

Guzman y Gomez dishes up regional Australian marketing success



Lara Thom
Guzman y Gomez CMO

Word of mouth, authentic local storytelling and community really matter when you're building regional engagement.



Guzman y Gomez may boast of 180 stores nationally, but local community and connection remains firmly in the brand's DNA. This makes regional advertising and audience engagement critical to realising its growth strategy.

"If we engage with the community and they engage back with us, it's a really great relationship," says the QSR's global chief marketing officer, Lara Thom. "You've got to remember, being a franchisor means we are typically opening restaurants in regional areas with a franchisee who is a local businessperson owning and operating their own business. Despite the fact we're a big brand, and it comes across that we've got big money to spend, the onus is on that local person to deliver.

"There's also a really nice local component too, where we know we're contributing to the economics of regional Australia. The amount of money and jobs we bring into regional Australia is something we're incredibly proud of."



Accountability for regional coverage

Across GyG's 180-store network, 36 are located in regional Australia. Overall, about 20 per cent of the marketing budget is spent on regional media and audiences, either through national strategy or local area marketing activities, sponsorships and activations.

Thanks to legislated franchisee and corporate funding, GyG marketing dollars go back into supporting stores wherever they are located. As a result, Thom's team is buying regional media for every national campaign undertaken.

"The accountability is on us to generate a return for our restaurants and every single restaurant must have a return generated," Thom says. "I can't just focus on Sydney CBD because that's where I am Monday through Friday. We have to think about Toowoomba. We have to think about Townsville. We've got to think about Wagga, Kennington and over in WA as well. So we really are hyper-focused on regional areas."

Thom agrees not all brands think this way, suggesting perceived economies of scale when buying metro media can see brands ignoring regional audiences and channels.

"The economy of scale I can get from spending on Sydney radio might cover 40 restaurants. But I've got to spend on Wagga radio too, and I'll cover just one restaurant. That doesn't mean a regional restaurant should suffer," she says. "We've got to pay them back equally."

And in Thom's opinion, the return on investment is a fair one for marketers in regional Australia. "GyG is very focused on growth and sales. I never really look at the results of our campaigns on reach and impressions," she says.

"I always look at how many people are coming through the doors, and if our revenue is up, or transaction numbers are up. If we have more people enjoying our food, more people signing up to our app, more people ordering delivery or coming through the drive-through, then our job is done. These are the things we measure success on."



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The power of micro-influence

For Thom, consumers are human beings, wherever they're located. It's why she believes GyG's store opening template, brand narrative and high-quality food resonates in regional and metro locations with similar impact. It's equally why GyG franchisees and marketers put such emphasis on winning positive local word of mouth. Because community influence can make or break the brand's commercial success whatever the location.

"You're always going to have micro-influences in a local area. That can come down to the local radio team getting behind you or not," Thom argues. "You therefore have to be hyper-aware of what your brand means to people in local areas and how that resonates. Whether that's through research or understanding your demographic or buyer, it is critical to understand this."

But micro-influence is also where Thom has spied differences between regional and metro audiences. "There's a real local nuance around what's going on when we open a store, but especially in a lot of country towns. They don't have the businesses, hype and that buzz of city life. So when GyG does open, it's a really big deal," she says.

"We're finding the influence these [regional] customers have over one another is far greater than what you see in the CBD. Word of mouth is everything in regional areas. So for us, the whole piece around local media, endorsement of local media and people in that area is incredibly important."

It's also why a GyG local store owner's credentials and commitment to community is elevated in creative, PR and marketing activities across regional towns.



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"You have to earn your stripes in these areas. But if you do, they really do reward you," Thom continues. "I look at our Wagga restaurant and franchisee, Asif Ahmed, and I've never seen someone work harder on local community engagement. He has invested so much money in sport, media, radio and PR. That's on top of what we've done in marketing. He's reinvesting in community and giving back consistently. That's what's working for us as a brand."

Another regional example is GyG's restaurant in Tamworth, which was opened in June 2023 by longstanding employee, Keyla Goncalves, and her husband. From restaurant manager in Newtown, Goncalves moved into GyG's central office, heading up the reception team before getting her project manager's license and joining the company's construction team. She's now a franchise owner after migrating to regional NSW.

"Keyla and her husband are overinvesting in not just their community, but in making sure all of the PR we put out there about the restaurant says 'we live here, we're local and we care,'" Thom explains. "They are truly embedding themselves in the community."

In Wollongong, GyG's local crew include an under-16 surfing champion. "He's almost become a spokesperson for the brand down there because we know everyone buys into him. We can use him in front of cameras and in our content online," Thom says.

"So for us, local and regional media marketing comes down to not just buying media, it comes down to the storytelling and PR that comes with it. Plus the authenticity. I think authenticity is something you can miss really easily if you don't know who you're talking to or about. What marketers really need to know is we've got big populations in some of these smaller cities or towns, and they will pay it back in droves if you show them that you matter to them."



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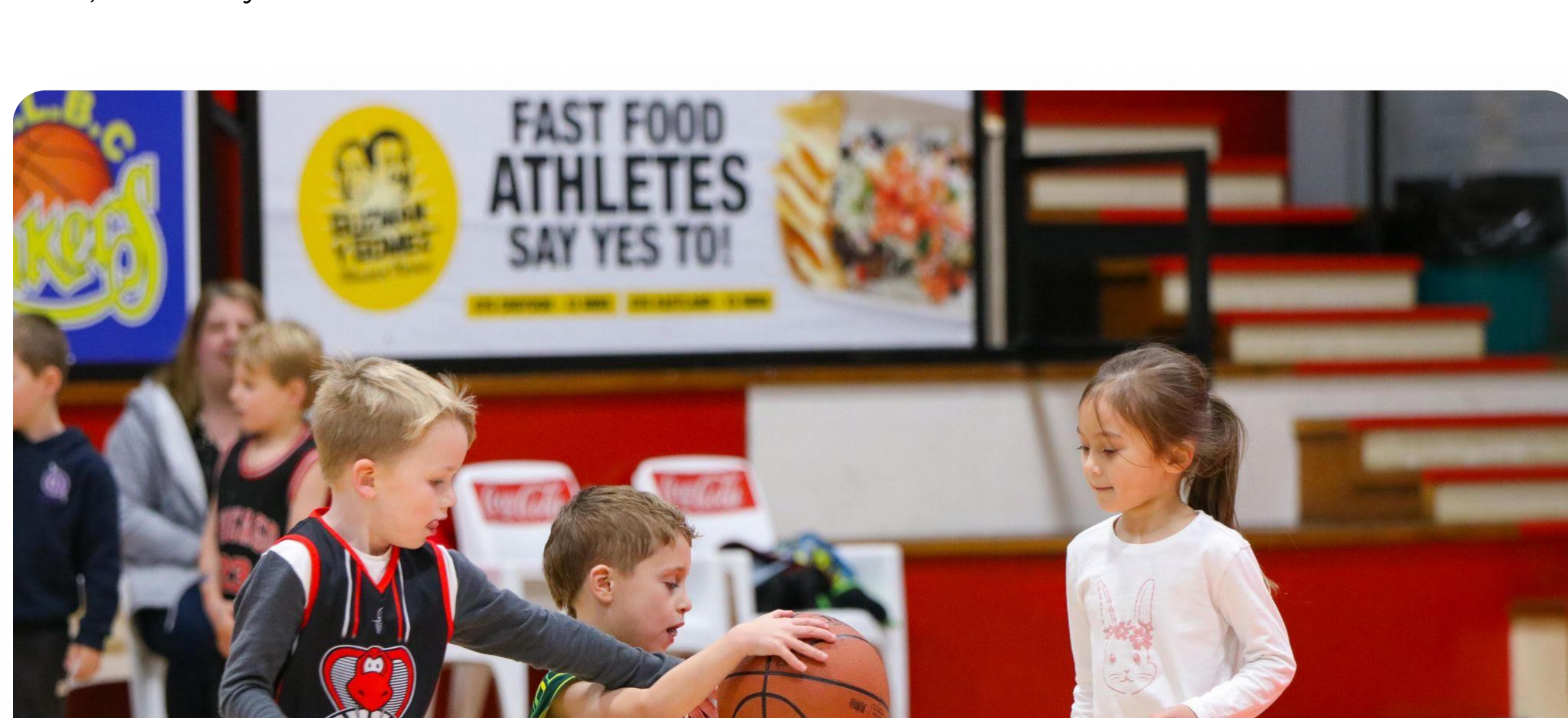
Regional dividends

It's this combination of local authenticity, customer experience, word of mouth marketing and regional commitment that enabled GyG's Lake Haven store in the Central Coast of NSW to break the record for the biggest opening day in the company's history this year. The regional store then broke the seven-day opening record in just four days of sales.

"It really does go to show how important those regional areas are to us and in building the hype and creating that cult following locally for GyG," Thom adds. "It doesn't really matter to us whether it's the CBD or regional Australia, brand comes first. We know if people are connected to our brand, they're going to follow us."

Thom again stresses the need to balance national marketing with getting creative and connected through local marketing. A key local marketing activation for GyG given its healthy food message is community sport. The QSR sponsors 200 sporting clubs nationally, from NRL to AFL and cricket, and became an official sponsor of the Super Netball in 2023.

"We're sponsoring some clubs that have 15,000 people through the doors every week. Most of the local community clubs we actually support have more people through the doors than an NRL game every week," Thom says.



Understanding the customer base

So what does it take to realise local and regional marketing opportunities? Thom brings it back to better understanding your customer base and tapping into local insights.

"It's important to understand what's working and how to create the hype in each area," she says.

"We opened a restaurant in Orange around Christmas last year, and my daughter goes to a school that's also a boarding school pulling from Orange. I found myself getting extraordinary feedback from these families on the sidelines, who come to Sydney quite often as a result. They'll share what can we do better, or say 'have you talked to this person when you were last in the restaurant?'"

I think that's a really important component of understanding your customer basis: I get my best research from talking to my customers.

"And that's a nice thing GyG does really well despite the fact we're feeding three quarters of a million people every week. We still get down on the ground and we understand grassroots. People aren't numbers. The data helps us form a view and we've got every dashboard known to man. But you can't beat good old-fashioned talking to humans and real-life contact"