

Restaurant Marketing Insights

for 2023

The most effective marketing strategies for restaurants
and how Circley fits into their acquisition playbook.

By Matthew Smith / Founder / 2023

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Introduction

Goal

Learn how restaurants approach marketing. Find where Circley, using local deals and neighborhood social events, fits into what restaurants need to bring in more customers.

What we sought to understand

- 01 How valuable is it for a restaurant to bring in more customers, and when does that value spike?
- 02 How do restaurants use deals today, and have deals actually paid off?
- 03 Which customers do restaurants most want to engage?
- 04 Where else might Circley add value in the marketing process?
- 05 How do we use these insights to iterate on the app before launch?

Method

Six recorded founder and operator calls across Chicago restaurants, plus raw notes from each conversation. Interviews ran between 30 and 60 minutes each.

The Team

Matt partnered with Femi Odugbesan and Josh Onwordi, the founding partners of Circley, to run this research sprint.



Femi Odugbesan

Co-founder, Circley



Josh Onwordi

Co-founder, Circley

Partnership note

Femi and Josh were easy to work with: sourcing prospects in their target audience, joining interviews, and returning thoughtful feedback throughout the process.

Who we interviewed

Six recorded calls. Matt first spoke with two foodies but found the demographic too wide, so the study focused on restaurant owners and operators.

Yeowoosai

Korean / KPOP bar, 28 yrs

Cumin Bowl

Indian, ghost-kitchen origin

Barcocina

Mexican, seasoned operator

Kale My Name

Vegan, 200K+ on Instagram

7323 Eats

Seasonal outdoor cafe

Lawrence Henderson

Industry advisor, multi-brand

06

Recorded calls

06

Restaurants

100%

Chicago-based

Key insights

What restaurants value most when bringing in new customers, and what they are willing to pay a service to deliver.

1

Close proximity

Customers who live or work near the restaurant are far more likely to become repeat customers, stay loyal, and tell their friends. Proximity is the single strongest signal of long-term value.

2

Repeat customers

Repeat traffic is where restaurants actually make money. A service that brings in a one-time visitor is worth a fraction of what it costs. Bring a customer back three or four times and the economics change.

3

Clear ROI

Restaurants have been burned by marketing tools and third-party platforms with fuzzy returns. A service that guarantees a measurable payoff will stand out.

"Most restaurants, even chains like Potbelly, would kill for someone to come three times a month. A repeat customer at three times a month is golden."

LAWRENCE HENDERSON, INDUSTRY ADVISOR

Effective marketing strategies

The approaches restaurant operators pointed to again and again as the reason new customers actually showed up.

1 Social media

Almost every owner named social media as their top channel for attracting new customers. Instagram was the clear favorite. It doubles as a brand-building tool that turns first-time visitors into loyal regulars.

2 Texts and email lists

Direct channels, mailing lists and SMS, were the next most-mentioned approach. Barcocina, one of the stronger operators, ran a VIP mailing list with raffles to capture contacts and reach diners on birthdays and slow nights.

3 Fun events

Deals work best when attached to happy hours or themed events. The goal is not profit on the deal itself but making the night memorable enough to create repeat visits and loyalty.

Channels mentioned as effective

Share of interviewed operators citing each channel



Challenges & ineffective strategies

Where restaurant marketing gets stuck, and why many services fail to earn repeat spend.

1

No marketing budget

Unless a restaurant is well-established or already famous, there is no real marketing budget. The only common willingness to pay is sharing the burden of food cost. Many owners also do not see marketing as a priority at all.

2

Third-party services

Google, Yelp, GrubHub, DoorDash, UberEats. Operators repeatedly described the effort of managing these platforms as high and the ROI as unclear. Cumin Bowl called BOGO deals a "cost center, not a profit center."

3

Customer ambiguity

A new customer only matters if they come back. Volume alone is not a useful metric. Restaurants also do not want to pay to reach people who were already coming. Without a clear ROI signal, they disengage fast.

Bottom line

If Circley wants to win restaurant dollars, it must prove proximity-based repeat traffic with numbers an operator can read in one glance.

Next steps

A phased path from research to launch. The thread: start smaller than feels reasonable, prove the loop, then scale.

1

Start very focused

Build for just one to four restaurants or bars in a single neighborhood. On the event side, build only for residents and workers in that neighborhood. Pick a smaller area, for example River North.

2

Perfect the experience for 1-4 restaurants

Prove you can bring repeat customers. Tell the operator: we will bring you people who live and work in River North, and we will host great events every two weeks. Keep talking to owners until you find ones who want to host with you consistently.

Next steps (continued)

3 Make events the spontaneous way to meet neighbors

Keep hosting at the same handful of venues. Refine the format until guests are ecstatic. Now people trust Circley as the place to go for spontaneous events at local restaurants. Build the brand "the Circley restaurants" on word of mouth.

4 Scale slowly. Build momentum

Once the experience is tight in the first micro-area, move to another hyper-targeted neighborhood and repeat. Only once rapport between operators, guests, and the Circley brand is established should you open up to any new restaurant.

Growth loop

From one neighborhood to citywide



Marketing the app

How to position Circley for both sides of the marketplace: restaurants and local residents.

To restaurants

Pitch Circley as the channel that brings in local residents and workers who turn into repeat customers faster than any third-party platform. Guarantee the claim. Let operators target residents or workers specifically.

To residents

Position Circley as a new way to spontaneously meet people who live or work in your neighborhood, and to discover local restaurants you would not have tried. Lean hard into newcomers to the area who want to meet neighbors.

Channel tactics

- Dominate one local area. Do not split promotion across cities.
- Find local company employees on LinkedIn. Ask them to forward emails or host a QR code at the office.
- Search hashtags, comments, and location tags for nearby bars and restaurants. Show up where locals already are.
- Flyers in local businesses. Promos inside partner restaurants.
- Short-form video with hyper-specific, location-based keywords.
- Partner with Chicago micro-influencers. Ask Adam at Barcocina how he found them.

Conclusion

The initial hypothesis holds: bringing more business to restaurants by hosting events for people who want to meet new people is a viable idea.

Deals are not the primary incentive

Pure deals are not the hook. The exception is when events plug into existing deal structures, like happy hour, rather than asking restaurants to create new ones.

Go hyper-local to earn repeat customers

The only customers restaurants truly care about are repeat customers. That means catering to a small number of venues in a small area, perfecting the experience, and building rapport before scaling.

The real product may be in-person social

The stronger pull is not a deal-driven discovery tool. It is a spontaneous way for neighbors to meet each other after work and on weekends. That loop, done well, is the actual unlock.

Afterthoughts

Femi and Josh were a pleasure to partner with. They sourced prospects inside their target audience, joined every interview call, and shared feedback throughout. Thanks for trusting me as your research partner. - Matt

CONTACT

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Raw interview notes

Condensed field notes from each call.

Yeowoosai

Marketing has shifted from word-of-mouth to social media. Social media is a double-edged sword: easier promotion, but more competition. During COVID they ran many food deals. Today, drink deals during slow hours. Deals are not necessary but keep things fun. Tried Yelp, GrubHub, Groupon; felt the effort-to-reward ratio was too low. Around 28 years in business, predominantly Korean clientele, open 6pm to 2am, peaks at 10:30pm. Uses happy hour for promotion. Being a KPOP bar, they try to bring Korean celebrities through for social posts.

Raw interview notes

Condensed field notes from each call.

Cumin Bowl

Started as a virtual brand in a 500 sq ft Kitchen United space. Early traction came from GrubHub, UberEats, and DoorDash in-app promos. BOGO deals drove volume but hurt profitability. Seasonal LTOs and text re-engagement campaigns brought customers back. Now has a brick-and-mortar storefront. Tried Groupon for delivery and found it ineffective. "Customer discovery is the hardest part." Spends at least \$1,000/month on marketing. Core audience: urban professionals 20-45 who love Indian food. Repeat customers come from the local area.

Raw interview notes

Condensed field notes from each call.

Barcocina

Seven years in. Strong in-house database from direct outreach, OpenTable, and contact cards collected at weekly raffle events. Runs a "VIP List" mailing list with special offerings. Active on Instagram and Reels; Facebook has died. Tried TikTok, hard to break in as a business. Works with local micro-influencers, 10K-20K followers, ideally Chicago-focused. Spends \$500 with their web agency for a prize offering that drove quality positive reviews. Runs happy hour Monday to Friday. Avoids general deals since they cheapen the product. Slow days are driven by locals, not destination guests. "It's all about the ROI."

Raw interview notes

Condensed field notes from each call.

Kale My Name

200K+ followers on Instagram for a single restaurant. Focuses on unpaid marketing. Signed up on every delivery platform and Google Maps before opening. Day one: 500 customers showed up, they could serve 100. Tried sponsored posts and an agency later; neither moved the needle like organic social. Declines free-product sponsorship offers now unless real money is on the table. Works with a manager and specialist on Instagram goals. Built a pre-launch audience by following Chicago vegan accounts, sharing a menu, asking what they wanted. Gained 3,000 followers before opening.

Raw interview notes

Condensed field notes from each call.

7323 Eats

Seasonal outdoor cafe in Woodlawn, started during the pandemic with a culinary grant. Mostly serves neighborhood locals. Heavy foot traffic; a nearby stop light is their most effective "marketing channel." Uses social media and an email list. Never run deals. Uses Square POS to track repeat customers. Uses Yelp and Google reviews for organic visibility, does not pay for upgrades. Runs events on Eventbrite. After hearing about Circley: "We're definitely open to deals."

Raw interview notes

Condensed field notes from each call.

Lawrence Henderson (industry advisor)

Networked across Chicago restaurants. Most operators are not business people and do not think about marketing; many assume good food markets itself. Margins are too thin for marketing budgets in most cases. Owners will pay by sharing the cost of food more often than paying cash up front. High-end restaurants avoid deals that cheapen the experience; they want to be the destination, full price. Across the board, repeat customers are the real business: three or four visits per month is the target. "A repeat customer at three times a month is golden."



Bring them back.

A research-driven playbook for repeat customers, hyper-local events, and the channels that actually move restaurant revenue.