Chennai Neighbourhood Analysis

Anirudh Sridhar May,2020

1. Introduction

1.1 Background

Street vendors are often those who are unable to get regular jobs in the remunerative formal sector on account of their low level of education and skills. They try to solve their livelihoods problems through their meagre financial resource. They are the main distribution channel for a large variety of products of daily consumption like fruits, vegetables, ready-made garments, shoes, household gadgets, toys, stationery, newspapers, and magazines and so on. If they were to be eliminated from the urban markets, it would lead to a severe crisis for fruit and vegetable farmers, as well as small scale industries which cannot afford to retail their products through expensive distribution networks in the formal sector.

Train stations, Event spaces are ideal locations for small businesses to set up shops, because they are hubs of human interaction where hundreds or even thousands of people day and night come and go. Each person in this flow of foot traffic is a ppotential customer who might need a specific item or purchase on impulse while waiting for a train. To succeed with retail at a train station, one must provide an accessible and affordable shopping experience offering merchandise or services that travellers might not quickly find elsewhere en route while travelling. In Event space there a lot of people who come to attend the event buy or explore things around that place which may be beneficial for small scale vendors.

1.2 Business Problem

Our country consists of many hawkers or small-scale vendors. The condition of these people is not good in our country. Many of them are very poor and many of them commit suicide because they are not able to pay their loans. Their condition is critical and they don't have proper knowledge about "Where to set up their business?", "Which location will get the most of customers and will be ideal for sales?" as they don't have these answers they end up putting their stalls near to large stalls which sell the same thing and end up competing with them. As the large stalls have good infrastructure people get attracted to these stalls.

1.3 Interest

"The main objective is to find an ideal place for the hawkers to sell their items so that they could get maximum profit."

2. Data

The data for this project has been retrieved and processed through multiple sources, considering the accuracy of the methods used.

2.1 Neighbourhood

The data of the neighbourhood in Chennai can be extracted out by web scraping using BeautifulSoup library for Python. The neighbourhood data is scraped from a Wikipedia web-page

(https://en.wikipedia.org/wiki/Category:Neighbourhoods in Chennai)

2.2 Geospatial

The file contents from Chennai.csv is retrieved into a Pandas DataFrame. The latitude and longitude of the neighbourhood are retrieved using Google Maps Geocoding API. The geometric location values are then stored into the initial dataframe.

```
In [8]:
    lat=[]
    lng=[]
    for x in df['Neighbourhood']:
        geolocator = Nominatim(user_agent="ny_explorer")
    location = geolocator.geocode(x)
        try:
        lat1 = location.latitude
        long1 = location.longitude
        lat.append(lat1)
        lng.append(long1)
        except:
        lat.append(float('NaN'))
        lng.append(float('NaN'))
        df['Latitude']-lat
        df['Longitude']-lng
```

2.3 Data Cleaning

Outliers are removed and all the values that are not available in the dataframe are also removed. Finally, we get this table shown below:

2.4 Venue Data

From the location data obtained after Web Scraping and Geocoding, the venue data is found out by passing in the required parameters to the Foursquare API and creating another DataFrame to contain all the venue details along with the respective neighbourhood.

```
In [13]: def getNearbyVenues(names, latitudes, longitudes, radius=500):

venues_list=[]
for name, lat, lng im zip(names, latitudes, longitudes):

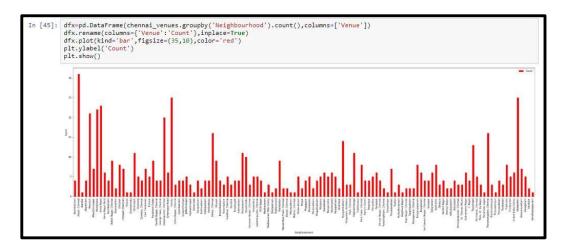
# create the API request URL
url = "https://poi.foursquare.com/v2/venues/explore?&client_id={}&client_secret={}&v={}&l={}(),{}&radius={}&limit={}(),forclient_ID,
CLIENT_ID,
```

3. Methodology

A thorough analysis of the principles of methods, rules, and postulates employed that have been made to ensure the inferences to be made are as accurate as possible.

3.1 Data Insights

After all venues of each neighbourhood are obtained than a graph is plotted to know which neighbourhood has most venue which shows that Adayar has most of the venues whereas Puzhal has the least.



3.2 Folium

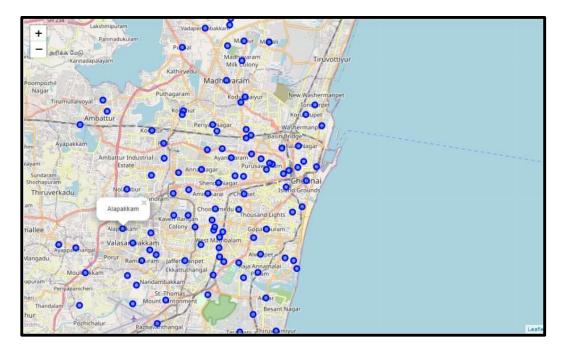
Folium builds on the data wrangling strengths of the Python ecosystem and the mapping strengths of the leaflet.js library. All cluster visualization is done with the help of Folium which in turn generates a Leaflet map made using OpenStreetMap technology.

```
In [11]:
    # create map of Chennai using latitude and longitude values
    map_chennai = folium.Map(location=[13.0827,80.2707], zoom_start=12)

# add markers to map
for lat, lng, neighborhood in zip(df['Latitude'],df['Longitude'],df['Neighbourhood']):
    label = '{}'.format(neighborhood)
    label = folium.Popup(label, parse_html=True)
    folium.CircleMarker(
        [lat, lng],
        radius=5,
        popup=label,
        color='blue',
        fill=True,
        fill_color='3186cc',
        fill_opacity=0.7,
        parse_html=False).add_to(map_chennai)

map_chennai
```

The Neighbourhood of Chennai



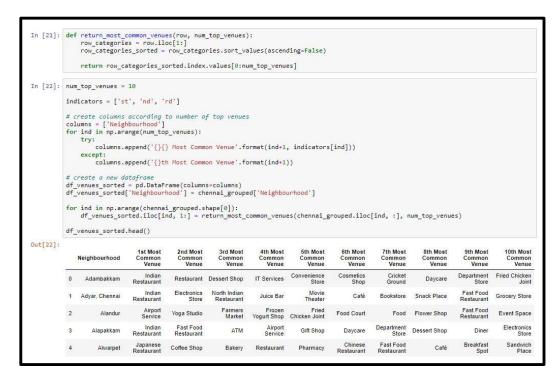
3.3 One hot encoding

One hot encoding is a process by which categorical variables are converted into a form that could be provided to ML algorithms to do a better job in prediction. For the K-means Clustering Algorithm, all unique items under Venue Category are one-hot encoded.



3.4 Top 10 most common venues

Due to high variability in the venues, only the top 10 common venues are selected and a new DataFrame is made, which is used to train the K-means Clustering.



3.5 The optimal number of clusters

Silhouette Score is a measure of how similar an object is to its cluster (cohesion) compared to other clusters (separation). The silhouette ranges from -1 to +1, where a high value indicates that the object is well matched to its cluster and poorly matched to neighbouring clusters. Based on the Silhouette Score of various clusters below 20, the optimal cluster size is determined.

```
In [61]: def plot(x, y, xlabel, ylabel):
    plt.figure(figsize-(20,10))
    plt.plot(np.arange(2, x), y, 'o-')
    plt.xlabel(xlabel)
    plt.xlabel(ylabel)
    plt.xticks(np.arange(2, x))
plt.show()

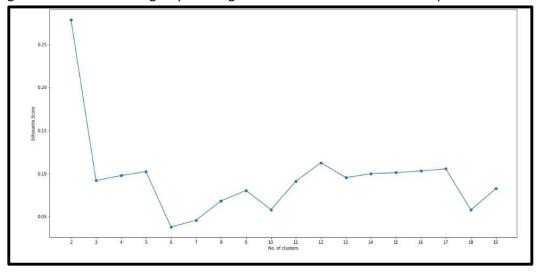
In [62]: max_range = 20 # Maximum range of clusters

In [63]: from sklearn.metrics import silhouette_samples, silhouette_score
    indices = []
    scores = []
    for kclusters in range(2, max_range):
        # Run k-means clustering
        c = chennai_grouped_clustering
        kmeans (r_clusters = kclusters, init = 'k-means++', random_state = 0).fit_predict(c)
        # Gets the score for the clustering operation performed
        score = silhouette_score(c, kmeans)

# Appending the index and score to the respective lists
        indices.append(kclusters)
        scores.append(score)

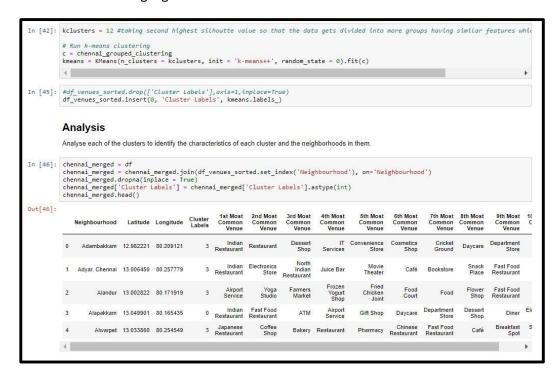
In [64]: plot(max_range, scores, "No. of clusters", "Silhouette Score")
```

Here we have chosen k=12 taking second-highest silhouette value so that the data gets divided into more groups having similar features which were not possible in k=2.



3.6 K-Means Clustering

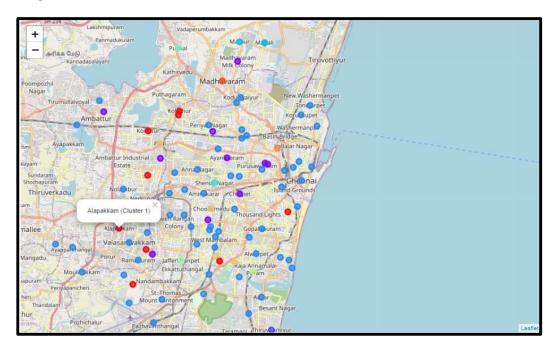
The venue data is then trained using K-means Clustering Algorithm to get the desired clusters to base the analysis on. K-means was chosen as the variables (Venue Categories) are huge, and in such situations, K-means will be computationally faster than other clustering algorithms.



4. Results

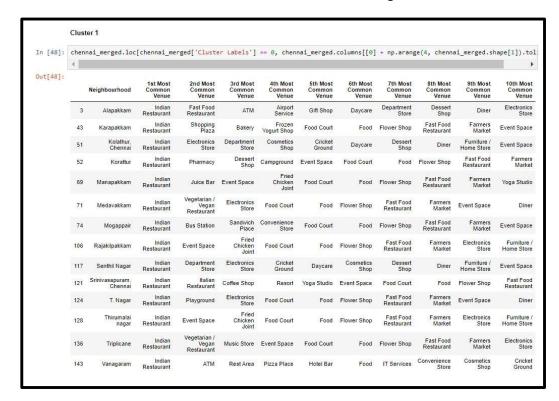
The neighbourhood is divided into n clusters where n is the number of clusters found using the optimal approach. The clustered neighbourhood are visualized using different colours to make them distinguishable.

Neighbourhood of Chennai clustered

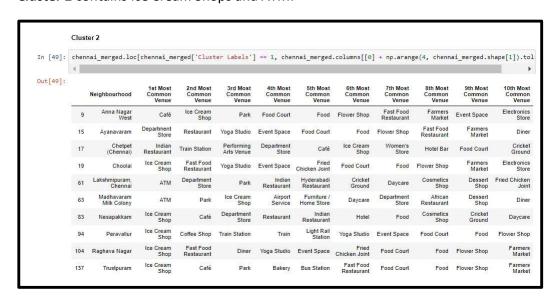


Here are the 12 clusters:

Cluster 1 contains Indian restaurants and it is the second-largest cluster.



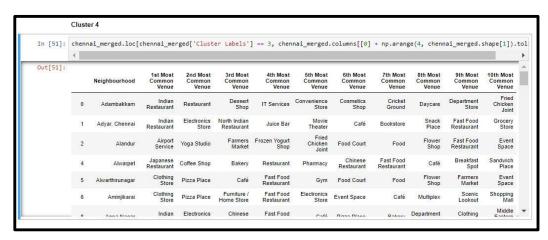
Cluster 2 contains Ice Cream Shops and ATM.



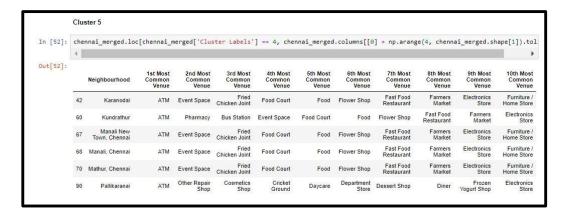
Cluster 3 contains Grocery Store and Yoga Studio.



Cluster 4 contains Multicuisine restaurants, Clothing Stores and many other basic amenities shops and it is the largest cluster.



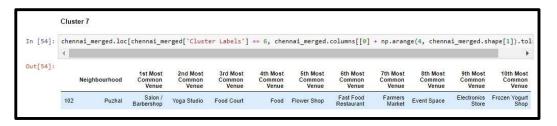
Cluster 5 contains ATM and Event Space.



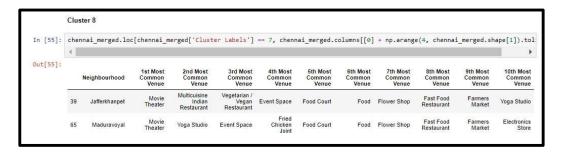
Cluster 6 contains Coffee shops and Yoga Studio.



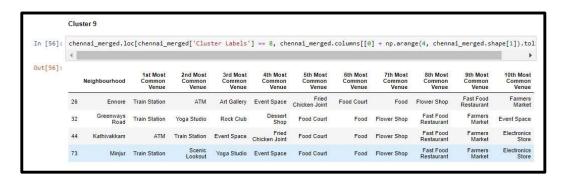
Cluster 7 contains Barber Shop and Yoga Studio.



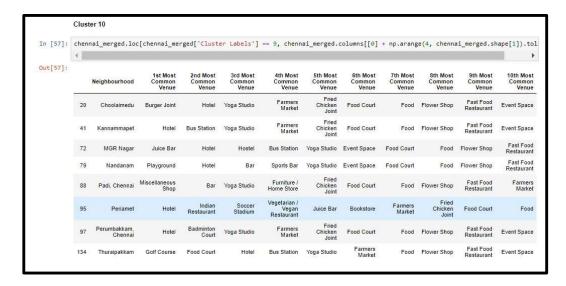
Cluster 8 contains Movie Theatre.



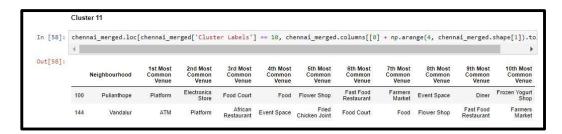
Cluster 9 contains Train Station and ATM.



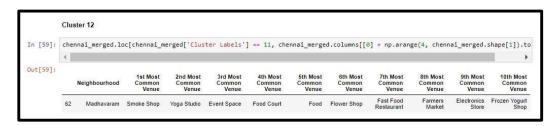
Cluster 10 contains Hotel and Bars.



Cluster 11 contains the Platform and Electronics Store.



Cluster 12 contains a Smoke shop and Yoga Studio.



5. Discussions

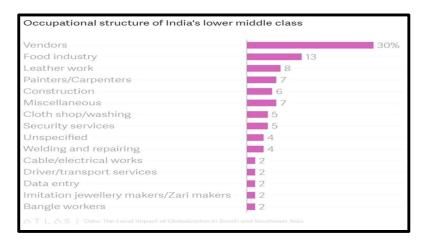
After analysing the various clusters produced by the Machine learning algorithm, Cluster no. 5, is a good option for the vendors who sell flowers as in these areas there are no flower shops nearby and Event space is the most common venues and mostly in all the events, they need flowers. Hence flower shops near Karanodai, Kundrathur, Manali New Town and many other places in cluster 5 can be profitable.

Cluster no. 9 is also a good option as it contains train station as a common venue and in a train station there is a lot of public movement also there are no flower shops and food stalls nearby so vendors can open their food stall here as most of the people get hungry while reaching the station hence the vendors can earn a large profit. Hence opening shops at Enore, Greenways road, kathivakkam and minjur will be beneficial.

Cluster no. 1 is the best place to open a grocery store or a vegetable store as there are lot of Indian restaurants near these areas they will always need vegetables and grocery hence by opening a stall in Alapakkam, Karapakkam, Manapakkam and many more areas near cluster 1 will help street vendors gain more profit.

According to most organizations, like the World Bank and the Organization for Economic Cooperation and Development (OECD), people living on less than the US \$2 a day are considered poor. For those in the middle classes, the earnings typically lie in the range of US \$10 to \$100 per day, as expressed in the 2015 purchasing power parities.

India is expected to see dramatic growth in the middle class, from 5 to 10 per cent of the population in 2005 to 90 per cent in 2039, by which time a billion people will be added to this group. In 2005, the mean per capita household expenditure was just the US \$3.20 per day, and very few households exceeded incomes of US \$5 per day. Yet, by 2015, half the population had crossed this threshold. By 2025, half the Indian the population is expected to surpass the US \$10 per day.



6. Conclusion

This project helps a person get a better understanding of the neighbourhoods with respect to the most common venues in that neighbourhood. It is always helpful to make use of technology to stay one step ahead i.e. finding out more about places before moving into a neighbourhood. Also, the small scale vendors after knowing the right place to do their business will make an immense profit, which will lead to a better lifestyle of the vendors and hence they could help the Indian economy in one way or the other. Hence the GDP of India will increase and if it goes on increasing than India will become a developed country soon. The prospect of this project is to make the algorithm better and efficient so that it could analyse the whole country and it could help all the category of people.