# COURSERA CAPSTONE

IBM APPLIED DATA SCIENCE CAPSTONE
Opening a new coffee shop in Dubai, UAE

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## **BUSINESS PROBLEM**

- Location of the coffee shop is one of the most important decisions that will determine whether the coffee shop will be a success or a failure.
- Objective: To analyse and select the best locations in the city of Dubai, to open a new coffee shop.

### **Business question**

 If someone is looking to open a new Coffee shop in Dubai, where would you recommend that they open it?

## Data

#### Data required

- -List of neighborhoods in Dubai, UAE.
- -Latitude and longitude coordinates of the neighborhoods.
- -Venue data, particularly data related to shopping malls.

#### Sources of data

- -Wikipedia page for neighbourhoods. (<a href="https://en.wikipedia.org/wiki/List\_of\_communities\_in\_Dubai">https://en.wikipedia.org/wiki/List\_of\_communities\_in\_Dubai</a>)
- -Geocoder package for latitude and longitude coordinates.
- -Foursquare API for venue data.

### METHODOLOGY

- Web scraping Wikipedia page for neighbourhoods list.
- Get latitude and longitude coordinates using Geocoder.
- Use Foursquare API to get venue data.
- Group data by neighborhood and take the mean of the frequency of occurrence of each venue category.
- Filter venue category by 'coffee shop'.
- Perform clustering on the data by using k-means clustering.
- Visualize the clusters in a map using Folium.

# **RESULT**

# Clustring the neighborhoods into 3 clusters:

- Cluster 1 (red): Neighborhoods with moderate number of coffee shops
- Cluster 2 (purple): Neighborhoods with high number of coffee shops
- Cluster 3 (green): Neighborhoods with low number to no existence of coffee shops



# RECOMMENDATIONS

- Open new coffee shop in neighbourhoods in cluster 3 with little to no competition.
- There is an ability to open in neighbourhoods in cluster 1 with moderate competition if there is a unique selling propositions to stand out from the competitors.

# CONCLUSION

**The answer to business question:** The neighbourhoods in cluster 3 are the most preferred locations to open a new coffee shop

• Findings of this project will help the relevant stakeholders to capitalize on the opportunities on high potential locations while avoiding overcrowded areas in their decisions to open a new shopping mall.