

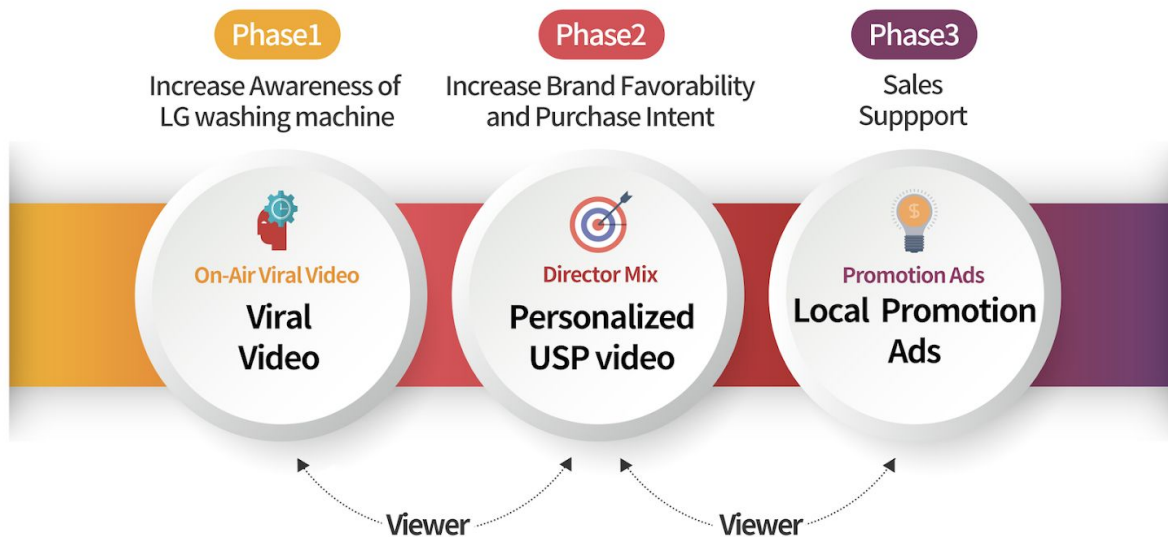
LG Electronics Fascinates Global Consumers with Personalized Messaging Strategy

Goals

- Build awareness of the new washing machine launch and increase purchase intention of consumers in 10 different countries, including 8 European countries.
- Customize the USP (unique selling points) of the product by country in advertisements as they vary by country needs.
- Effectively communicate new features of the product to capture the attention of European consumers as they are less responsive to viral videos than the average global consumers.

Approaches

- Conduct a series of preliminary workshops with Google's [Unskippable Labs](#) team to optimize video materials and increase advertising efficiency.
- Categorize the video context and life events of the target audience with YouTube's [Director Mix](#) and match these with 272 personalized messages to run ads effectively.
- Optimize the content based on consumer response and increase efficiency of the entire campaign by selecting potential consumers through retargeting



Results

- Increased audience attention span of the ads by using Director Mix (achieving 54% VTR, and 74% increase over previous campaigns).

- Increased product purchase intention compared to other non-Director Mix video ads of LG Home Appliances and drove website traffic of the commerce page by 169%.

LG Electronics has launched a new washing machine with differentiated technology that increases washing performance. It is equipped with a new AI motor that can identify clothing materials and [automatically optimize laundry settings](#) to minimize clothing damage. To build awareness of the newly launched AI washing machine and to drive purchase intention, a three-phase YouTube campaign that highlights the new function was executed.

The main challenges were finding potential consumers, increasing advertising reach and maximizing consumer engagement that ultimately lead to purchase. The ultimate goal was to increase awareness of the product and to promote sales, so it was critical to find a method to increase potential consumers' advertising engagement.

LG Electronics planned the campaign in three phases and influenced consumers during each phase of the purchasing process. First, in the awareness phase, consumers were informed of the product launch. Second, advertisements aided consumers in recognizing the needs for the product in the interest phase. Lastly, in the purchase phase, sales promotions were emphasized that led to purchase. In addition, LG Electronics conducted personalized advertisements to increase re-targeted consumers' engagement on YouTube.

Step 1: Collaborate with Unskippable Labs to create the most efficient advertisement

In step 1, The product was introduced to consumers at the age of 25 to 50 through a viral video that would elicit empathy.

First, a preliminary workshop was conducted with Google's Unskippable Labs to increase the appeal of creativity, and determine the most effective editing strategy through test and learn. Since the first five seconds of an advertisement is the key to drive consumer engagement, only key messages were shown in large font at the beginning. Also, an image depicting an ad character's facial expression was used as the video thumbnail to catch attention.

Applying these measures to the actual campaign, we achieved excellent results with views 2.4 times higher than our goal.

[The viral images 1, 2 reflect the Unskippable Labs' suggestions]



Step 2: Deliver personalized message with Director Mix

In step 2, USP videos were used as creatives to show the product function more in detail. However, USP videos describing the technology have limited impact on consumers, and could ultimately lead to a high bounce rate. Therefore, the Director Mix tool was used to keep a high viewer retention rate. The campaign carried different messages depending on the consumer's viewing experience.

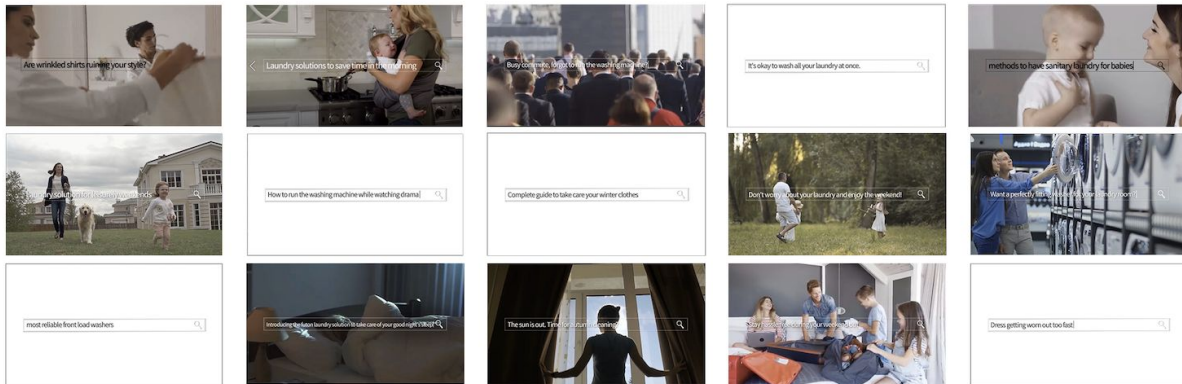
After showing consumers the message associated with their viewing history, the creative was developed to show the product's USP. For example, a consumer watching a video about baby care was exposed to a phrase regarding the laundering of baby clothing and then showed the steam function for allergy care.

We used the Director Mix tool to produce 68 pieces of content depending on countries and delivered personalized messages using Google's targeting solutions. As a result, we gained 41 million views out of 76.82 million exposures, with an average VTR of 54% which is more than half of consumers watched the ads without skipping.

Also, LG Electronics have discovered that the preferred USP varies by the consumer's needs, which are specific to the country they are located in. The insights on global consumers has become an important learning for future global marketing strategies.



Total of 272 Personalized Contents Generated



Step 3: Notify consumers of sales promotions with discovery ads

In step 3, promotional information such as cashback and discount promotions were exposed to stimulate purchase in major countries. LG Electronics designed a Discovery Ads that retargeted phase 2 consumers, and it gained a maximum click rate of 18.2%, and 188% of our targeted clicks.

Summary

This collaborative campaign planning with Google was an invaluable experience and a meaningful attempt exemplifying how effective global campaigns are made together. LG Electronics strategically planned different creative for each phase of the consumer journey, and utilized Director Mix to execute a personalized marketing strategy targeting the right audience. The insights gained and the strategy acquired from this campaign will be actively used for many more campaigns in the future.

Authors

Seunghee Byun General Manager
 postcommunications / Targeting Solution 1 Team

Woori Lee Director
 postcommunications / Targeting Solution BU

Young Bae Kwon Marketing Manager
LG Electronics / H&A Online Brand Marketing Team