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**KU School of Business**  
**National Case Competition**

**Cava Case Prompt:**  
**Mediterranean Fast-Casual Growth Strategy**

Given on Wednesday, March 4<sup>th</sup> 2026

## Prompt

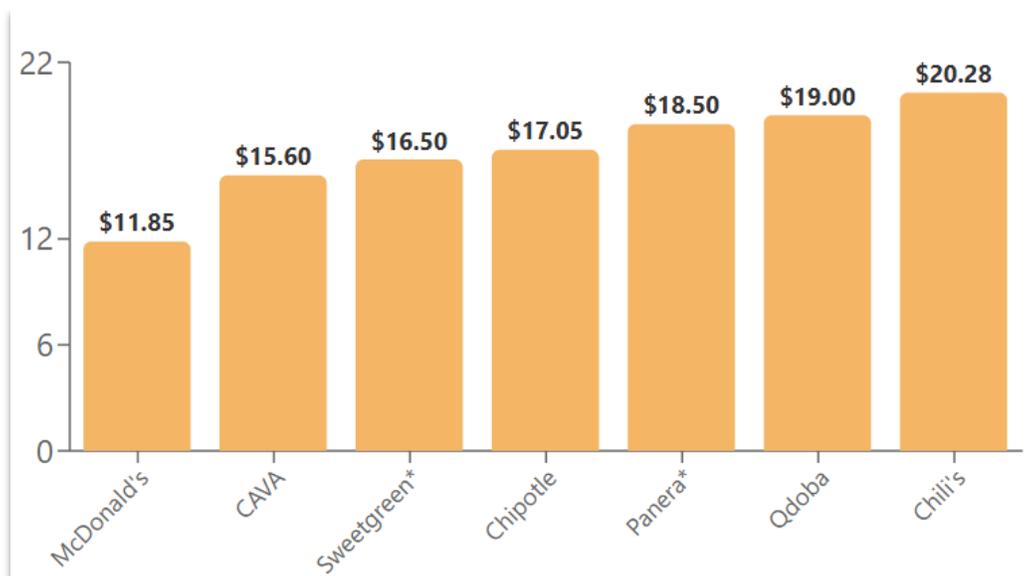
Cava has emerged as a leading fast-casual Mediterranean chain, revolutionizing healthy dining with its customizable bowls and commitment to fresh, Mediterranean-inspired cuisine. However, despite impressive growth trajectory and successful IPO in 2023, the company faces critical strategic decisions as it navigates rapid expansion while maintaining brand authenticity and operational excellence in an increasingly competitive fast-casual landscape.

### Exhibit 1: Cava Financial Performance, 2022-2024

Year	Revenue (\$M)	Store Count	Same-Store Sales Growth
2022	448	263	-
2023	717	309	+17.9%
2024	954	367	+13.4%

Cava's revenue growth has been stellar, with 2023 representing a 59.8% year-over-year increase and 2024 achieving 35.1% growth. The company maintained strong same-store sales growth of 17.9% in 2023 and 13.4% in 2024, significantly outpacing the fast-casual industry average of 3-5%. However, this growth comes with intensifying challenges as the company scales beyond its core Mid-Atlantic and East Coast markets.

### Exhibit 2: Average Transaction Value by Chain Restaurant



\*est. avg. transaction values

CAVA has maintained reasonably high transaction values while demonstrating exceptional pricing discipline compared to competitors. Since 2019, the Mediterranean chain has implemented only 16% price increases—significantly below the 30% industry average and well under the 40% hikes taken by some competitors. This restrained approach, as CFO Tricia Tolivar noted, reflects the company's

commitment to "underpricing inflation" and narrowing the gap between fast-casual and fast-food segments. By keeping prices accessible while delivering fresh, customizable Mediterranean bowls, CAVA has preserved strong transaction values without alienating price-conscious consumers, positioning itself as an attractive alternative to traditional "freezer to fryer" fast-food options.

## **Cava Locations**

Current Cava locations are heavily concentrated in the Northeast and Mid-Atlantic regions, with limited presence in high-growth markets including Texas, Florida, California, and the Mountain West. Market analysis indicates significant untapped potential in metropolitan areas with demographics favorable to Mediterranean cuisine: higher household incomes, health-conscious consumers, and diverse populations.

### **Three critical challenges that could potentially constrain Cava's growth trajectory:**

- 1) **Geographic Concentration Risk:** Over 70% of Cava locations are concentrated in just 6 states, creating vulnerability to regional economic downturns and limiting national brand recognition. The company must balance rapid expansion with maintaining operational quality and brand consistency.
- 2) **Operational Scaling Complexity:** Unlike traditional fast-casual concepts, Cava's Mediterranean menu requires specialized ingredients, supplier relationships, and preparation techniques. Scaling fresh ingredient sourcing, maintaining food quality, and training staff on Mediterranean cuisine preparation across diverse markets presents significant operational challenges.
- 3) **Market Education and Positioning:** While Mediterranean cuisine is growing, it remains less familiar to American consumers compared to Mexican or Asian fast-casual options. Cava must invest in consumer education while competing against established fast-casual giants with deeper marketing budgets and broader geographic presence.

**Cava seeks your expertise to develop a comprehensive and executable growth strategy for the next 3-5 years.** The company aims to expand its national footprint while maintaining its Mediterranean authenticity, operational excellence, and strong unit economics that have driven its success to date.

### **Deliverable Guidelines:**

- Entries should be in the form of a .ppt/.pptx with a maximum of 6 slides.
- The slides should cover the following concepts (in order), but should have unique, insight-oriented taglines:
  - Executive Summary
  - Market Analysis
  - Customer Analysis
  - Competitive Analysis
  - Company Capabilities
  - Next Steps

**Scoring Rubric** (out of 70):

- 10 – Executive Summary
- 10 – Market analysis
- 10 – Customer analysis
- 10 – Competitive landscape
- 10 – Company capabilities
- 10 – Next steps
- 10 – Presentation delivery

**Rules:**

- No person can be a part of more than 1 team.
- Each team will require 1 captain that will be responsible for presentation and question submissions.
- The decision of the judges will be final and binding in all instances.

**Fast-Casual Restaurant Industry Overview:**

The U.S. fast-casual restaurant industry represents approximately \$45.6 billion in annual sales, positioned between traditional fast food and casual dining. The segment is projected to grow at a CAGR of 6.4% from 2025-2034, reaching \$80.02 billion by 2034. Key characteristics include order customization, premium ingredients, transparent food preparation, and price points typically 15-25% higher than quick-service restaurants.

Consumer preferences continue evolving toward health-conscious dining, sustainable sourcing, and authentic cultural cuisines. The industry is increasingly fragmented, with regional and specialty concepts gaining market share from traditional burger and pizza chains. Technology integration through mobile ordering, delivery platforms, and loyalty programs has become essential for competitive positioning.

Industry challenges include rising food and labor costs, intense competition for prime real estate locations, delivery platform commission pressures, and the need for continuous menu innovation. The segment faces pressure from both traditional fast food chains upgrading their offerings and casual dining restaurants streamlining operations. Supply chain complexity, particularly for fresh ingredients, and workforce retention in competitive labor markets present ongoing operational challenges.

**Cava Overview:**

Cava Group Inc., founded in 2006 by three friends in Rockville, Maryland, has grown from a single full-service restaurant to a leading fast-casual Mediterranean chain. The company went public in June 2023 and operates primarily through company-owned locations, maintaining tight control over food quality, brand experience, and operational standards. Cava's concept centers on customizable Mediterranean bowls, salads, and pita wraps featuring fresh ingredients, house-made dips, and signature sauces.

The company's value proposition combines healthy, flavorful Mediterranean cuisine with the convenience and speed of fast-casual dining. Cava emphasizes ingredient transparency, sustainable sourcing, and cultural authenticity while adapting traditional Mediterranean flavors for American palates. The brand has built a strong following among health-conscious consumers, particularly millennials and Gen Z customers seeking alternatives to traditional fast-casual options.

Cava's operational model focuses on high-quality ingredients, including proprietary items like harissa, tzatziki, and falafel made in company facilities. The company maintains a streamlined menu designed for operational efficiency while offering extensive customization options. Digital ordering and loyalty programs drive customer engagement and data collection, supporting personalized marketing and menu optimization.

### **Key Personnel:**

Brett Schulman serves as CEO and co-founder of Cava, leading the company's strategic vision and expansion efforts. Under his leadership, Cava has grown from a single restaurant to a publicly traded company with over 350 locations. Schulman's background includes experience at Bain & Company and business school training, bringing analytical rigor to restaurant operations and strategic planning.

Tristan Mitchell serves as President, overseeing day-to-day operations, supply chain management, and new market expansion. His operational expertise has been crucial in maintaining food quality and service standards during rapid growth phases. Mitchell's focus on operational excellence and scalable systems has enabled Cava to maintain consistent brand experience across diverse markets.

The executive team includes experienced restaurant industry professionals with backgrounds at successful fast-casual and casual dining concepts, bringing expertise in areas including real estate, marketing, technology, and supply chain management. This leadership depth has been essential in navigating the complexities of rapid expansion while maintaining the company's Mediterranean authenticity and operational standards.