Battle of Neighborhoods

Building a Pizza Place in Hyderabad

Business Problem



• To analyse and select the best locations in the city of Hyderabad, India to build a new Pizza outlet. Using data science methodology and machine learning techniques like clustering, this project aims to solve this and get an answer to the business question:

"In the city of Hyderabad, India, if a business person or property developer is looking to build a new pizza outlet, where would you recommend that they do so?"

Data Analysis

- This Wikipedia page
 (https://en.wikipedia.org/wiki/Category:Neighbourhoods_in_Hyderabad,_India) contains a list of neighbourhoods in Hyderabad, with a total of 200 neighbourhoods. We will use web scraping techniques for extracting the data from the Wikipedia page, with the help of Python requests and beautiful soup packages.
- Then we will use Python Geocoder package to get the geographical coordinates of the neighbourhoods which will give us the latitude and longitude coordinates of the neighbourhoods.
- After that, we will be using Foursquare API to get the venue data for those neighbourhoods.

Methodology

- We will do web scraping using Python requests and beautiful soup package to extract the list of neighbourhood's data. This is only a list of names
- We will use the Geocoder package to convert address into geographical coordinates in the form of latitude and longitude
- Now, we will be populating the data into a pandas Data Frame and then visualize the neighbourhoods in a map using Folium package. Next, we will use Foursquare API to get the venues.
- We then make API calls to Foursquare passing in the geographical coordinates of the neighbourhoods in a Python loop. Foursquare will return the venue data in JSON format and extract the venue name, venue category, venue latitude and longitude

| | Neighborhood | Neighborhood Latitude | Neighborhood Longitude | Venue | Venue Latitude | Venue Longitude | Venue Category |
|---|-----------------|-----------------------|------------------------|--------------------|----------------|-----------------|----------------|
| 0 | A. C. Guards | 17.395015 | 78.459812 | Hotel Marjaan | 17.395373 | 78.455115 | Café |
| 1 | A. C. Guards | 17.395015 | 78.459812 | Milan Juice Center | 17.392266 | 78.458102 | Snack Place |
| 2 | A. S. Rao Nagar | 17.411200 | 78.508240 | Srinivasa Textiles | 17.407338 | 78.509908 | Clothing Store |
| 3 | A. S. Rao Nagar | 17.411200 | 78.508240 | Reign Gym & Spa | 17.407340 | 78.509920 | Gym |
| 4 | A. S. Rao Nagar | 17.411200 | 78.508240 | turnhalle gym | 17.407347 | 78.509941 | Gym |

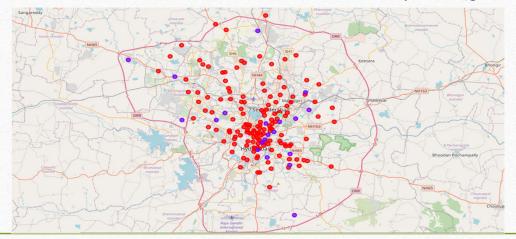
Continued...

- Since we are analysing the "Pizza Place" data, we will filter the same as venue category for the neighbourhoods.
- Lastly, will perform clustering on the data using k-means clustering.
- We will cluster the neighbourhoods into 3 clusters based on their frequency of occurrence for "Pizza Place". The results will allow us to identify which neighbourhoods have higher concentration of housing development and IT offices

| | Neighborhood Latitude | Neighborhood Longitude | Venue | Venue Latitude | Venue Longitude | Venue Categor |
|-----------------|-----------------------|------------------------|-------|----------------|-----------------|---------------|
| Neighborhood | | | | | | |
| A. C. Guards | 2 | 2 | 2 | 2 | 2 | 2 |
| A. S. Rao Nagar | 4 | 4 | 4 | 4 | 4 | 4 |
| Abhyudaya Nagar | 6 | 6 | 6 | 6 | 6 | 6 |
| Abids | 19 | 19 | 19 | 19 | 19 | 19 |
| Adikmet | 3 | 3 | 3 | 3 | 3 | 3 |
| | | | | | | |
| Saroornagar | 6 | 6 | 6 | 6 | 6 | 6 |
| Secunderabad | 11 | 11 | 11 | 11 | 11 | 11 |
| Shah-Ali-Banda | 6 | 6 | 6 | 6 | 6 | 6 |
| Shahran Market | 8 | 8 | 8 | 8 | 8 | 8 |
| Shanker Mutt | 4 | 4 | 4 | 4 | 4 | 4 |

Results

- Cluster 0: Neighbourhoods with high number of Pizza places (red colour)
- Cluster 1: Neighbourhoods with moderate number of Pizza places (purple colour)
- Cluster 2: Neighbourhoods with low or no concentration of Pizza places (green colour)



Discussion

- Most of the Pizza places are concentrated in the central area of Hyderabad city, with the highest in cluster 0 and moderate in cluster 1. Cluster 2 has no Pizza places in the neighbourhoods. This represents a great opportunity and high potential areas to build a new pizza outlet
- Pizza places in cluster 0 are facing tough competition, causing some inconvenience to the business. From another perspective, the results also show that the oversupply of pizza places mostly happened in the central area of the city.
- Therefore, this project recommends property developers to capitalize on these findings to build pizza outlet in neighbourhood of cluster 2. Lastly, property developers are advised to avoid neighbourhoods in cluster 0 which have a very high concentration of pizza places.

| | Neighborhood | Pizza Place | Cluster Labels | Latitude | Longitude |
|-----|------------------------------------|-------------|----------------|-----------|-----------|
| 0 | A. C. Guards | 0 | 0 | 17.395015 | 78.459812 |
| 104 | Mahatma Gandhi Road (Secunderabad) | 0 | 0 | 17.487350 | 78.420870 |
| 105 | Malakpet | 0 | 0 | 17.481130 | 78.583700 |
| 106 | Malkajgiri | 0 | 0 | 17.512650 | 78.441290 |
| 107 | Malkajgiri mandal | 0 | 0 | 17.361450 | 78.472090 |
| | | | | ···· | ••• |
| 114 | Mehdipatnam | 1 | 1 | 17.350670 | 78.534040 |
| 40 | Chilkalguda | 1 | 1 | 17.377330 | 78.489740 |
| 66 | Izzat Nagar | 1 | 1 | 17.391920 | 78.505640 |
| 145 | Punjagutta | 1 | 1 | 17.433510 | 78.566730 |
| 150 | Raj Bhavan Road | 2 | 2 | 17.423410 | 78.515340 |

Conclusion

- In this project, we started the process by identifying the business problem, specifying the data required, extracting and preparing the data, performing machine learning by clustering the data into 3 clusters depending on similarities, and then providing recommendations to the relevant stakeholders i.e., property developers and investors regarding the best locations to build a new pizza outlet.
- To answer the business question that was raised in the introduction section, the answer proposed by this project is: The neighbourhoods in cluster 2 are the most preferred locations to build new pizza outlet. The findings of this project will help the relevant stakeholders to capitalize on the opportunities on high potential locations while avoiding areas in their decisions to build a new pizza outlet.

