

The Shoppable TV Report

2024 and Beyond

LG AdSolutions



Study Methodology

Objective:

LG Ad Solutions conducted an online survey in the US to determine consumer perceptions on “shoppable” TV advertisements and subsequent purchasing behavior.

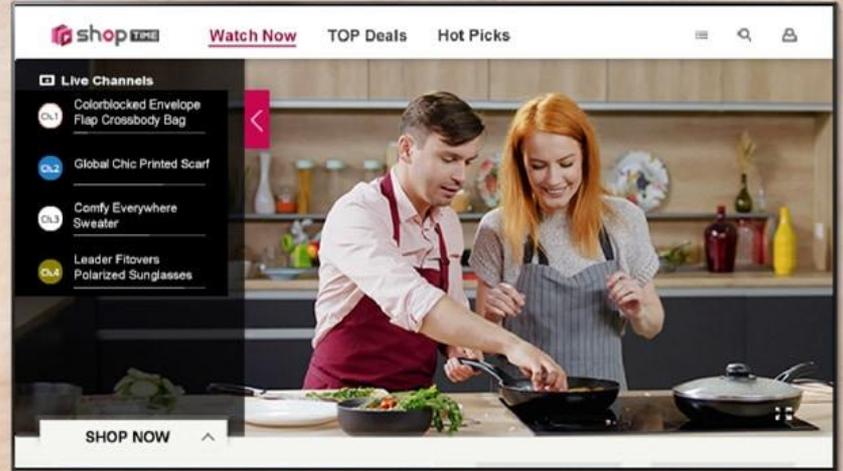
Survey field period:

December 2023

Sample:

n=1,210 US consumers. All respondents were US adults with an internet-connected TV (CTV).

Conducted via online panel, representative of US Census by age and gender.



9 in 10

consumers use an internet-connected TV

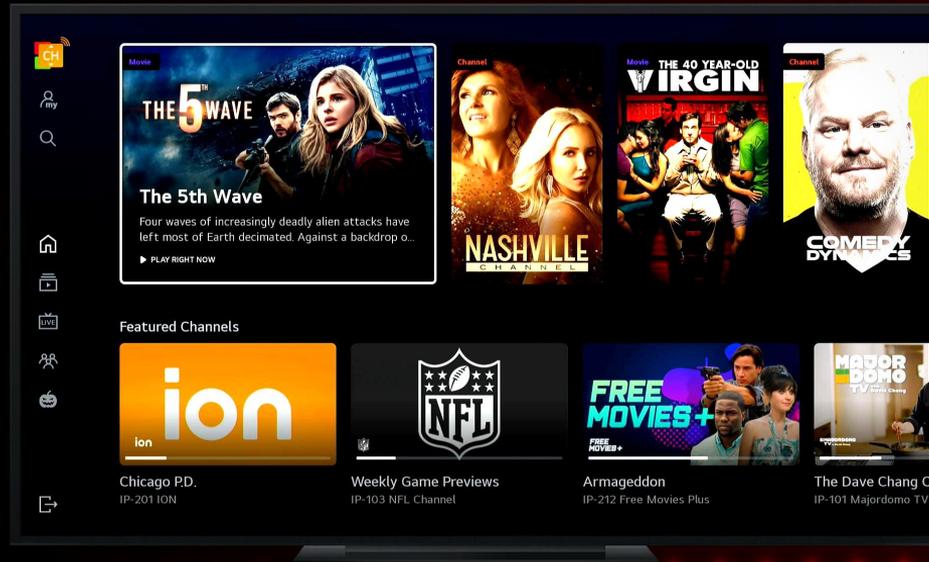
59%

of CTV users prefer free streaming with ads

78%

of CTV users regularly* use FAST apps

TV viewership has shifted towards FAST



LG Channels, a free ad-supported streaming TV (FAST) app, offers LG owners 300+ live TV channels & thousands of movies and shows on demand.

TV ads influence what and how people buy

Among Connected TV users...

81%

are **influenced by TV ads** in their **shopping decisions**



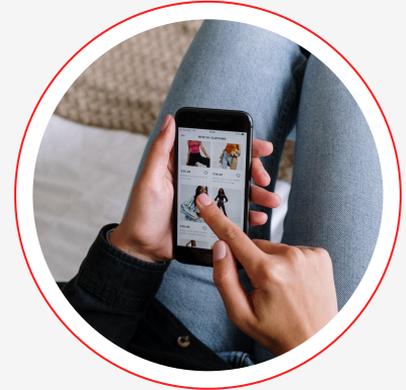
63%

often **discover new brands & products** through TV ads



47%

have **made a purchase** after seeing a TV ad (last 3 months)



3 in 10 CTV users have actually purchased directly on their TV

(last 3 months)

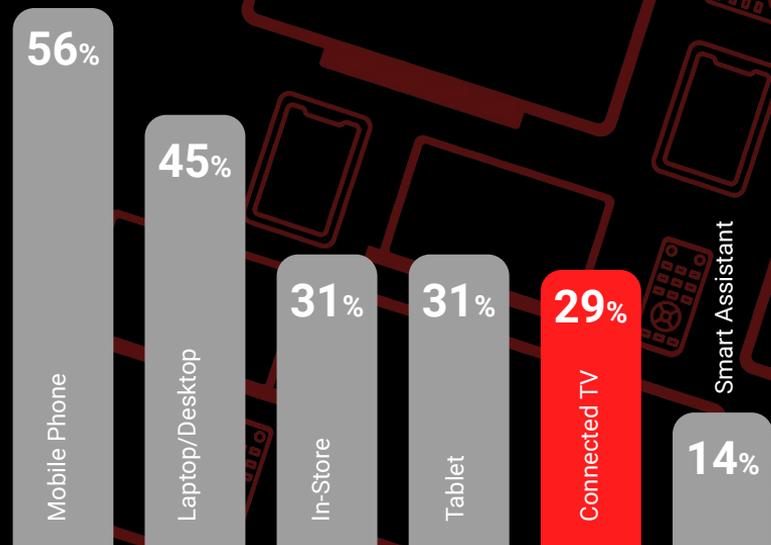


51%

of CTV users wish they could shop online using their TV

Methods of Product/Service Purchase After Seeing TV Ad

(last 3 months)

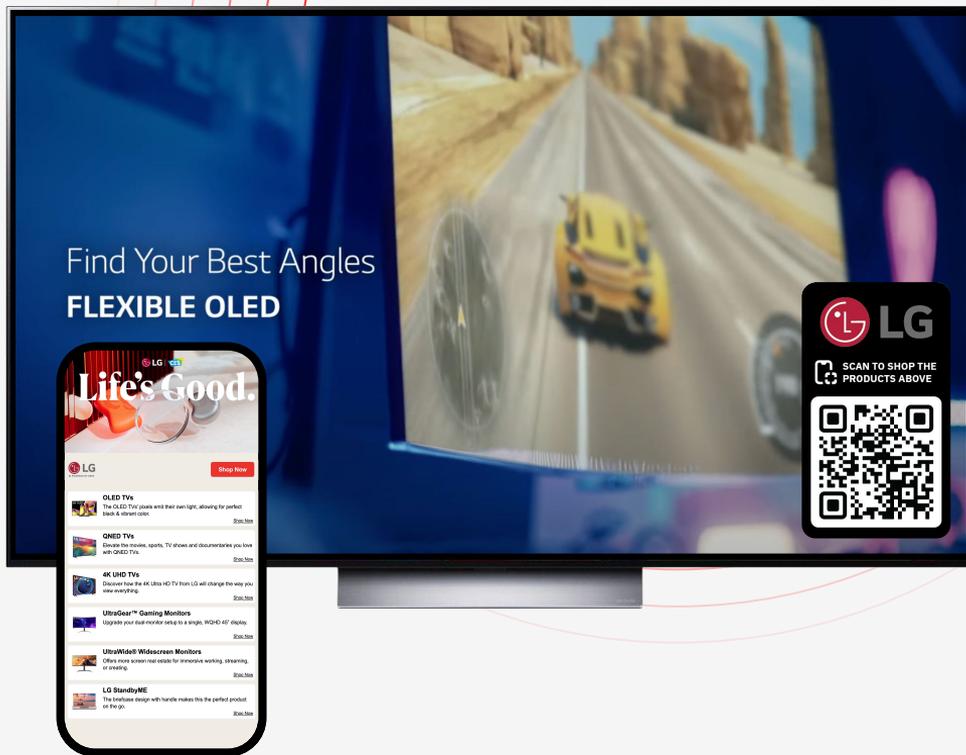


What are Shoppable TV Ads?

Top methods of purchasing products or services via TV ads

(aided choices, ranked in order of preference)

-  Send a **text** for more information or discount code
-  Scan a **QR code** to checkout on mobile device
-  Use **voice** to add to cart via smart home speaker or through TV
-  Save products to a **wishlist** directly on TV
-  Quick checkout on the TV with **saved shipping/payment** details





2 in 3 CTV users have seen a TV ad with a QR code

(past 3 months)



48%

of those who have seen a QR code ad have scanned at least one



71%

of CTV users are **always holding their phones** while watching TV

LG Household Extend campaigns reach beyond LG Smart TVs to mobile, tablet, desktop, and HDMI devices for complete viewer engagement using real-time, deterministic activation

Top categories of QR ads scanned

-  Clothing/Apparel
-  Electronics
-  Automotive
-  Appliances
-  Grocery/Consumer Goods

CTV users like ads with QR codes, especially if it includes a discount

7 in 10 like TV ad creatives that **include a QR code**

 **62%** are open to **scanning a QR code** on a TV ad in the next 12 months

 **38%** are likely to **make a purchase** after scanning a QR code on a TV ad

 **49%** will scan a QR code on a TV ad to take advantage of a **discount**

Sports Betting Brand Drives High Conversion for Mobile App Downloads with QR-Enhanced CTV Ads

Target:

NFL Football Fans
& Sport Bettors

Approach:

Integrated QR-Enhanced CTV
video to drive app downloads

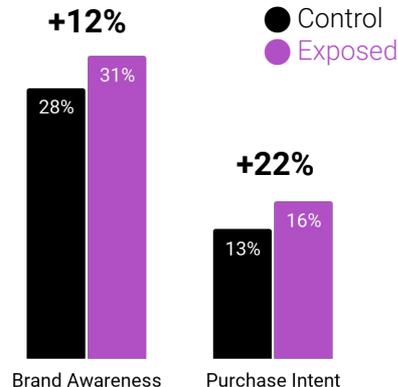
6x

Purchase Intent Lift
over Benchmark

1.6M

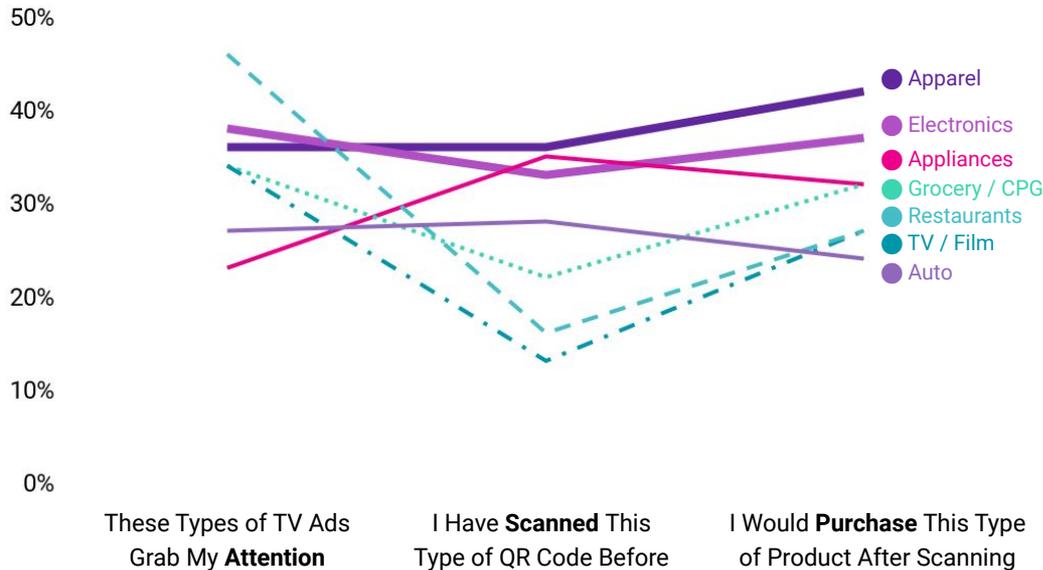
Incremental HHs
Reached

Lift in Brand Health Metrics



Shoppable TV can be used to reach consumers wherever they are in the purchase funnel

How CTV Users Would Engage with Shoppable TV Ads in Select Categories



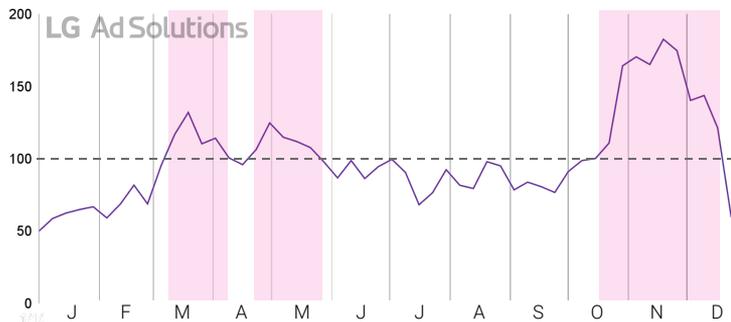
Apparel and **Electronics** scored highest across the board for engagement potential with Shoppable TV



Grocery / CPG, **Restaurants**, and **TV / Film** can capitalize on higher purchase intention by using QR codes

TV Advertising Index: **Retail**

Index of Equivalent TV Ad Units - Retail



TVAI shows retail advertisers heavy-up their advertising around peak shopping periods in the Spring and Winter.

LG TV Users are

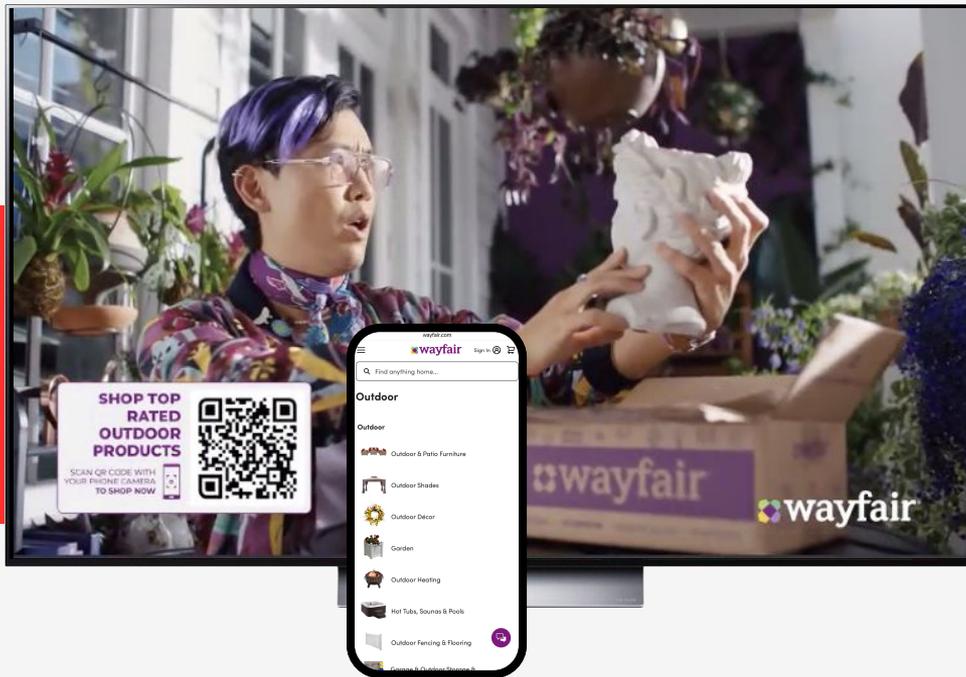
+16%

more likely to **scan** retail QR code ads

LG TV Users are

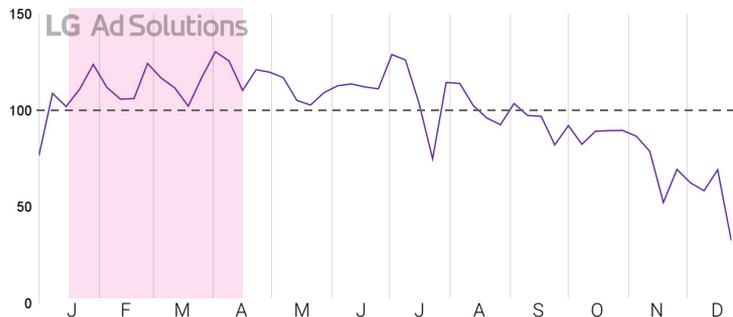
+12%

more likely to **purchase** after scanning a retail QR code ad



TV Advertising Index: Restaurants

Index of Equivalent TV Ad Units - Restaurants



TVAI shows restaurant advertisers heavy-up their advertising early in the year around sports like the NFL and NCAA basketball.

LG TV Users are

+9%

more likely to **scan** restaurant QR code ads

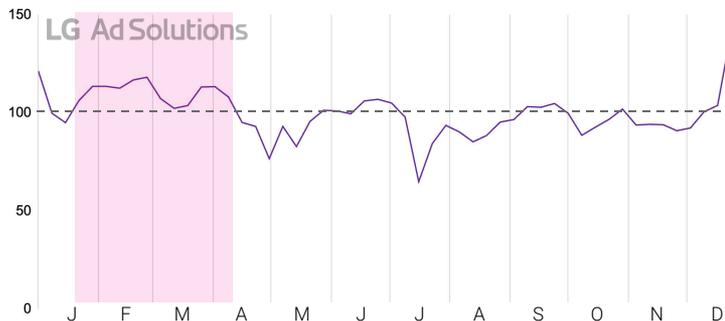
LG TV Users are

+7%

more likely to **purchase** after scanning a restaurant QR code ad

TV Advertising Index: **TV / Film**

Index of Equivalent TV Ad Units - TV/Film*



TVAI shows TV/Film advertisers heavy-up advertising early in the year ahead of the award show season and Spring premieres.

LG TV Users are

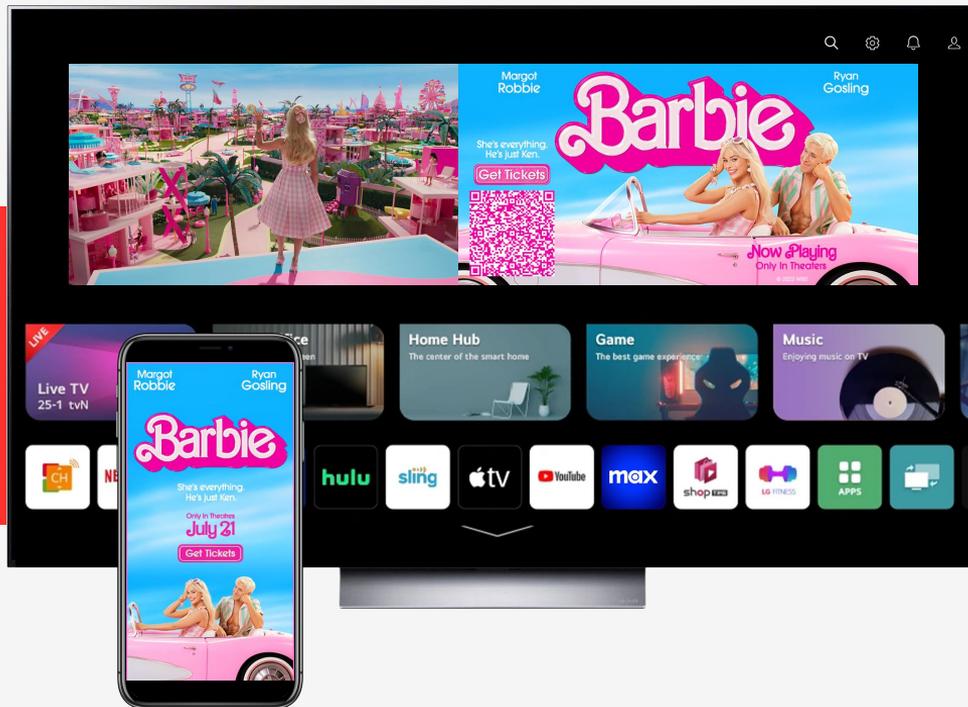
+5%

more likely to **scan**
TV/Film QR code ads

LG TV Users are

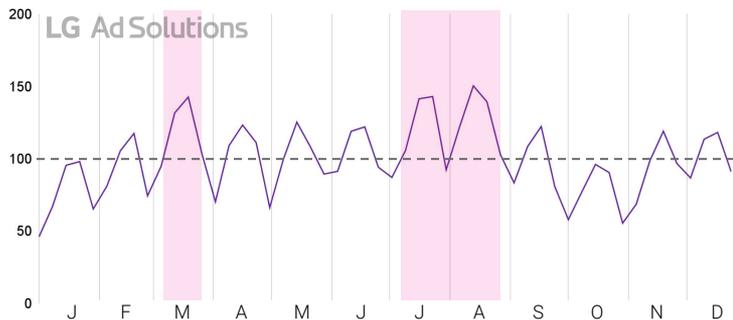
+21%

more likely to **purchase** after
seeing a TV/Film ad



TV Advertising Index: **Automotive**

Index of Equivalent TV Ad Units - Automotive



TVAI shows auto advertisers advertise throughout the year, spiking mid-month as they push for sales before month's close.

LG TV Users are

+24%

more likely to scan auto QR code ads

LG TV Users are

+38%

more likely to **purchase** after scanning an auto QR code ad

LEXUS | EXPERIENCE AMAZING

SCAN QR CODE WITH YOUR PHONE CAMERA to see all details for the new ES

Lexus ES F Sport

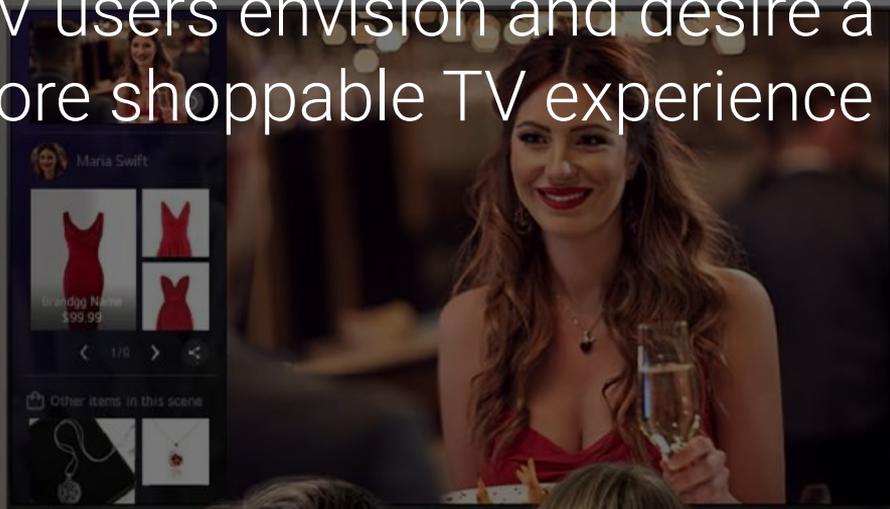
Lexus ES Hybrid

SELECT A STYLE TO BUILD

2024 ES 250

STARTING AT \$43,190^{MSRP}

Most CTV users envision and desire a future with a more shoppable TV experience



51%

wish they could **shop online directly through their TV**

53%

wish all TV ads had a **quick option to buy the product**

63%

wish they could see **store / brand inventory on their TV**

Although not commonplace yet, consumers have also shown interest in other smart screens for shopping



18%

Refrigerator



14%

Washer/Dryer



11%

Car Dashboard

The key to success for Shoppable TV is relevance, underscoring the need for advanced audience targeting

Reasons why CTV users don't scan QR codes on ads

Not interested in product (70%)

Ad did not appear for long enough (21%)

Phone/tablet was out of reach (13%)

I don't know how to scan a QR code (10%)

No discount code (8%)

LG ACR Audiences

Built from LG's Automatic Content Recognition (ACR) technology to form a deterministic viewership audience. Available as Off The Shelf ACR or Custom ACR.

+

First-Party
Advertiser Data

Third-Party
Partner Audiences

=

LG Custom Audiences

The right content for the right audience

Key Takeaways

01

78% of CTV users regularly use FAST apps, and 59% prefer FAST over paid streaming services, making FAST a critical part of every media plan.

02

Shopping via TV is quickly manifesting into reality, as 66% of CTV users recall seeing an ad with a QR code in the past three months.

03

70% CTV users like TV ads with QR codes, and 62% would scan if exposed, making QR codes a must-have for any upcoming TV ad creative.

04

Today, purchasing products from TV ads mostly occurs on mobile, as 71% of CTV users are “always” holding their phones while watching TV.

05

Consumers expect deals, as nearly half of CTV users (49%) scanned a QR code specifically to get a discount code.

06

Relevance is the main impetus behind scanning or purchasing after seeing a TV ad, highlighting the need for accurate audience targeting.

LG Ad Solutions is a global leader in connected TV and cross-screen advertising, helping brands find hard-to-get unduplicated reach at optimal frequency across the fragmented streaming TV landscape. We bring together LG's years of experience in delivering world-class smart TVs to consumers with big TV audience data and Video AI designed to connect brands with audiences across all screens.

Contact us at info@lgads.tv for more information.

LG Ad Solutions

