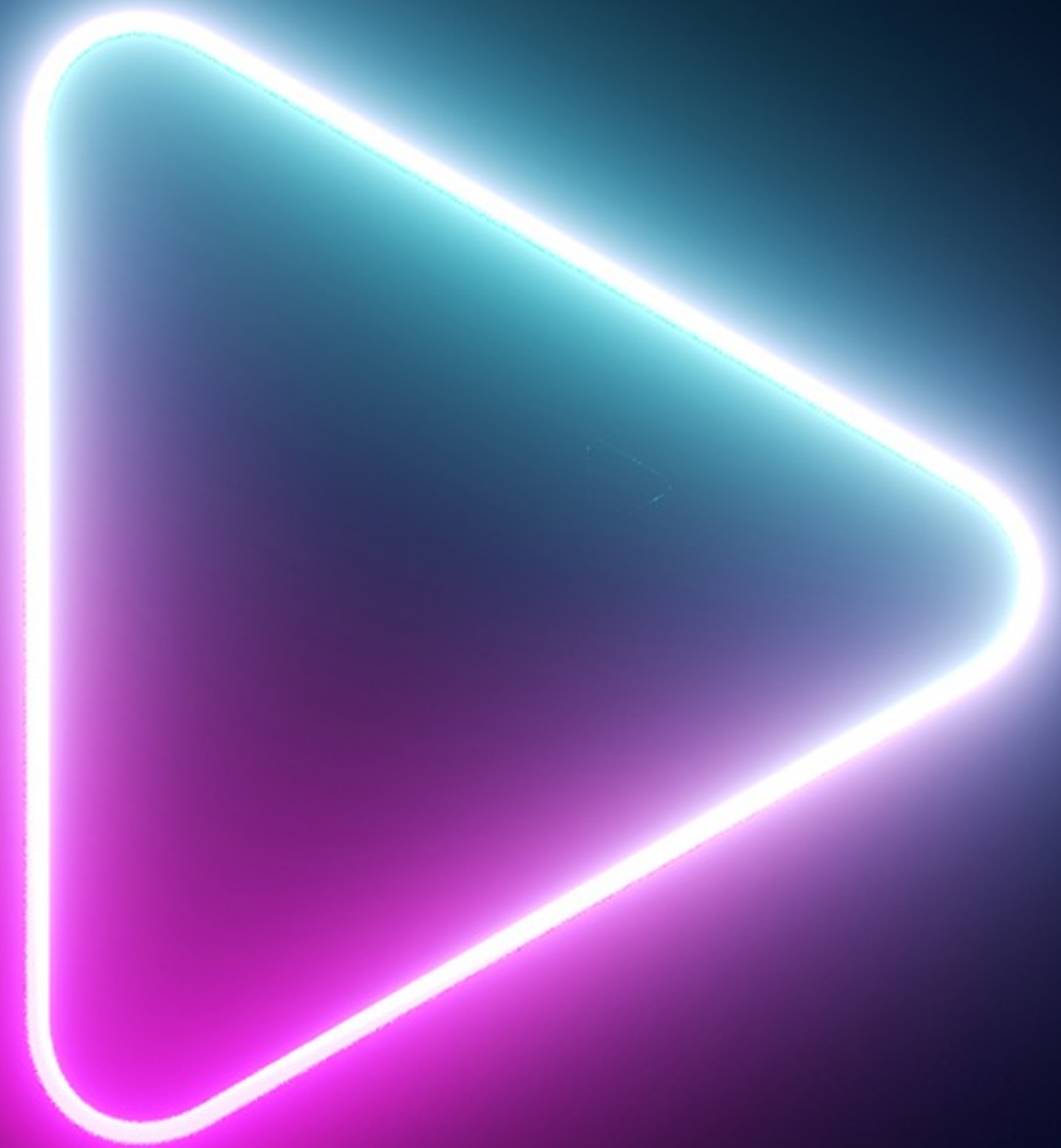


# Enhanced Ads Study

The impact of enhanced CTV ad formats on  
consumer engagement and advertiser trends

LG Ad Solutions



# Introduction



In 2023, TV viewers are embracing enhanced ads. Enhanced ads are those with a combination of customized content and interactive features that create a seamlessly personalized and actionable ad experience for consumers.

This report investigates the value of different kinds of enhanced ads, and viewer preferences & attitudes towards these ads.



# Study objectives and design

LG Ads conducted an online survey in the US to determine consumer perceptions and behaviors related to enhanced ads.

## Survey field period

December 2022

## Participation

Online panel, US general population

n=807



# Types of Enhanced Ads



## Time-Based Messaging

Change message according to time of day, time to start, and live



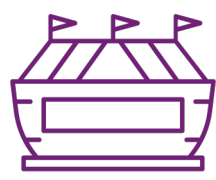
## Location-Specific Messaging

Cater offerings to where viewers are located



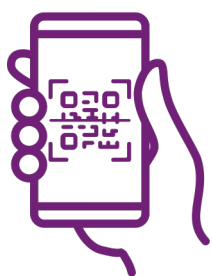
## Weather-Triggered Messaging

Send viewers to different content based on hot/cold or rain/shine



## Sporting Events

Drive tune-in based on who is playing and when



## Dynamic QR Codes

Generate different QR codes for different data signals





# Preference towards enhanced ads is increasing

# 82%

like enhanced ads overall

# 49%

are likely to engage with enhanced ads

Overall, how much do you like this ad?  
How likely are you to engage with this ad?

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# Enhanced ads are favorable and positively impact purchase behavior

93%

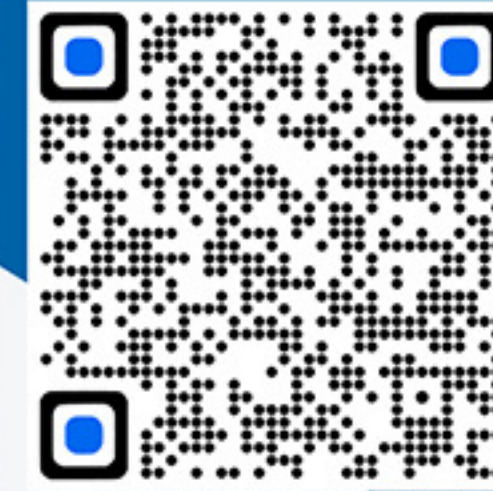
feel the same or more favorable towards brands that utilize enhanced ads

94%

are more likely to buy/use these brands the next time they are in-market for this product

After seeing this ad, how does this affect your favorability toward the brand?

After seeing the ad, how does this change your likelihood of buying/using this brand the next time you are in market for this product?



SCAN TO  
INSTALL APP



 **ApicTravel**

**Find Your Happy Place**

Enhanced Ad Unit with QR Code

# Ads leveraging scannable QR Codes drive impact



**1 in 2**

are more likely to engage  
with these ads

Q3: How likely are you to engage with this ad?

Q4: After seeing this ad, how does this affect your favorability toward the brand?

Q5: After seeing the ad, how does this change your likelihood of buying/using this brand the next time you are in market for this product?

**94%**

feel the same or more favorable towards  
brands that leverage QR codes

**94%**

are same or more likely to buy/use these  
brands the next time they are in-market  
for this product





**Royal Bank** Visit your nearest Royal Bank Branch

Enhanced Ad Unit with Local Extension

# Ads that inform viewers of the store closest to them are preferred

# 95%

feel the same or more favorable towards brands that display the location of the store closest to them

# 92%

are same or more more likely to buy/use this brand the next time they are in-market for this product

# 1 in 2

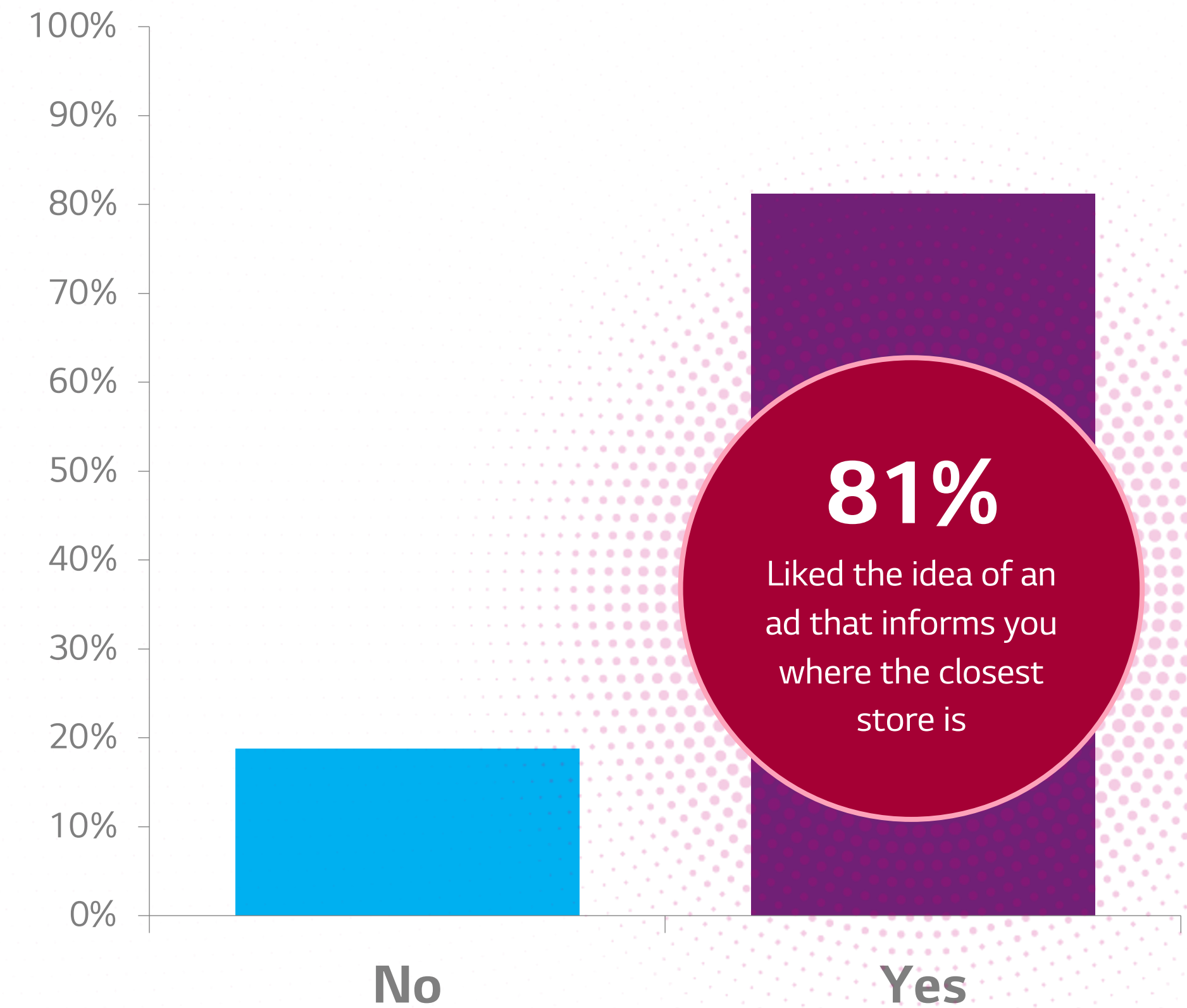
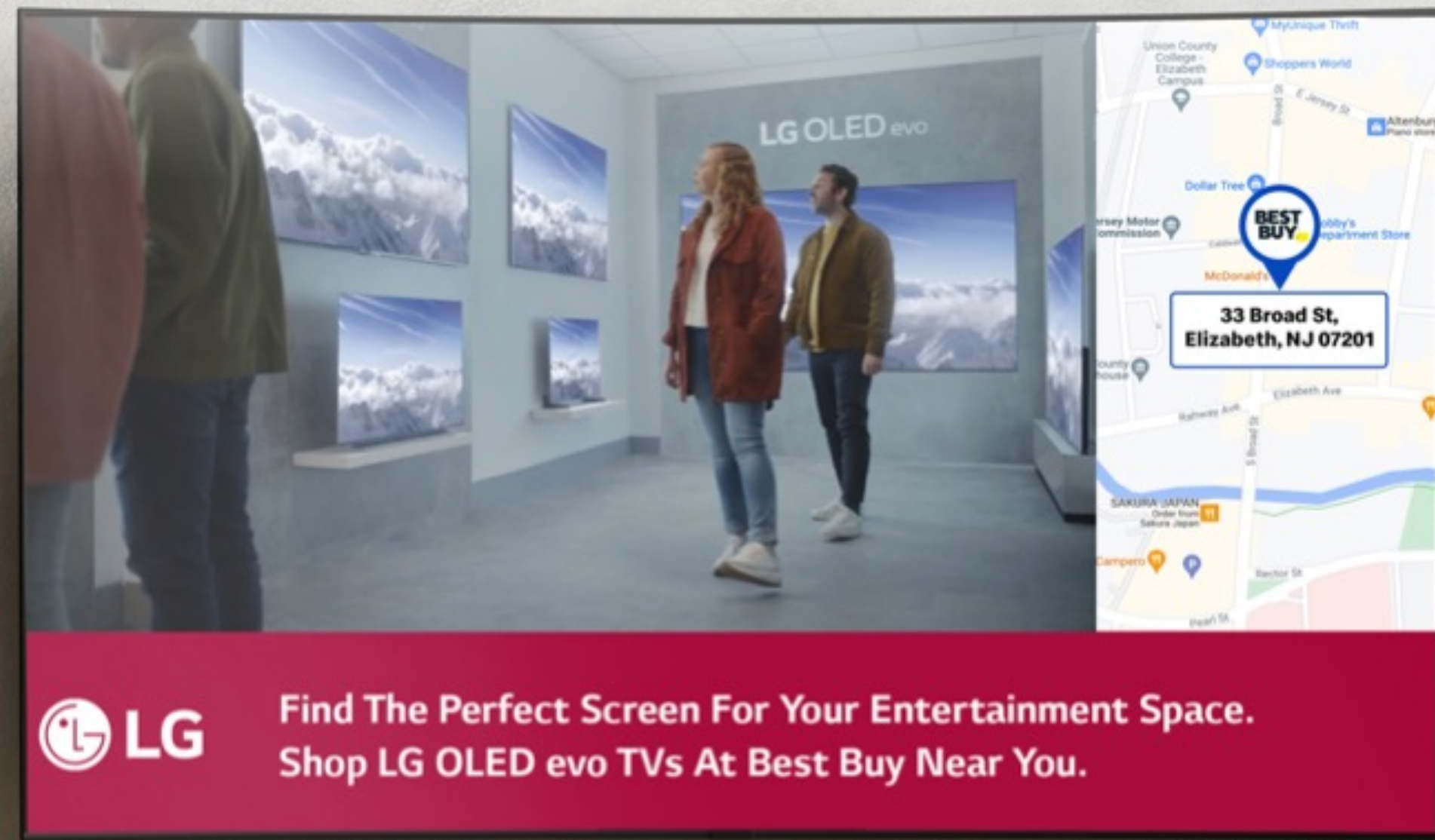
are more likely to engage with these ads

Q7: How likely are you to engage with this ad?

Q8: After seeing this ad, how does this affect your favorability toward the brand?

Q9: After seeing the ad, how does this change your likelihood of buying/using this brand the next time you are in market for this product?

# 4 in 5 enjoy Local Extension ads



Q10: Do you like the idea of an ad that informs you where the closest store is?

This advertisement features a large, clear plastic cup filled with a yellow, frothy beverage. The cup has the King Burger logo and the text "KING BURGER" printed on it. To the right, there are two smaller versions of the same cup. Below the cups is a QR code and the text "Scan for coupon". The background is a warm, reddish-pink gradient.

**KING BURGER**

**It's hot in Atlanta. Cool down with a Frozen KB Lemonade**

Scan for coupon

This advertisement features a white coffee cup on a saucer, with coffee being poured into it. The cup has the King Burger logo and the text "KING BURGER" printed on it. The background is a dark, textured surface of coffee beans. To the right, there are two coffee cups in a carrier. Below the cups is a QR code and the text "Scan for coupon". The background is a dark, textured surface.

**KING BURGER**

**It's cold in New York. Warm up with King Burger Cafe.**

Scan for coupon

Weather-Triggered Enhanced Ad Unit

# Weather-Triggered ads are gaining traction

1 in 2

are more likely to engage with these ads

94%

feel the same or more favorable towards a brand that utilizes contextual ads based on the weather in their area

92%

are same or more more likely to buy/use this brand the next time they are in-market for this product

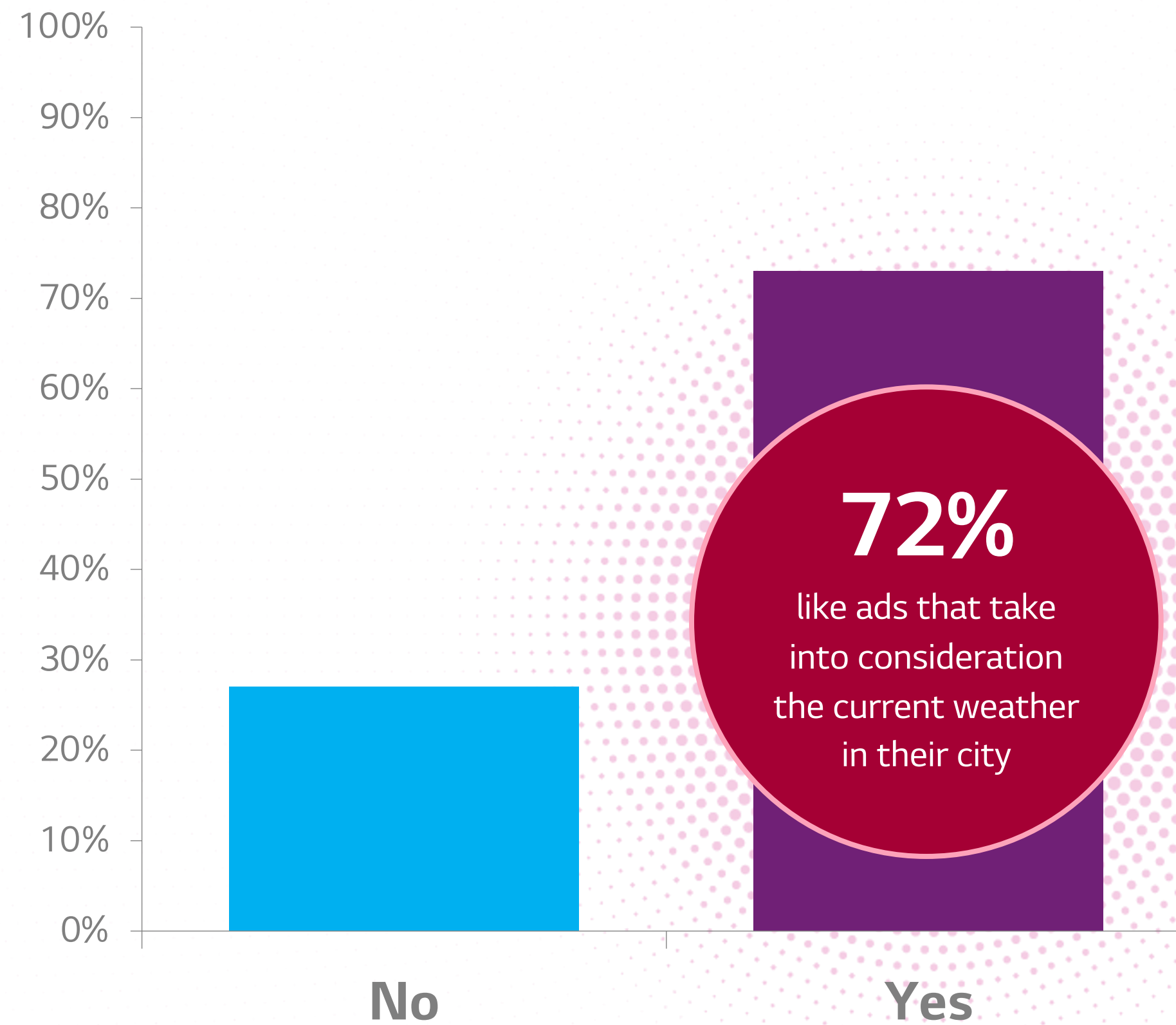
Q12: How likely are you to engage with this ad?

Q13: After seeing this ad, how does this affect your favorability toward the brand?

Q14: After seeing the ad, how does this change your likelihood of buying/using this brand the next time you are in market for this product?

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# 7 in 10 enjoy Weather-Triggered ads



Q15: Would you like an ad that took into consideration the current weather in your city?



The screenshot shows a streaming service interface with a dark theme. At the top right, there are icons for search, settings, notifications, and a user profile. The main focus is a large banner for an NFL game: "3 DAYS TO GAMETIME" featuring the Detroit Lions vs. the New England Patriots, scheduled for "SUNDAY 1PM ET" with a "SIGN UP NOW" button. Below the banner is a "Trending now" section with a row of content cards: PAW PATROL, MICKEY MOUSE CLUBHOUSE, YELLOWSTONE, LG Channels (with a "Watch FREE Movies and TV Shows on LG Channels" and "Stream Now" button), NBC 5 (with "Free LOCAL & WORLD NEWS" and "HaystackNews" logo), and a partially visible card for BEE. At the bottom is a dock of application icons including LG Channels, NETFLIX, Disney+, apple tv, hulu, prime video, YouTube, and Bilibili.

Dynamic Ad Unit

# Dynamic ads providing timely information are highly effective

72%

like enhanced ads showing real-time sports scores, countdown to games/events and team-match ups

64%

are more likely to engage with sports-related dynamic ads



# Dynamic Ads are likely to drive sales

93%

feel the same or more favorable  
towards a brand that showcases /  
sponsors sports-related dynamic ads

95%

are same or more more likely to buy/use  
this brand the next time they are  
in-market for this product

Q22: After seeing this ad, how does this affect your favorability toward the brand?

Q23: After seeing the ad, how does this change your likelihood of buying/using this brand the next time you are in market for this product?

# Key Takeaways

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# Preference towards enhanced ads is increasing

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ads overall

**49%**

are likely to engage with  
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# Enhanced ads are favorable and positively impact purchase behavior

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## About LG Ad Solutions

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 worldwide with big TV audience data and Video AI designed to connect brands with audiences across all screens. Contact us at [info@lgads.tv](mailto:info@lgads.tv) for more information.

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