

The Next Generation of Restaurant Marketing

Can Data Wielding Davids Defeat Category Goliaths?

After a particularly difficult couple of years as a result of the COVID-19 pandemic, restaurants are finally welcoming back customers in droves. As exciting as 2022 has been for many restaurants, there is a dark truth that they all must confront. Traditional marketing methods won't save them as competition gets fiercer by the day. Loyalty programs and visitor information used to be the bread and butter of marketing in the restaurant industry. Now, a new paradigm has emerged. Market share is gained not by doing what they've always done but rather by challenging competitors by putting deep data sets to work. Leveraging richer data and insight sets to drive better creative and targeting. Further, this data is helping some restaurants find significant growth in a world where simply surviving is often the goal.

In this post, we will examine how restaurants can turn data into action. Doing so allows them to break away from the low, single-digit growth trend found in the market. Location data was once enough to inform marketing campaigns. Today's best marketing comes through combining different data sets to achieve additional scale along with Universal Audiences to create better efficiency and accuracy across platforms.

The State of Restaurant Growth

There are some early signs that the restaurant industry is beginning to rebound. In the US, for example, customer traffic increased for the first time in 2020 since the pandemic began. This is good news for an industry decimated by COVID-19, with sales falling by more than 50% in some areas at the height of the pandemic.

As restaurants begin to reopen their doors, they face an uphill battle. The pandemic has changed consumer behavior in profound ways making older approaches to marketing less effective. To make matters worse, competition is only getting fiercer. New restaurant brands are entering the market, ghost kitchens, along with restaurant franchise expansions are adding to an already saturated marketplace. To succeed in this new landscape, restaurants need to start looking at data in new ways to find strategies to acquire new customers and gain more eating occasions.



Traditional Restaurant Marketing

Location data has long informed the CTV ads, billboards, digital marketing, and the radio spots many restaurants activate. And it makes sense. In a recent Forrester study, they found marketers using location-based data have seen a 200%+ increase in ROI across industries. Add to that a recent study from 451 Research that shows that 97% of marketers are looking to increase their use of location based data for targeting and customer understanding over the next two years and it really starts to beg the same question - Why aren't more restaurant marketers jumping on the bandwagon?

Access, understanding, and availability is what we hear the most from our clients. Because location data can only really get you so far. Inevitably you want your data to be able to better understand, target, and provide insights behind your customer to drive more relevant creative. This can't just be done by buying audience data.

In a market more competitive than ever, data must go further. The best way to get the most out of data, is to combine data to provide insights, scale, and frequency.

Location Data + Social Data = Understand and Target



Any platform gives you the ability to target specific or broad audiences (CTV, Facebook, Google, etc.). But every platform is built differently. They use different categories, keywords, and audience definitions. So you can't be sure of frequency or reach with current or potential customers.

Combining location data with social data allows marketers to understand more about their current and competitive customers so they can apply creative and media strategies based on visitation and behavior. When combined together, marketers can create Universal Audiences based on actual customer visitation, that can be scaled and used across any platform.

Consider the liquor company Beam Suntory, for example, which owns Maker's Mark, Jim Beam, and numerous other alcohol brands. The company started incorporating distillery visitor data into its digital media data. According to Jessica Spense, Beam Suntory's president of brands, this created valuable potential retargeting and look-alike audiences. These look-alike audiences inform new campaigns and creative based on distillery visitors. These are the most passionate customers, the ones with the most affinity for Beam's brands. Building out audiences around this data helps Beam understand where their next "best" customers can be found.



Putting it All Together to Ignite Restaurant Growth

In addition to helping restaurants better understand their customers, deep data sets can also be used to create more effective marketing campaigns. By targeting ads and promotions at specific customer segments, restaurants can maximize their chances of driving conversions. What's more, by using data to track campaign performance, restaurants can optimize their marketing efforts to get the most bang for their buck.



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