



To make the world a more pleasant place, the LG brand operates under the slogan “Life’s good” in an array of sectors and through innovation, design and state-of-the-art advanced technologies

LG Electronics was founded in Seoul, South Korea following the merger of two companies in 1958: Lucky and GoldStar. In 1995, in order to cope with international brands with a shorter, more memorable name, the decision was made to rebrand the company under the name LG, which are the initials of the two original companies.

As part of its rebranding, a new logo was created that has accompanied the brand ever since: “Life is Good”, with the task the brand set for itself being to make the world a more pleasant place through innovation, design, smart technology and reliability. The fact that the slogan begins with the same letters of the brand’s name allows it to be incorporated into the LG logo.

LG operates in five main divisions:

- Home Appliances Division (refrigerators, washing machines, microwaves and vacuum cleaners).
- Home Entertainment Division (televisions, home cinema, home audio systems, audio systems for the cars, professional screens etc).
- Mobile Division (cellular end devices and smart phones).
- AE Division: Air conditioning, solar panels and LED lighting Division.
- IT Division, which manufactures and markets computers and Monitors and accessories for IT.

In 2007, the company established a Branch office in Israel that is managed by the South Korean GM. The local representative’s role is to spearhead the brand’s marketing strategy in Israel, and it works in conjunction with importers in the various product categories of the company.

The Marketing Challenge

The LG brand competes in a large range of products in sectors in which it operates. Therefore, the main marketing challenge faced by the local representative of the company is correctly managing the brand strategy to maximize the brand’s strength and to broadcast its values in the selection of company products.

The Marketing Solutions

In order to overcome the challenge, a large number of dedicated activities were carried out in the local market in

areas where the brand has presence but under a uniform marketing and brand umbrella that reflects the spirit of the corporate brand and based on the positioning line “Life is Good”.

Television sets. As one of the largest players in the global television market, LG introduces every year a large range of innovations in the field. This year, the company launched its 3D and Smart television models that incorporate technology that enables the use of glasses that do not require batteries or a broadcast connection with the screen, with unlimited viewing angle. The company made tremendous efforts in supporting the new line, the main one being sponsorship of the IMAX theater set up in the new yes Planet complex in Rishon le Zion in order to create a connection for consumers between IMAX 3D quality and the quality of LG’s 3D television.

The launch of the company’s 3D television series was accompanied by a television and press campaign. At the same time, the company continued to communicate to consumers its Smart TV line, launched in Israel two years ago, which has enjoyed high penetration rates ever since. LG Israel will soon launch the OLED television with new, breakthrough technology that has earned numerous international awards.

Washing Machines. LG was the first to launch in Israel washing machines with Direct Drive technology, which facilitates quieter and calmer operation of the machine

by connecting the engine directly to the laundry drum rather than by a belt.

After the competitors also launched in recent years washing machines using this technology, LG launched a machine manufactured with even newer technology. The 6Motions technology, LG exclusive, simulates the action of a manual washing machine, moving the drum in six different motions, which helps producing a better cleaning of the cloth parts.

The Smart Refrigerator. The Smart ThinQ technology developed by LG transforms the standard electrical appliance into an interactive device that is operated by remote control through the smart phone and internet. For example, customers can communicate with their new side-by-side refrigerator while shopping in the supermarket in order to know which products they need to buy. Installed in the refrigerator is a display screen that displays updates on members in social networks, remain updated on news and watch YouTube clips.

Smart Phones. LG’s mobile division views the sector as a main growth engine over the ensuing years, resulting in the establishment of a goal to spearhead various, cutting-edge technologies. For example, LG is marking fourth generation technology (LTE), and is making tremendous investments in development of the pioneering LTE technology, based on the company’s technical knowledge and patents in LTE.

LG has also





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emphasized hardware, software and design, launching this year the Optimus 4X HD device. In addition, LG recently launched the LGphone by PRADA, which is the result of a joint collaboration with Italian fashion brand PRADA.

LG Patrol. Due to the realization that the most effective and persuasive communication with consumers takes place at the

point of sale, twice a year and over the course of several weeks, LG teams travel in branded vehicles to hundreds of branches of electrical appliances chains and private points of sale in Israel. The teams meet with the sellers, providing them with instruction on the latest flagship model that LG wishes to promote. In order to maintain sellers' interest, LG make sure that the training is amusing and experiential.

Applications for product selection. The purchase of an electrical appliance has, in recent years, become extremely difficult due to the large range and infinite number of options that confuse consumers. To cope with the phenomenon, LG launched this year an application for cell phones that allows consumers to enter a product category that they want alongside several other definitions and to obtain recommendations on products that meet their specific requirements.

"The Air Conditioner Academy". In light of the realization of the need for institutions on air conditioning sector and LG views Israel as a significant and developing market, LG launched in March 2012 an air conditioning academy, the first of its kind in Israel. The purpose of the academy is to provide professional mentoring to parties involved in the air conditioning sector – installers, architects, inspectors, service representatives

and customers, who will undergo training and will be introduced to various systems and air conditioning solutions.

Marketing for the Community. This is the fourth consecutive year that LG has introduced a special venture in conjunction with Variety Israel. As part of this project, 14 photographers and local chefs were asked to create a unique picture that incorporates a kitchen or refrigerator. The images were displayed at a special event held at the Tel-AvivPort. Afterwards, the exhibition was opened to the general public. Revenue from the sale of the photos were sent in full to the children of Variety Israel.

And In the Future...

LG Israel will soon launch a new wireless technology known as smart diagnosis, which enables direct communication between air conditioners, washing machines and refrigerators and the service center. The technology is based on a special gadget imprinted in the device capable of issuing real-time broadcasts to the LG service center every time a malfunction occurs in the device in order to reduce the troubleshooting time and improve service quality to customers.

At the same time, the company will continue to launch in Israel the best innovations it develops in every sector in which it operates, including smart systems for smart homes, which enables multi-directional communication between all electrical devices in the home in order to simplify consumers' lives and reduce energy consumption.

Things You Didn't Know About LG

■ The name LG is based on the first letters of the two original companies that comprised the company (Lucky + Goldstar) and that was also incorporated into the brand slogan: Life is Good.

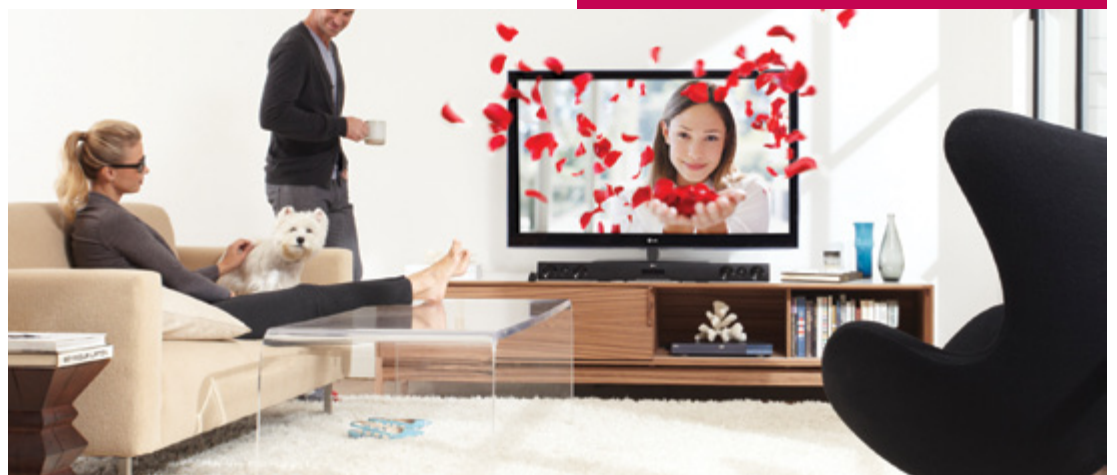
■ Every element in the LG smiley logo has a purpose: the face is smiling, to broadcast friendliness and accessibility. The fact that the portrait has only one eye symbolizes target-orientation and focus. The circle symbolizes the entire world, as well as the circle of life and renewal. The upper right corner of the logo was left empty on purpose in order to create an asymmetrical logo that would reflect the company's ability to be original and creative. The red, which is the primary color in the logo, symbolizes friendliness, while the gray broadcasts technology and reliability.

■ LG is one of the largest television manufacturers in the world.

■ In 2000, the first internet refrigerator was launched, followed by the first internet washing machine, air conditioner and microwave one year later.

■ LG is the first company in the world to manufacture smart phone devices with 3D viewing capability without glasses

■ In January 2009, the company purchased the LG.com domain for no less than \$100 million.



1958
Two companies merge in South Korea – Lucky and GoldStar.

1966
The company launches the first television set in Korea.

1982
The company exports outside of Korea for the first time.

1995
The company rebrands itself as LG.

1996
The company enters the telecommunications market.

2007
LG opens a representative office in Israel.