



# GAISYOKU.COM

1 March 2019 issue

## ● Kura Sushi Hamburger (くら寿司のハンバーガー)

● Kura Sushi, a conveyor belt sushi chain, has started selling hamburgers. The chain has introduced curry and gyu-don using vinegared rice in the past, but the launch of hamburgers came as a surprise. Curry and gyu-don are part of Japanese food culture, but hamburgers are American. Would you try a hamburger that is made by a restaurant that is such a strong representative of the Japanese culture? There is a risk of damaging the quality image that the company has established for sushi, if the hamburger segment is too strong. Sushiro is doing well by just specializing in sushi.

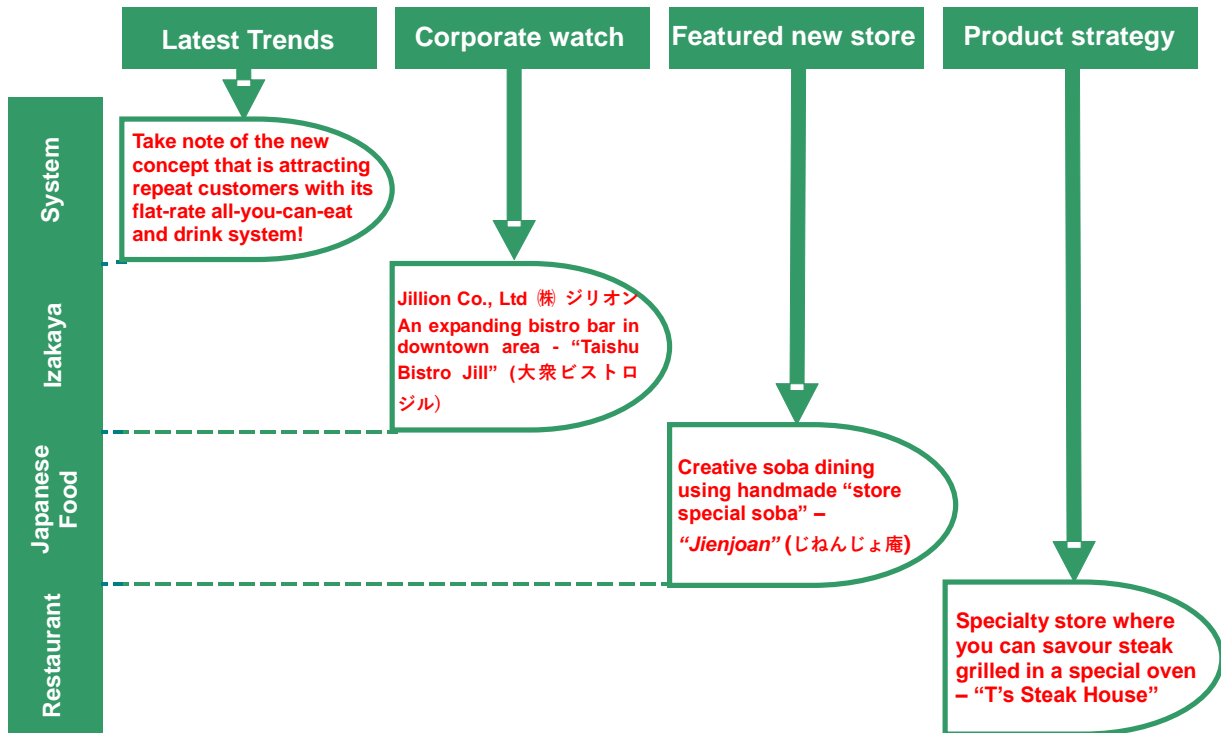


● Torikizoku (鳥貴族), which used to be ahead of the pack (飛ぶ鳥を落とす勢い), experienced a drastic decline in sales after a ¥18 price hike. But I think this is necessary to sustain the business and bring it to the next level. To go against the expectations of customers who have supported our business, appears to be a luxury for us.

- Jotaro Fujii

1 March 2019 issue

## HOT NEWS! Shanghai: Opening of Starbucks' new "Bakery Café" concept



# 1. HOT NEWS! **Shanghai**: Opening of **Starbucks'** new **"Bakery Café"** concept

Starbucks has 27,500 outlets worldwide. 14,000 of them are in the US and 1,400 in Japan. There is little room left for more outlets. "Reserve Roastery" is a new strategy that Starbucks has deployed in five locations worldwide, including Tokyo. The "Bakery Café" concept under Reserve Roastery is the next strategy to watch. **The first "Reserve Bakery Café" opened in Shanghai in February, with more outlets coming up. The concept serves breakfast, lunch and brunch, as well as wine and beer.** The bakery section is managed by **Princi**, a popular Milan bakery that Starbucks had invested in. The top right photo below is the first test outlet of Bakery Café that was opened in Seattle in 2016. It had the ★ and R as the logo.



## 2. Latest Trends

Take note of the new concept that is attracting repeat customers with its flat-rate all-you-can-eat and drink system!

### ■ Ramen Nagi (煮干しラーメン 凧) By Nagi Spirits Company (株) 凧スピリッツ



● On 25 December 2018, Ramen Nagi opened an outlet at Nagisa Terrace (なぎさテラス) at level 1 of “msb Tamachi” (ムスブ田町), a commercial facility located at the East Exit of Tamachi Station on the JR Yamanote Line. The outlet introduced the use of the “Face Pass System” (顔パスシステム), a face recognition system for customers to place their orders. The system registers the customer’s face and his/her favorite ramen using the monitor installed at the ticket vending machine. Customers could purchase three types of all-you-can-eat passes: the Light Pass at ¥8,000 (1 month usage), Premium Pass at ¥22,000 (3 months usage) and the Time Pass at ¥15,000 (for use during 14:00 – 22:00). “Unbelievable Niboshi Ramen” (すごい煮干しラーメン) and “Niboshi Tsukemen” (煮干しつけめん) are available at ¥830 and ¥880 respectively.

### ■ Koshitsu Izakaya Yu Yu “個室居酒屋柚柚 yuyu” By Andmowa アンドモア (株)



● The monthly all-you-can-drink package deal, “One Month Mowa Pack” (ワン・マンズ・モア・パック), is now available at all 32 outlets across 8 concepts, after it was piloted for a limited period at the Akihabara outlet. There are 4 types of Pack available: ¥3,000 for 1 month’s use, ¥5,000 for 2 months, ¥7,000 for 3 months and ¥13,000 for 6 months. Customers may apply and get a card at the outlets. Upon presentation of the card, customers can choose from 250 drinks including draft beer, and drink all they can within 120 minutes, once a day with an order of 2 dishes.

### Discussion : The Future of “Monthly Flat Fee System”

“Coffee Mafia” (コーヒー マフィア) launched a flat ¥3,000 mobile-application based system that customers could use to register and pay. “Yaro Ramen” (野郎ラーメン) created a buzz when it introduced a flat monthly ¥8,600 package for a month. Ramen Nagi, which hopped on the bandwagon later, uses a face recognition system targeted at regular customers. Koshitsu Izakaya Yu Yu offers an affordable price system, which helps to increase the usage. These systems are expected to gain popularity in the future as the technology to order and pay simplifies. More new sales approaches will be developed as business conditions change.

### 3. Progressive Companies

#### ■ Jillion Co., Ltd. 株式会社 ジリオン

##### ● An expanding bistro bar in downtown area

Jillion Co., Ltd. was established in April 2013. “Taishu Bistro Jill” (大衆ビストロ ジル) started from the West Exit of JR Meguro Station, and expanded to Nakameguro and Nishi-Shinjuku. The company has been expanding mainly in the downtown area since 2016, with unique concepts such as “Sakaba Sinatra” (酒場シナトラ), “Taishu Bistro Nijill” (大衆ビストロ 煮ジル), and “Japanese Bistro JB” (和ビストロ JB). The company has grown to 13 outlets across 5 concepts.

##### ● Taishu Bistro Jill (大衆ビストロ ジル)

The store offers a “meat-centric” menu with items such as “Duck Leg Confit” (鴨もも肉のコンフィ), “Roast Lamb” (仔羊のロースト) and signature dishes such “Beef and Foie Gras Minced Meat Cutlet” (牛肉とフォアグラのメンチカツ), “Chicken Liver and Tender Carpaccio” (鶏レバーとささみのカルパッチョ), and “Shiokara Potato Gnocchi” (塩辛じゃがニョッキ). There are altogether 30 items priced from ¥300 to ¥1,880. It is a familiar menu with a pleasant Western twist to it. The check size is estimated to be ¥3,000 per person. The store is patronized mainly by couples and groups of female diners.



## 4. Featured New Store

**Creative soba dining using handmade “store special soba”.**

**Soba Diner “Jienjoan”(じねんじょ庵) BY Dining Innovation Ltd. ダイニングイノベーション**



• Jienjoan (じねんじょ庵) set up the first outlet in March 2018 next to the North Exit of Aobadai Station on the Tokyu Den-en-toshi Line. This was followed by the next outlet at Musashi-Kosugi Station on the Tokyu Toyoko Line in October, and another one in front of the Seijogakuen-Mae Station on the Odakyu Line on 30 November. The Soba Studio next to the store supplies hand-made “store special soba” (店仕込み蕎麦) to go with 12 types of dipping sauce. The menu includes “Kakomi Soba” (囲み蕎麦) at ¥590, 12 types of “Vegetable roll kushi” (野菜巻き串) or pork rolled with vegetable skewers at ¥200 to ¥420 each, and ala carte dishes such as “Fuwato” (ふわっと) okonomiyaki and “Mentai Isobe Age” (明太磯辺揚げ) with Japanese yam. Most of the customers are female and couples. The fourth outlet opened on 28 March 2019 at “etomo Azamino” (エトモあざみ野), located next to Azamino Station on the Tokyu Den-en-toshi Line.

### Evaluation

Soba specialty stores in the downtown area are usually izakayas that attract mainly male customers at night. However, Jienjoan attracts a wide range of customers by offering hand-made soba and healthy dishes at reasonable prices, in front of subway stations. Stores that serves soba in a café restaurant ambience are steadily expanding their number of outlets. Such a concept is acceptable to the senior or elderly customer segment.

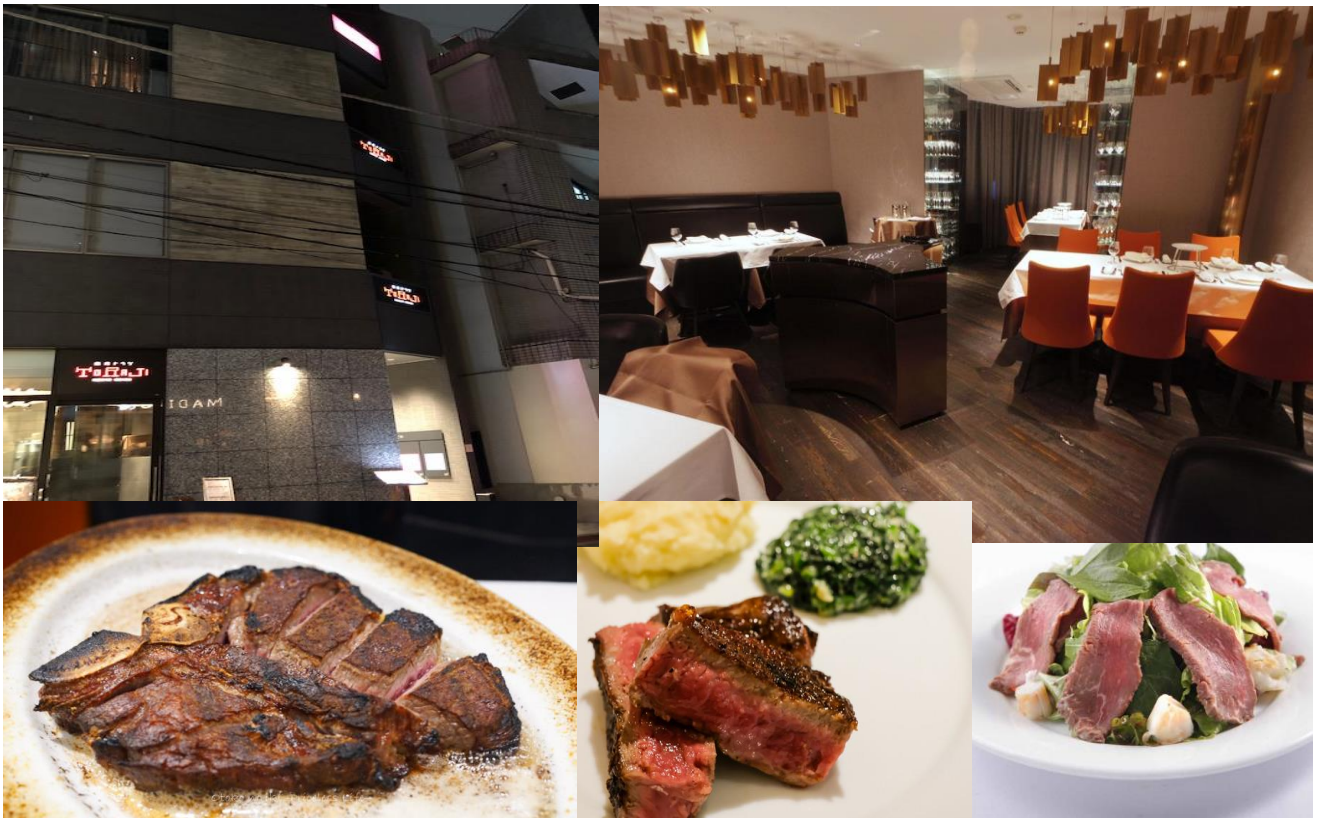
## 5. Product / Business Strategy

Steak restaurant

Specialty store where you can savor steak grilled in a special oven

**T's STEAK HOUSE** [BY Toraji Corporation \(株\)トラジ](#)

■ **Features** : The store uses dry-aged US prime beef for its T-Bone Prime Steak. Meat cut for 2 to 4 persons are placed with butter in a heat-resistant pan, and grilled at 900°C in an open-flame broiler oven. There are other beef cuts available such as “Fillet”, “Sirloin Steak”, and “Rib Eye Steak”. There are 3 types of sauce to go with the steak. They include a red wine sauce with a secret Toraji yakiniku sauce base, and the classic tomato sauce. The store also serves Zabuton loin and a “quartet” that comes with 4 types of meat such as Wagyu steak and lamb chop, with prices ranged from ¥7,500 to ¥32,000. Groups of diners could order from 3 types of courses that cost between ¥10,000 and ¥15,000. An outlet was opened on 21 February 2019 on the third floor of “Yakiniku Toraji Honten” (焼肉トラジ 本店), located near the West Exit of JR Ebisu Station. Toraji is well known for its yakiniku. Its transition from yakiniku to steak is something that is worth watching.



**Strategy**: The casual “Ikinari Steak” concept, where diners can enjoy quality steak alone, is rapidly expanding to more than 400 outlets. T’s Steak House is a new steak concept that specializes in high quality beef and grill techniques, leveraging on the know-how of Yakiniku Toraji. It has the challenge of developing a new customer base by setting up an outlet at the Toraji main store, which is already well-known for its yakiniku. It aims to expand the high price-point steak concept in a growing market, by differentiating the taste and the way of cooking beef.

- Latest new store

27 February 2019

Store specializing in cheap chicken dishes:  
 “Yarujanai!” (やるじゃない!)

Located at the North Exit of Koenji Station on the JR Chuo Line

This is the first outlet of the low-price izakaya that sells yakitori at ¥98 each and ¥198 for items such as cooked dishes and donburi. It is operated by F&B company, United & Collective Co., Ltd.



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