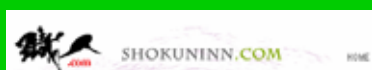




Executives Impacting Asian Business

Executives on the Move



Shokuninn.com

- Profile -



Shinya Sakurai

President of Shokuninn.com

Industry: Internet Marketing
Location: Japan (Kyoto), U.S.
Date Established: 2004
Staff: 6
Sales 2005: ¥12 million
e-mail: support@shokuninn.com
URL: www.shokuninn.com

Shokuninn.com is bridging the gap between Japanese artisans and Japanese and foreign buyers to help promote and sell traditional products and modern goods and keep traditional Japanese crafts alive.

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Are Japan's hot high-tech manufacturing industries threatening to put highly-skilled Japanese artisans out of business? Not if a young Japanese entrepreneur running a growing Web business with an eye on the future and a hand on the past has anything to do with it!

Business Writer Jonathon Walsh reports about an innovative Kyoto-based start-up that is helping keep Japan's artisans in business and selling their goods on a global scale.

Have you ever wanted to buy a truly authentic hand-made Japanese art or craft product but have never been able to find just the right item, let alone know how or where to buy it? If so, a small company in the heart of Japan's cultural capital of Kyoto driven by an enterprising young Japanese entrepreneur may hold the key – and provide you with ideas to help grow your enterprise.

Traditional craftspeople struggling to find buyers

Shokuninn.com, a bilingual English/Japanese Web business founded in September 2004 by president **Shinya Sakurai**, acts as a bridge between traditional Japanese craftsmen and artisans, and anyone around the world who has an appreciation of quality Japanese arts and products.

“As most Japanese traditional craftspeople do not speak English, are not very Internet aware and do not have the means to promote their products beyond local markets, they have a great deal of trouble finding buyers for their goods,” the 24-year-old former commercial science graduate of Doshisha University in Kyoto explains. “Therefore, the main aim of the business is to help promote and sell these traditional products and modern goods and keep these traditional crafts alive.”

Artisans' promotion hurdles bred business game plan

So, how did the business get off the ground? The spark behind the launch of Shokuninn.com was ignited by Sakurai in the form of a venture business. “We were operating from a small room close to Oike Karasuma in the heart of Kyoto,” he explains. “Initially, we searched out and talked to various Kyoto artisans about the promotion of their traditional products via a website within Japan.”

While many successful start-ups may look on the surface like one-night-wonders, the real action occurs behind the scenes. What groundwork was involved in getting Shokuninn.com operational?

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“Preparation mainly consisted of an enormous amount of research to find and talk to Japanese craftspeople that by nature are very conservative and not always willing to embrace new technology like the Internet,” Sakurai explains. “Once we realized that these craftspeople, who still possess age-old skills passed down from generation to generation, have difficulty promoting their goods, we knew we could do a lot to help keep these crafts alive, and grow a business out of it at the same time. After that we set up as a registered company and began the Web design work.”

Sakurai then built the website in Japanese, photographed and uploaded the product descriptions, and began advertising to find customers. “As more and more traditional craftspeople became involved with Shokuninn.com, the customer base within Japan grew.” In September 2005, Shokuninn.com transformed into a bilingual site and the difficult process of finding overseas customers with an appreciation of Japanese products began.

Turnover on the increase

What kinds of products can customers buy? Sakurai says crafts tend to be of two types. “There are traditional products such as kimono, bamboo weaving and noh masks, and modern items of clothing made from traditional materials using traditional skills, such as jeans, caps, shirts and bags using either new or recycled kimono materials, or t-shirts and jeans featuring traditional hand-painted yuzen designs.”

With the aid of six bilingual staff, Shokuninn.com sold 12 million yen of products for various Japanese artisans in 2005. “This was basically subsistence level for us to keep going as a new business,” Sakurai says. “However, already 2006 is looking to be a big step up on that with a 37% increase in turnover during January 2006 alone. So far that is almost exclusively from customers within Japan.”

Online customer responses monitoring buyers' feedback

So, who is buying and what is selling? “Customers are generally people who have a strong interest in Japan and quality Japanese goods, whether these are Japanese nationals or overseas buyers,” Sakurai says. “Mizra jeans are very popular both in Japan and abroad even though they are very expensive. They're handmade in Japan. Hand painted yuzen tee-shirts are very popular as are pen-cases made from Japanese tabi socks. Hunting caps handmade from Oshima-tsumugi kimono material are also very popular items. The products tend to be expensive as they are almost all hand-crafted from traditional materials, so customers tend to be people who are happy to pay for quality.”

How's feedback been? “We get a lot of feedback and comments from our customers as we deal with things on a very friendly and informal basis,” Sakurai says. “There's a great deal of communication. We have a Web page on Shokuninn.com with a list of customer feedback called 'Customer's Voice.' Generally speaking, feedback comes from new customers who are wary at first of buying things over the Internet sight-unseen. However we have only ever received positive feedback and most customers come back for more. As hand-crafted traditional Japanese products tend to be expensive, people are always careful about buying sight-unseen, but are invariably relieved when they receive their goods. They very often write expressing their pleasure with the quality of the items.”

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A range of carefully created artisans' crafts on offer through Shokuninn.com

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Commission-based business model driving sales

What have been some of the biggest hurdles Sakurai has experienced while running Shokuninn.com? “Finding customers initially, although thankfully more new custom and continued repeat custom means the company is expanding nicely,” he says. “The next great hurdle is building up a solid overseas customer base. But our biggest problem has been space. As more staff joined, we ran out of room, so we moved to new larger offices in February 2006.”

The high point of running the business occurred in Christmas 2005 when all the craftspeople came together as a group for the first time for the ‘bonenkai’ and they realized what they were doing has great value. “All the craftspeople are making a living from their traditional skills, even the young newcomers,” Sakurai says. “**The low point** was definitely April 2005 as we had a 90% drop in business that month. The main artisan on our books at that time went out of business and it affected our company badly. However, now we support a diversity of craftspeople so we are not as exposed as before.”

How does Shokuninn.com make money? The company does not buy any products, but simply acts as an agent between the traditional Japanese artisans and both Japanese and overseas customers. “We take a commission on each sale and goods are sent directly to the customer by the product producing artisan. All business is conducted through our website which is constantly being updated. We offer free worldwide shipping and ship via EMS post which usually takes about three days to anywhere in the world.”

Aiming to increase access to markets, boost sales

What business goals are planned for the future? The company’s immediate business goals are more of the same, only bigger. “Our initial aim remains the same: to help promote and keep Japan’s traditional arts alive. It’s so difficult for these fantastically skilled craftspeople to make a living from their arts. They’re not sales people; they are artists, so it’s up to us to give them access to markets to sell their goods.”

Ideally, Sakurai says he aims over the next 10 years to make Shokuninn.com known in every country around the world and for anyone worldwide to be able to buy modern or traditional Japanese products hand-crafted by some of the world’s finest artisans.

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Dyeing craftsman, Masaaki Aoki



Yuzen painter, Fuyuki

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