



Planting a Winery

Phase 1: Yelp API Research to Inform Business Decisions



Business Problem

- Should we open a winery in Napa Valley or San Diego?
 - What are the market conditions in each area?
 - What are the concentrations of businesses in each region?
 - How satisfied are their clienteles?
 - What price ranges do the wineries in each area target?

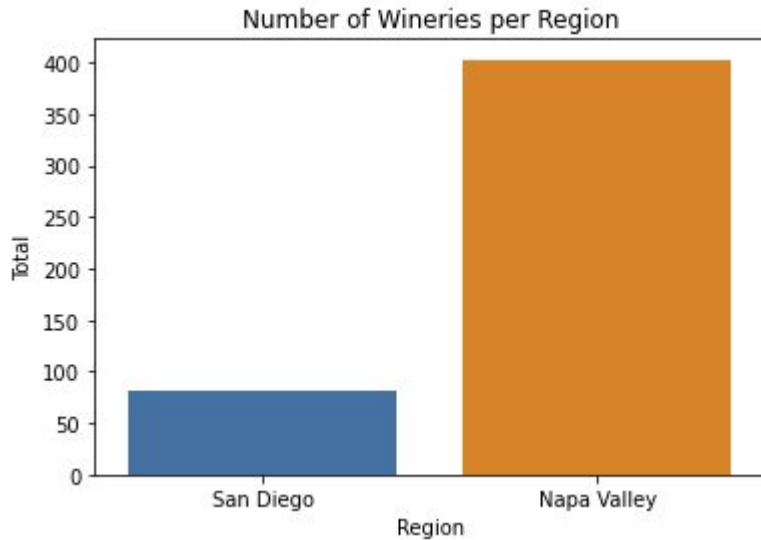
Data

- Yelp API Business Data (per Business)
 - Locations (latitude, longitude)
 - Pricing
 - Ratings & Number of Reviews

Methods

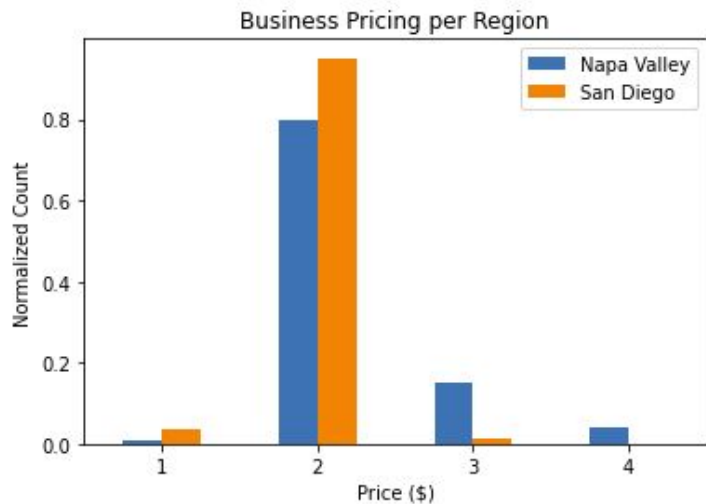
- Identify, filter out top two aliases for each region
- Engineer “Converted Price” data
- EDA through data visualizations

Number of Wineries per Region



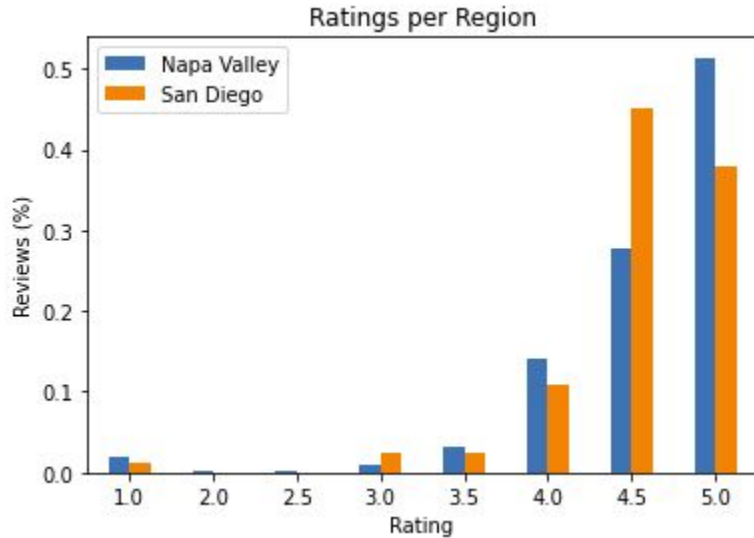
- Significant market size differences
- Stronger saturation and competition in Napa Valley

Pricing per Region



- **Napa Valley**
 - Wider price range distribution
 - Appeals to larger variety of clientele
- **San Diego**
 - Concentrated market pricing
 - Focused on mid-price clientele

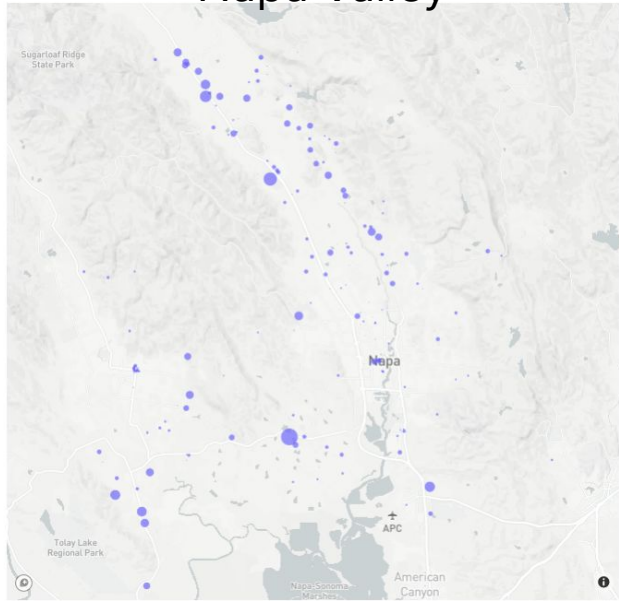
Satisfaction Ratings per Region



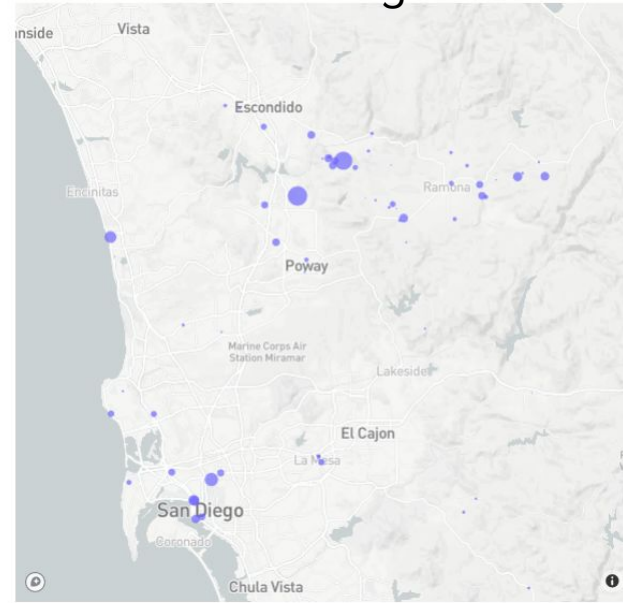
- **Napa Valley**
 - Highly-satisfied clientele
- **San Diego**
 - Opportunities to appeal to less satisfied clientele

Concentrations of Wineries By Region

Napa Valley



San Diego



Conclusions

Our EDA led us to a variety of deeper insights to inform our business decision on winery location.

- San Diego region is less saturated than Napa, and more ripe for market entry.
 - Napa Valley region is very established with many brand name/industry leaders.
- San Diego Region and presents an underserved market for either high end or cost effective wineries.
 - Good for niche markets with boutique offerings from first generation/independent growers.
- San Diego's two sub-regions (Escondido and San Diego proper) provide opportunity to diversify
- Further insights:
 - Study differentiating factors through qualitative data regarding 5.0 vs. 4.5 reviews in San Diego
 - Build the business model to cater towards 5.0 values
 - Study tourism trends in LA, San Diego, and Tijuana/Northern Mexico
 - Better understand opportunity hypothesis of San Diego's central location

Thank You!

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