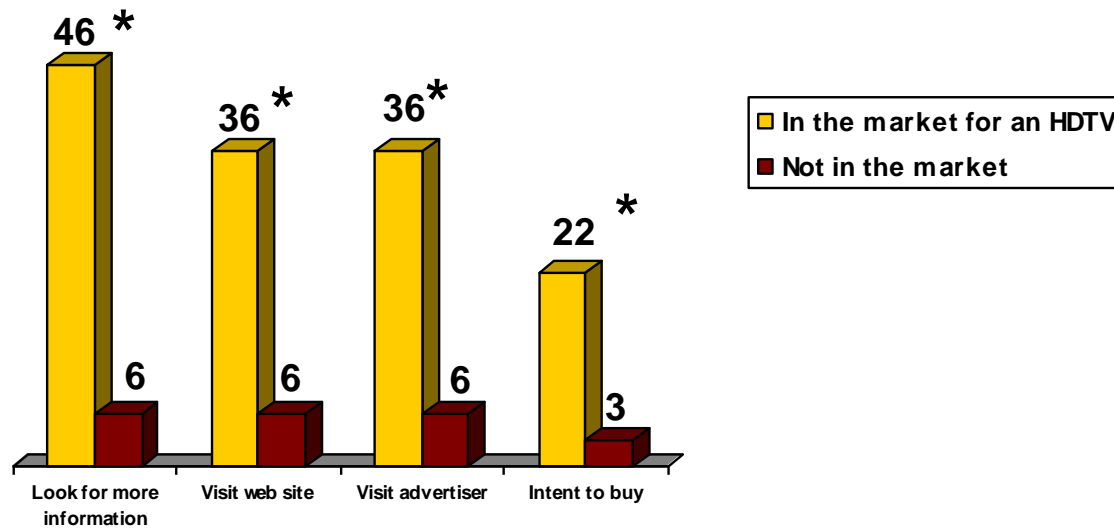
Base: Consumers who recalled the ad; Ad on 1-3 N=353; Ad on 1/17 N=724

*Results are statistically significant at a 95% confidence level vs. Ad on 1-3.

Action Measures:

Consumers in the market had an even higher response

Response to LG Ads
by Consumers in the Market for an HDTV



Takeaway: Consumers in the market for an HDTV were strongly motivated by the LG ads to look for more information, visit the advertiser or website and to make a purchase.

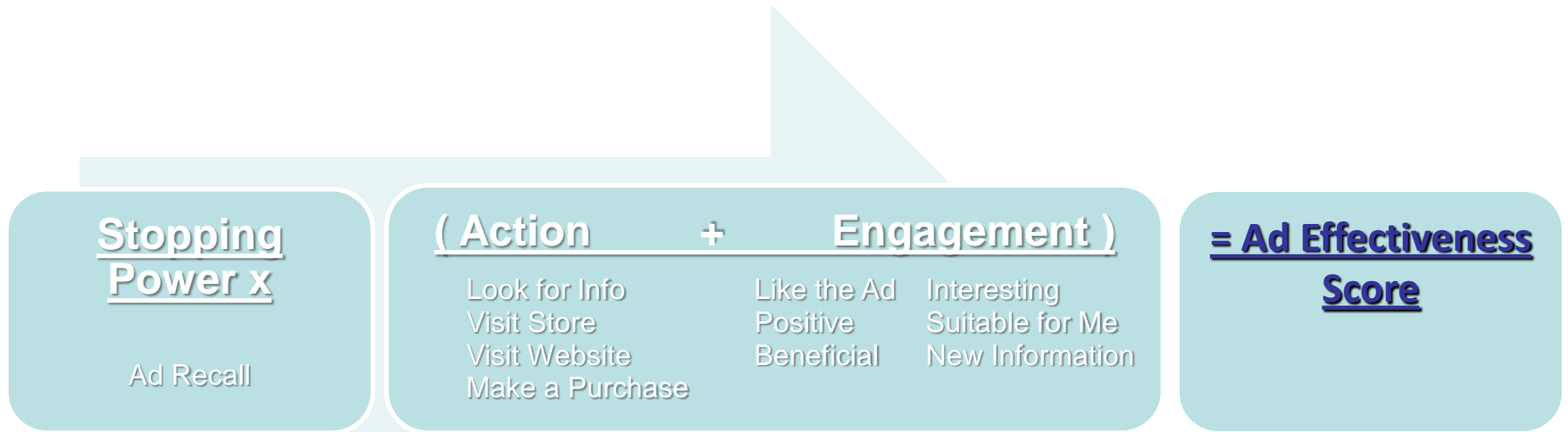
Note: Custom questions added to the survey do not have RAM Medians Available. Custom measures are compared to a Control Group.

Q. Have you visited or will you visit the advertiser as a result of seeing this ad?
Base: Consumers who recalled the ad and In the market N=325, Not in the market N=753
*Results are statistically significant at a 95% confidence level vs. Those not in the market



**How did frequency effect ad performance?
Ad Effectiveness Index**

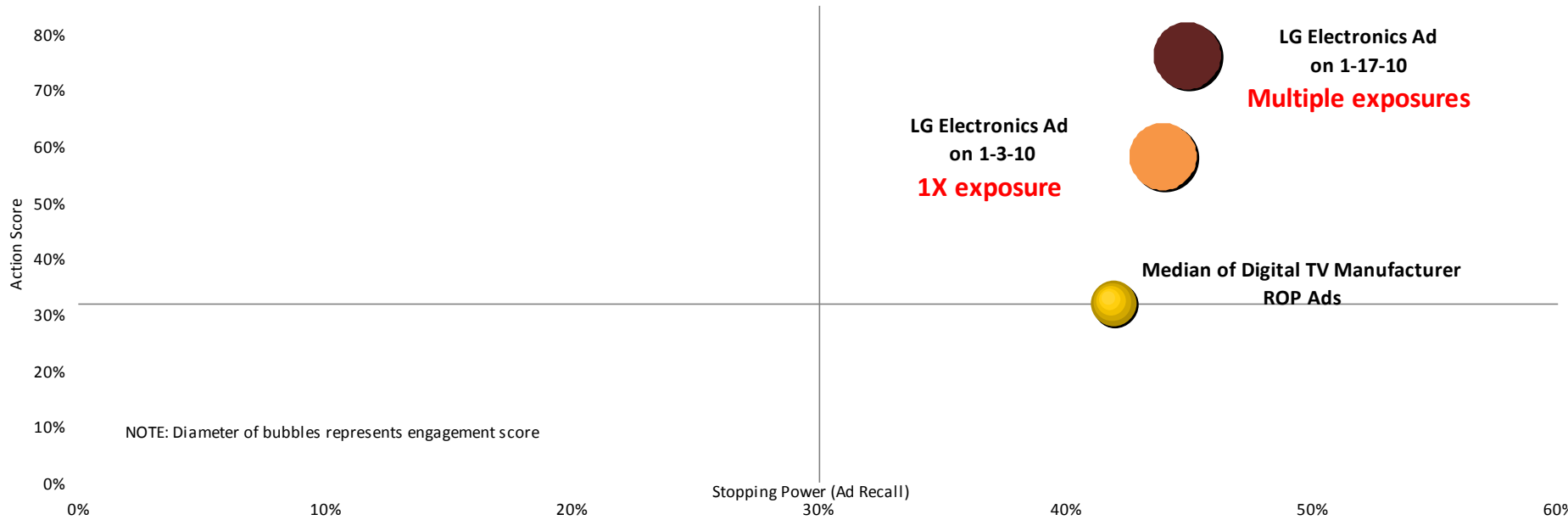
Ad Effectiveness Index



- Panel members' responses to recall, action, and engagement measures are combined to create a single ad effectiveness score
- The score is compared with the national median responses to print ads that have been tested throughout the U.S. to create an index
- The index can be targeted to show how your ad did with a specific audience, such as different demographic groups or visitors familiar with your store or products

LG Electronics ROP Ads: Ad Effectiveness Grew With Frequency

LG Electronics ROP Ads: Advertising Effectiveness



Calculated Scores	LG Ad 1/3	LG Ad 1/17	Median of Digital TV Manufacturers
Stopping Power	44%	45%	42%
Action Score	58%	76%	32%
Engagement Score	42%	42%	29%

Effectiveness Score	0.44	0.53	0.25
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Effectiveness Index vs. Mobile Median	173	208	100
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Take-away: The LG ads had higher stopping power (+44%) and higher engagement (42%) than other ads measured for digital TV manufacturers.

Consumer action score was much higher than the median score of 32% and **grew to 76% after the ad ran for 3-4 weeks.**