



Kura Sushi

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Kura's Background

- Kura Sushi was established in May of 1977 in Sakai City as an ordinary Sushi restaurant
- July 1984: opened first revolving sushi restaurant
- November 1995: Established as corporation
- September 2009: Opened first US restaurant in Irvine, California
- Most famous for conveyor belt sushi and entertainment system
- More than 550 locations across Japan, Taiwan and the United States.



The firm's culture, values, and leadership



- Innovative, tech-driven dining experience.
 - Its mission is to offer fresh, high-quality sushi at affordable prices.
 - The company blends traditional Japanese culture with modern automation and eco-friendly practices.
 - Core values include respect, teamwork, and continuous improvement.
 - Employees are encouraged to take pride in their work and maintain clean, welcoming stores.
 - Leadership focuses on innovation, transparency, and environmental sustainability.
 - Key environmental efforts include reducing food waste and supporting long-term ecological goals.
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Kura's Leadership

The Kura Experience

- *Authentic Japanese*
 - Fresh, natural meals made with premium ingredients.
- *Fun for All*
 - Order from the belt or screen—everyone dines their way.
- *Always Fresh*
 - Ventilated lids and tracking tech keep sushi fresh.
- *Creative Menu*
 - New seasonal dishes added every month.
- *Premier Ingredients*
 - No artificial additives—only clean, quality food.
- *Bikkura Pon*
 - Earn a prize by inserting 15 plates—help Mutenmaru!



Kunihiko Tanaka, Founder of Kura Sushi



External Analysis



Products and Services



PIKMIN x KURA くら



Industry

- Restaurant Industry
- Conveyor belt sushi dining
- According to Kura Sushi USA, Inc., they believe that their systems “combine advanced technology, premium ingredients, and affordable prices to enhance the unique dining experience”.



PESTEL



- Technological Factors
 - AI integration
 - Minimizes food wastes, boosts accuracy of inventory, understand consumer preferences better
- Economic Factors
 - Inflation concerns and consumer spending impact Kura's financial performance
 - Consumers wary of higher prices lead to reduction of spending
 - Increase of prices on Kura's menu
 - Experienced Sales plunge
 - Sales decreased
 - Food and beverage costs were also reduced



Porter's 5 Forces: Risk of New Entries



- Dining alternatives like takeout & fast casual
- Customers may opt for lower-cost sushi chains
- Experience & automation are hard to replicate
- “Kura differentiates with tech-driven service & quality ingredients” - Industry Review

Porter's 5 Forces: Risk of Rivalry

1. High competition from other sushi chains
2. Differentiation through tech & automation
3. Customer loyalty driven by unique experience



- Genki Sushi and Yo! Sushi compete in similar spaces
- Kura's Bikkura Pon & fresh-tracking lid tech set it apart
- "Tech and experience reduce price-based competition" – Restaurant Tech Review

Porter's 5 Forces:

Bargain Power of Suppliers

Suppliers of Kura Sushi:

- SOFi – Eco-friendly PFAS-free paper straws
- EcoPON – Supplies prize capsules for customer engagement
- Action Sales – Restaurant supply and commercial kitchen equipment
- Kura Sushi's focus on sustainable and efficient supply chains helps maintain a competitive edge.



eco friendly
ecopon
made of paper

Porter's 5 Forces: Bargain Power of Buyers

Kura Sushi's Key Buyers:

- *Main Customer Base:* Sushi lovers, environmentally-conscious consumers, and tech-savvy diners seeking unique dining experiences.
- *Loyalty Program:* Strong customer retention through Kura's "Kura Rewards" and frequent promotions.

Key Insights:

- *Target Market:* Various segments including budget-conscious diners, families, and tech enthusiasts.
- *Competitive Pricing:* Kura Sushi's affordability, combined with innovative technology in its sushi-making process, helps retain buyers in a competitive dining market.



Porter's 5 Forces: Threat of Substitutes



Few Substitutes to Kura Sushi:

- a. *Conveyor Belt Sushi Competitors* – Other restaurants offering conveyor belt sushi, but none with Kura's unique technology.
- b. *All-You-Can-Eat Sushi Restaurants* – Alternatives to Kura's sushi, but with different dining experiences and price points.
- c. *Traditional Sushi Bars* – More classic sushi experiences that lack Kura's tech integration and fast-casual appeal.
- d. *Fast Food Chains Offering Sushi Rolls* – Alternative quick sushi options with lower quality but higher convenience.

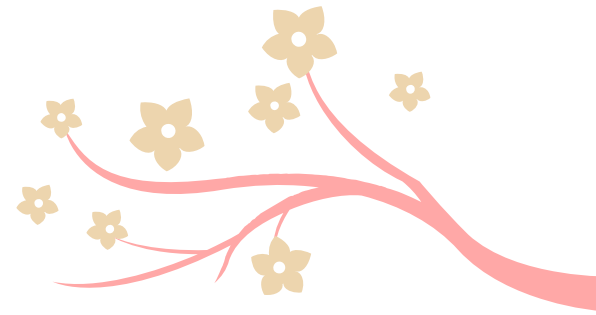
Andrew Groves 6th Force Industry Complementors

- Collaborations: Jujutsu Kaisen, One Piece, Demon Slayer, Sanrio
 - Every 15 plates customer receives a prize
- Coral AI
 - QR code on plate
 - Camera recognizes what is on each plate
 - Coral USB accelerator detects when each plate is picked up
 - Information this provides staff:
 - Popularity of each dish
 - Freshness of each dish
- Food delivery Services
 - Reach more customers
 - Expose customers to Japanese Cuisine



Industry Life Cycle

- Kura Sushi operates in the growth stage of the industry life cycle.
- The market is seeing increased consumer interest and rising demand for tech-driven dining experiences.
- Kura is expanding rapidly, especially in the U.S., indicating strong growth potential.
- The company differentiates itself through automation, novelty, and a unique dining format.
- Consumer awareness of this type of dining is growing, but the market is not yet saturated.
- Emerging competitors are beginning to enter the space, signaling a developing industry.
- There is still significant room for expansion before the industry reaches maturity.



Internal Analysis



Strengths

- Advanced technology integration
 - “Mr. Fresh” dome covers, RFID freshness tracking, Coral AI
- Strong customer engagement
 - Partnerships: Sanrio, One Piece, Demon Slayer
 - Appeal to younger customers and families
- Strong supplier relationships
 - Long-term contracts with JFC and Mutual to secure stable pricing and supply



Weaknesses

- High dependence on technology
 - Investment in upgrades, maintenance, and technical support
- Sensitivity to economic downturns
 - Consumers view Kura as entertainment and discretionary spending
 - Less likely to spend extra money to get Kura Sushi
- Supply chain risks
 - 70% of ingredients are imported
 - Vulnerable to disruptions



Resources and Activities

Resources

- Basic
 - Well established supply chain network
- Advanced
 - Various tech systems for quality and customer preference tracking

Activities

- **Core** - Getting fresh sushi effectively to customers
- **Support** - Technology, partnerships
 - **Efficiency** - Automated systems
 - **Quality** - Freshness through monitoring technology
 - **Innovation** - Constant tech upgrades and AI integration
 - **Customer responsiveness** - Real time feedback

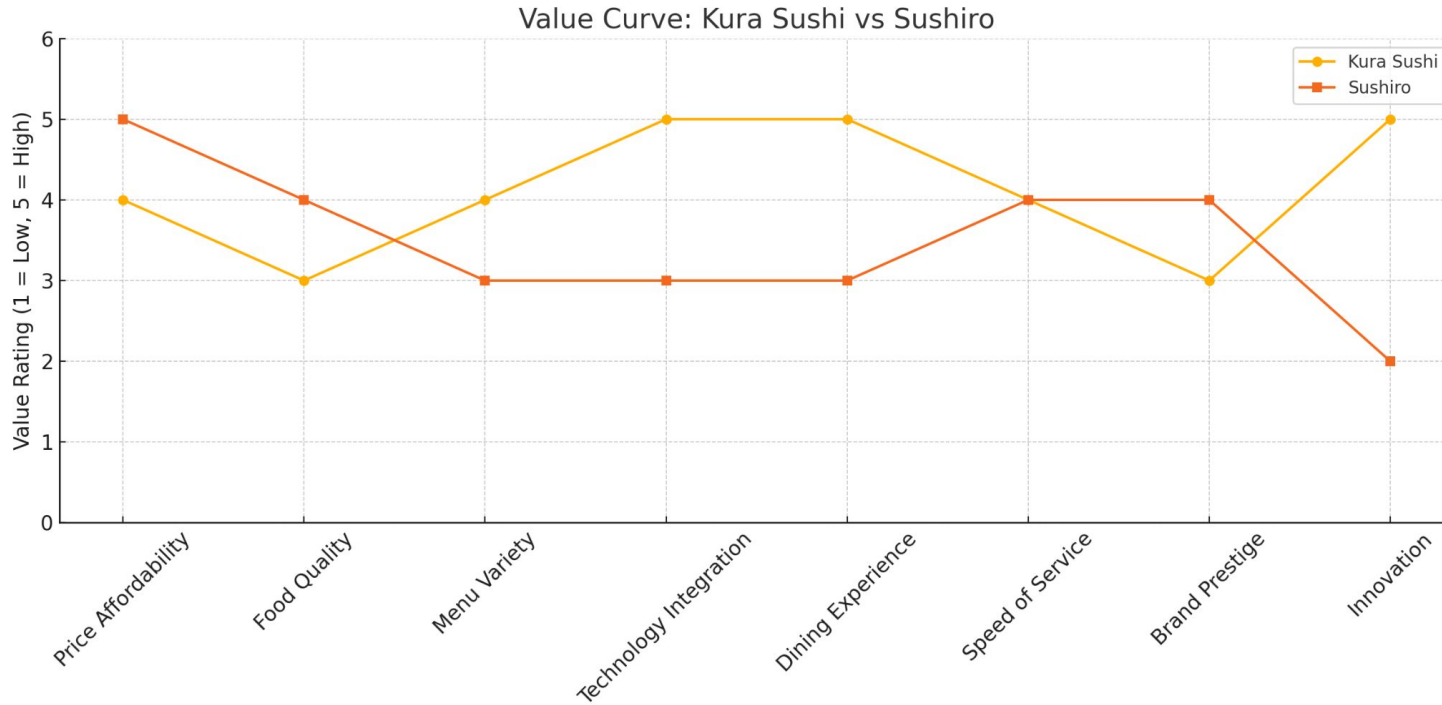


Blue Ocean Strategy

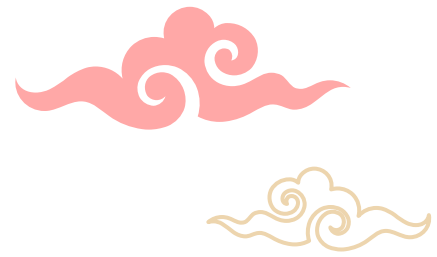


Strategic Factor	Kura Sushi	Sushiro
Price Affordability	4	5
Food Quality	3	4
Menu Variety	4	3
Technology Integration	5	3
Dining Experience	5	3
Speed of Service	4	4
Brand Image	3	4
Innovation	5	2

Future Value Curve



Major Problems



- **Food Quality**
 - Kura has to import many of their ingredients
 - Effect on freshness
 - Sitting on conveyor belt
- **Brand Image**
 - Collaboration with random partners
 - No central image



Four Actions Framework



- **Eliminate:** nonessential menu items
 - Though Kura is very innovative with their menu, it could help with cost to eliminate menu items that are too “out of the box” or too expensive
- **Reduce:** Labor hours by utilizing automated cleaning/restocking
- **Raise:** Sustainability practices
- **Create:** Subscription service to incentivize customers to keep coming back and to order more



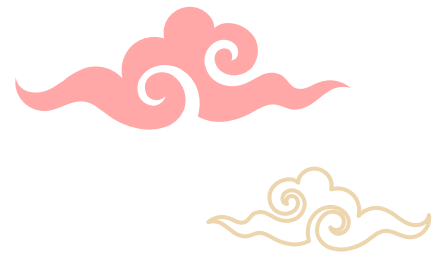
Three Strategies for Improvement



1. Invest in new preservation tactics to help improve freshness and quality of ingredients
2. Stick to their mission. Provide quality, affordable food presented in a fun and exciting way
3. Avoid over extending their resources in the pursuit of expansion



Shareholder Recommendations



- Recommended to buy more or hold
 - Kura is expanding in the US
 - Opening 9 new locations in the near future
 - According to 10Q report they ended with more cash on hand than their previous year's report



Thank you!

