

# Restaurant Industry Analysis



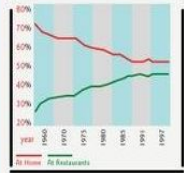
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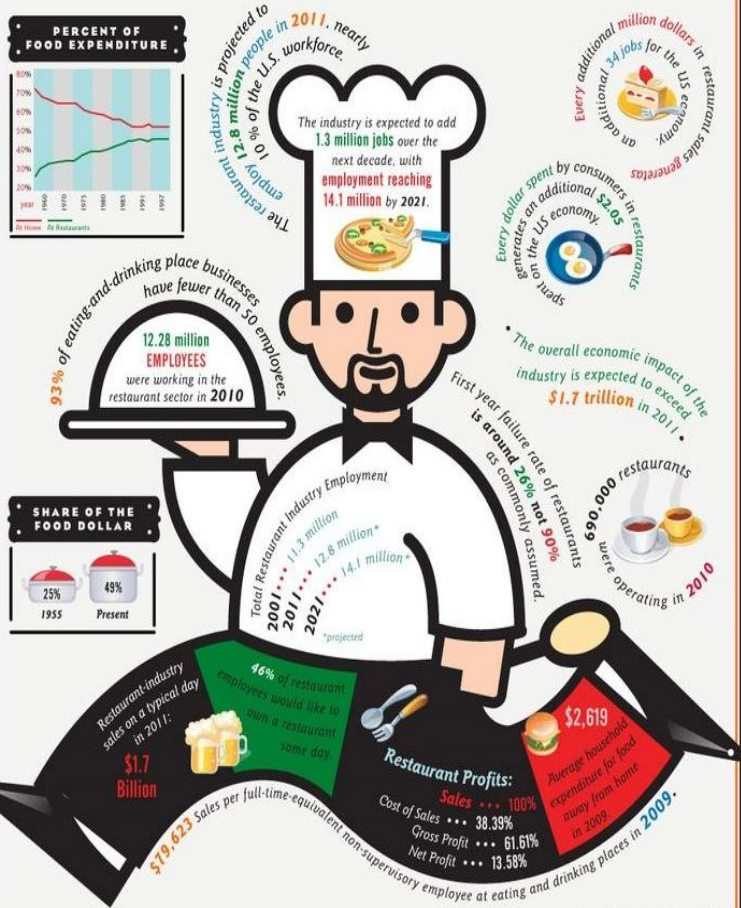


# THE RESTAURANT BUSINESS

## PERCENT OF FOOD EXPENDITURE



## SHARE OF THE FOOD DOLLAR



Sources: <https://ghet.gl/hub.com/913844>

# Introduction

- Our client is interested in entering the restaurant Industry. We are helping him by offering valuable insights and recommendations and assist on their decision-making process
- We are using Zomato Data to contribute to study & analyse customer satisfaction, explore pricing strategies, and uncover the needs, preferences, and behaviors of customers
- Let's unlock the secrets recipe to restaurant success together!

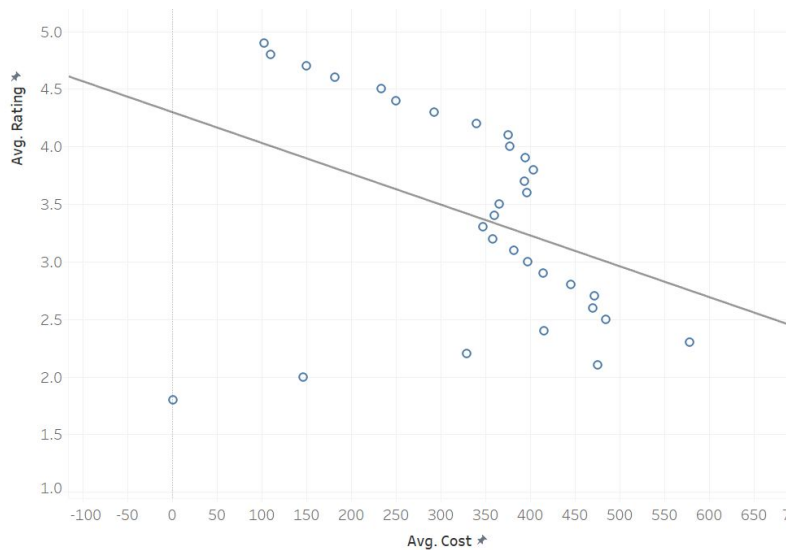
# Goals:

- To find which factors affect the overall rating/foot traffic of restaurants
- To do so we observed the following variables:
  - Rating
  - Cost
  - Votes
  - City (location)
  - Cuisines
  - Restaurant Type
  - Online\_Order
  - Book\_Table





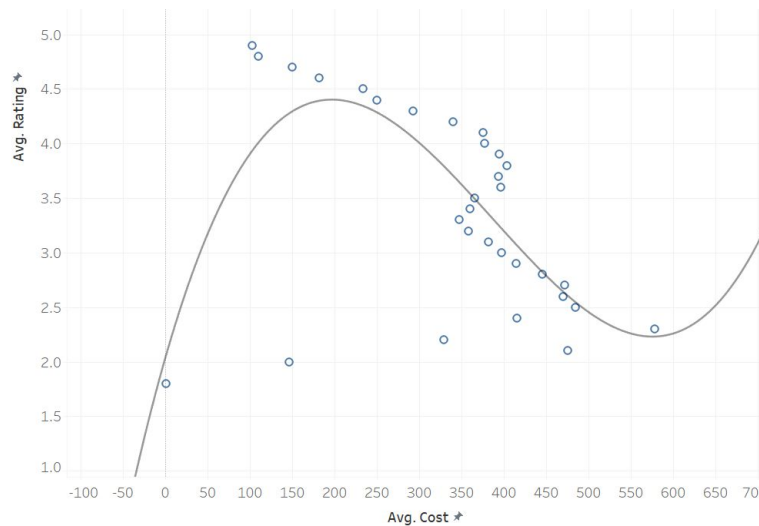
# Regression with Cost and Rating



$$\text{Avg. Rating} = -0.00267884 * \text{Avg. Cost} + 4.29928$$

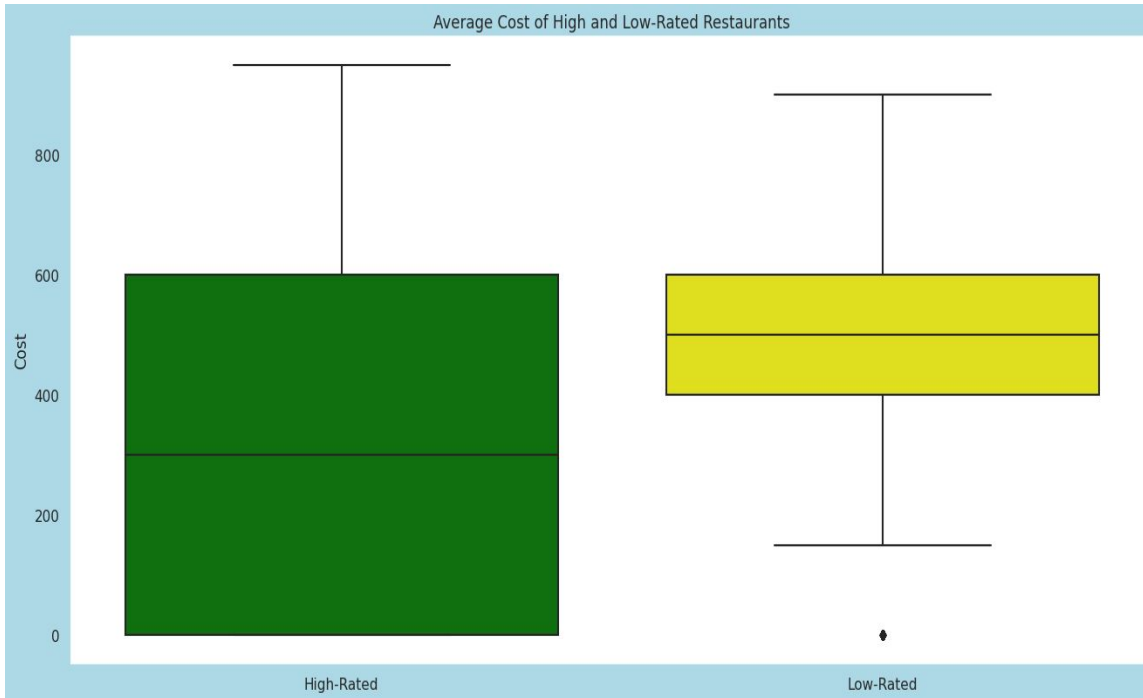
R-Squared: 0.148183

## Regression with Cost and Rating pt.2



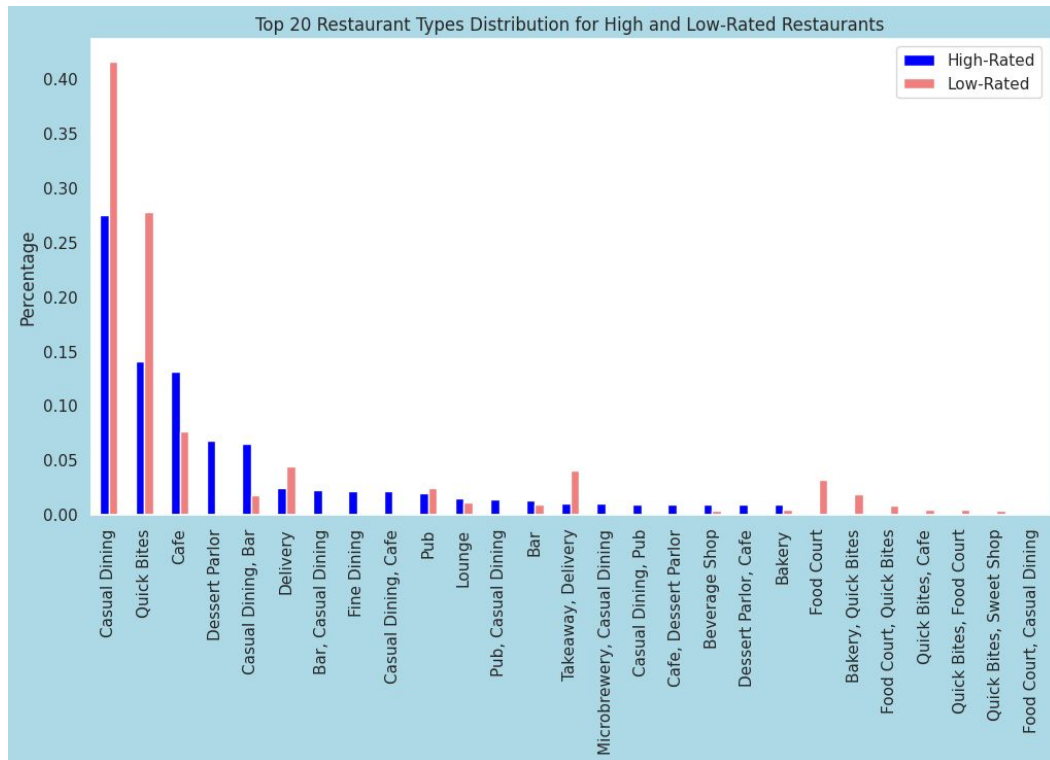
Avg. Rating =  $7.99886e-08 \cdot \text{Avg. Cost}^3 - 9.26883e-05 \cdot \text{Avg. Cost}^2 + 0.0271959 \cdot \text{Avg. Cost} + 2.03069$   
R-Squared: 0.481036

# Cost VS. Rating



- We used 2.75 as threshold to differentiate high and low rated reviews
- The mean average cost is lower for high-rated restaurants
- High-rated restaurants provide a broader range of prices, while lower-rated restaurants typically have higher average prices

# Restaurant Type VS. Rating



- Casual dining is the most popular restaurant type across all ratings.
- There is a diversity in restaurant types, with certain types being more prevalent in one group compared to the other
- Bakeries are the lowest percentage among high rated restaurants
- Quick bites & Sweet Shop are the least common among low-rated restaurant types

# Online Order VS. Rating

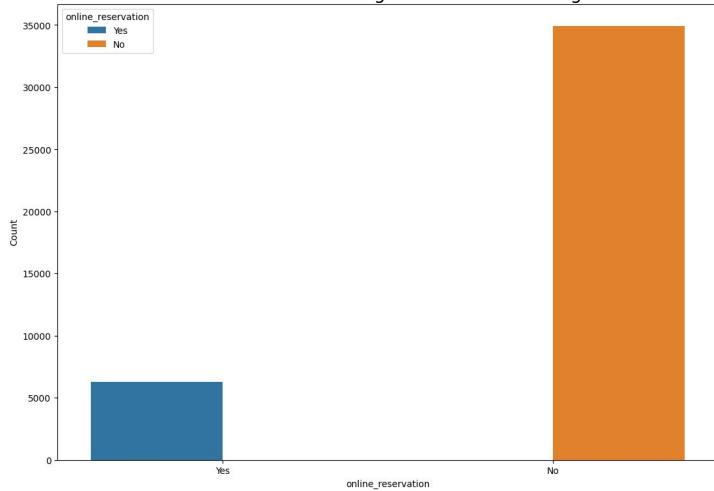


- Yes-Online Service
  - Highly rated restaurants have a greater percentage
  - Larger consumers portion, better customer satisfaction and business traffic.
- No-Online Service
  - lower customer satisfaction and fewer positive reviews.
- Provide Online services improves customer satisfaction, reviews, business traffic, and over all success.

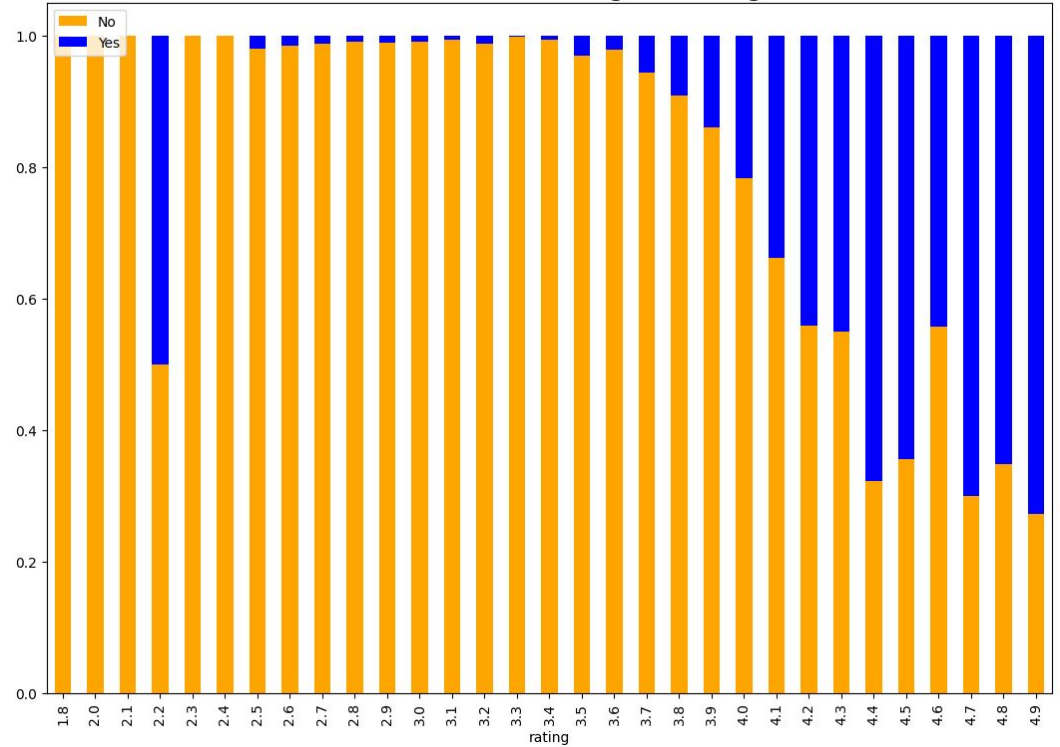


# Online Reservation

Restaurants Allowing Online Table Booking



Online Table Booking vs Rating





# Average Number of Votes by Street

City

Indiranagar

Old Airport Road

MG Road

Koramangala 5th Block

Koramangala 6th Block

Church Street

Koramangala 7th Block

Brigade Road

Residency Road

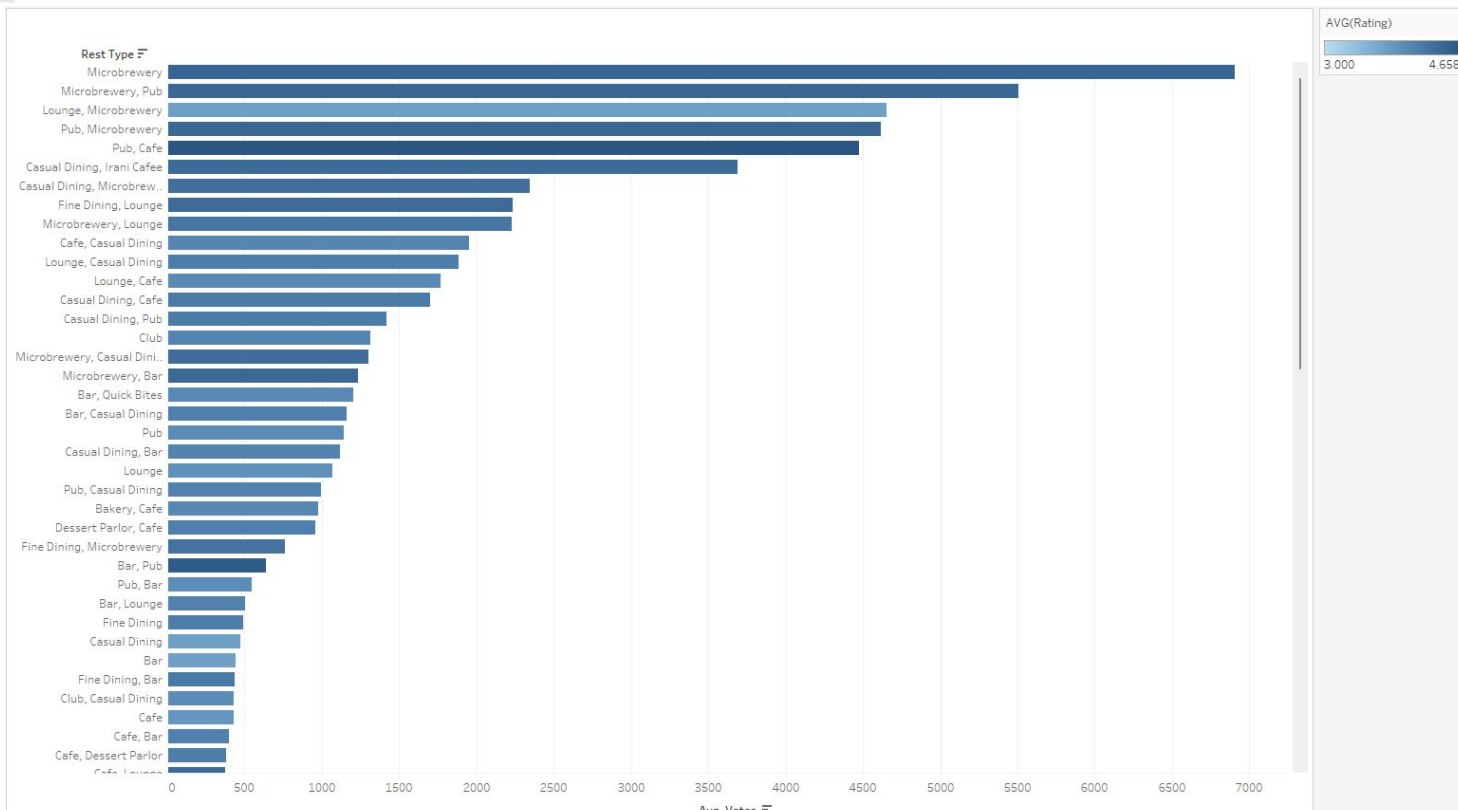
Koramangala 4th Block

Lavelle Road

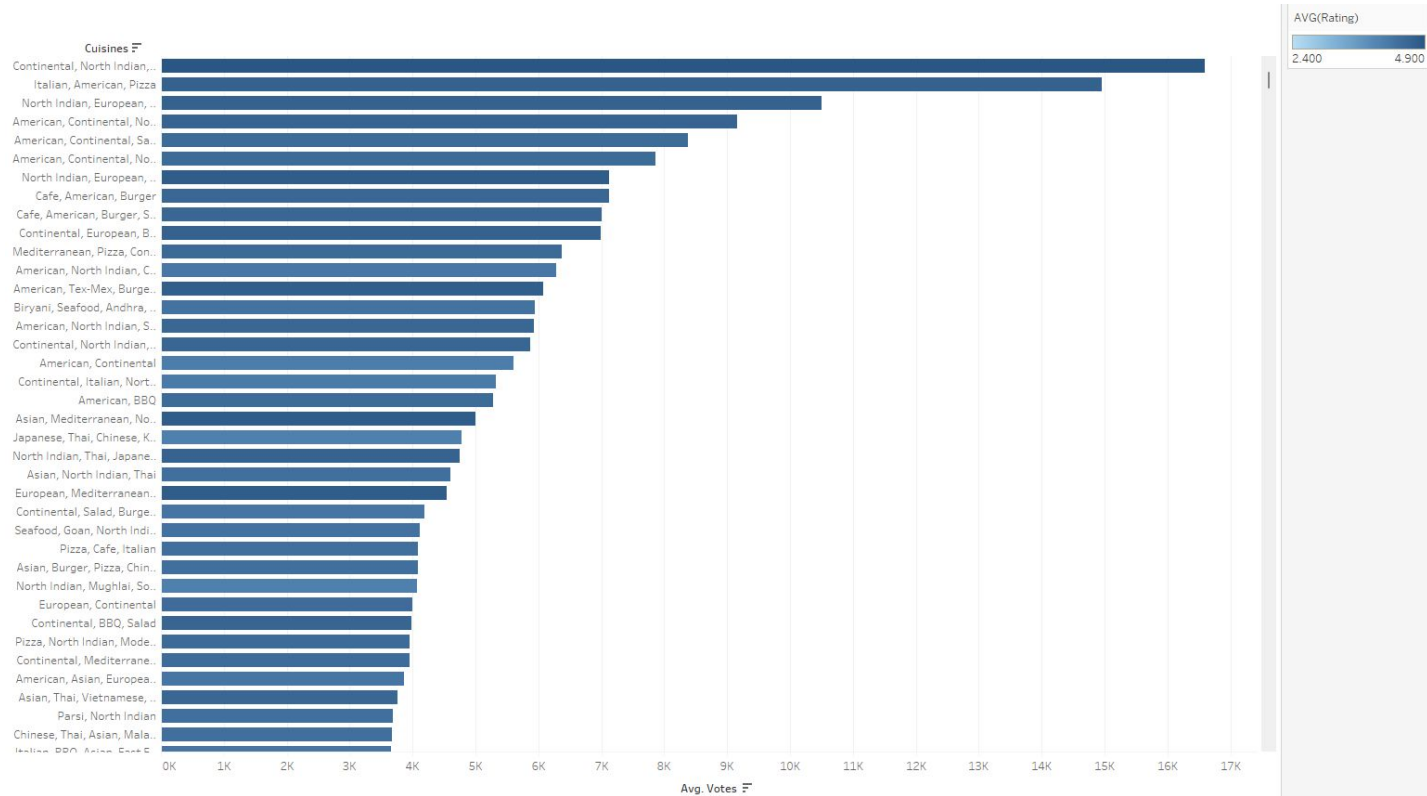
BTM



# Average Number of Votes by Restaurant Type

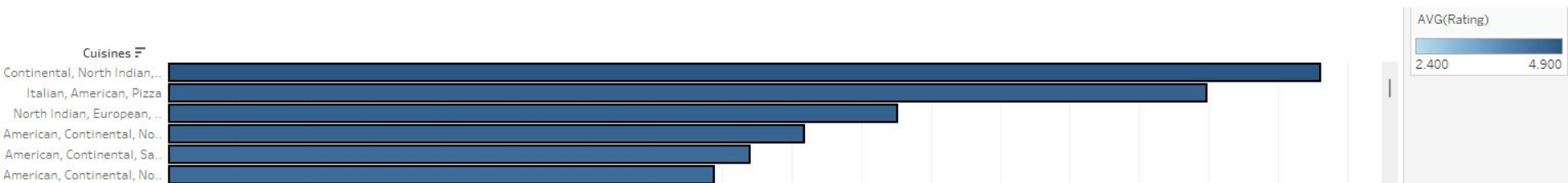


# Average Number of Votes per Cuisine Type





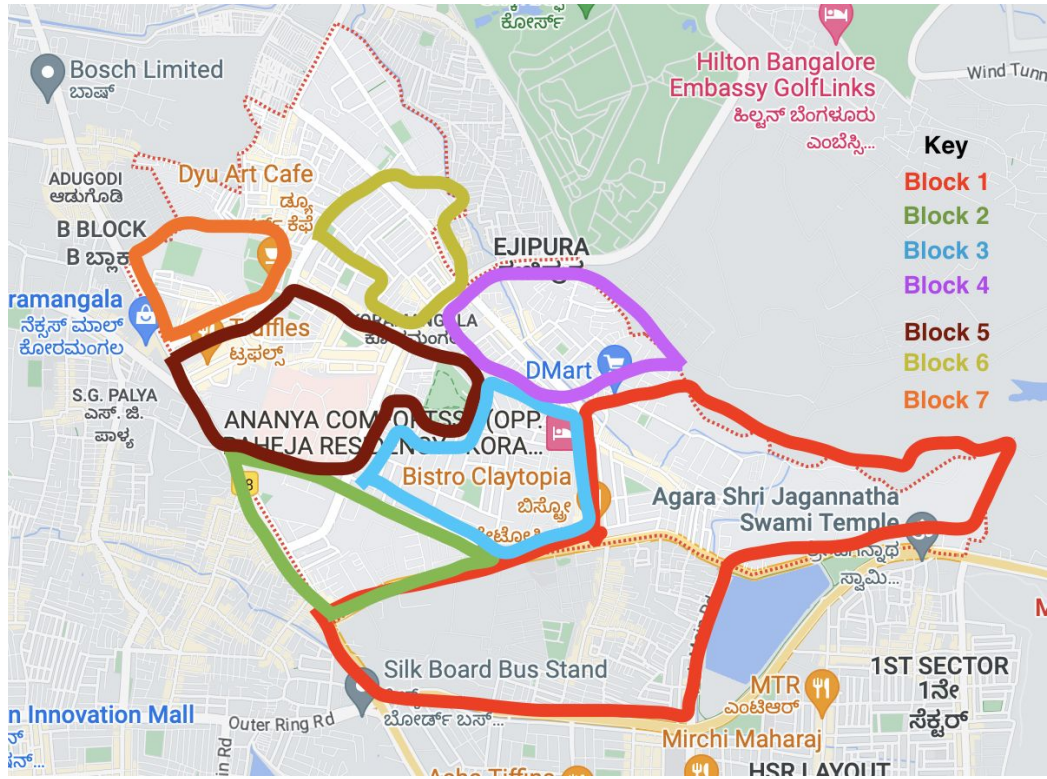
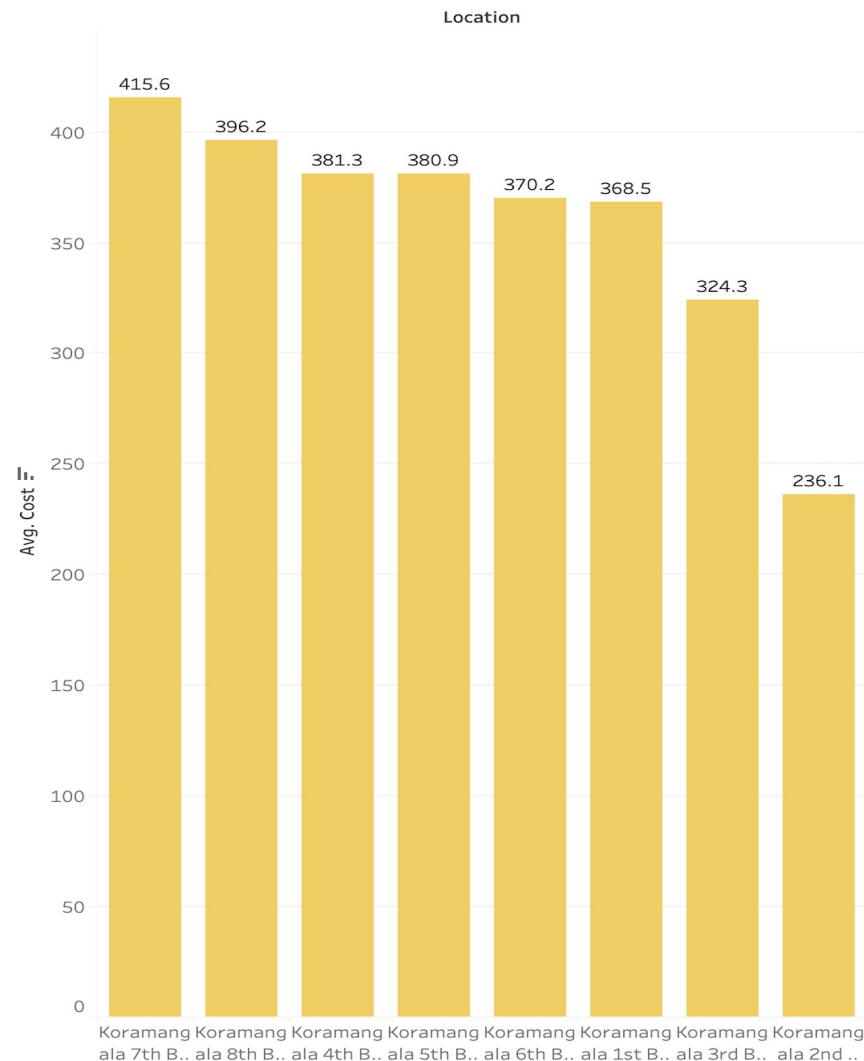
# Average Number of Votes per Cuisine Type



Cuisines in top 6:

- Continental
- North Indian
- South Indian
- Italian
- Pizza
- American
- Finger Food
- European
- Mediterranean
- Salad

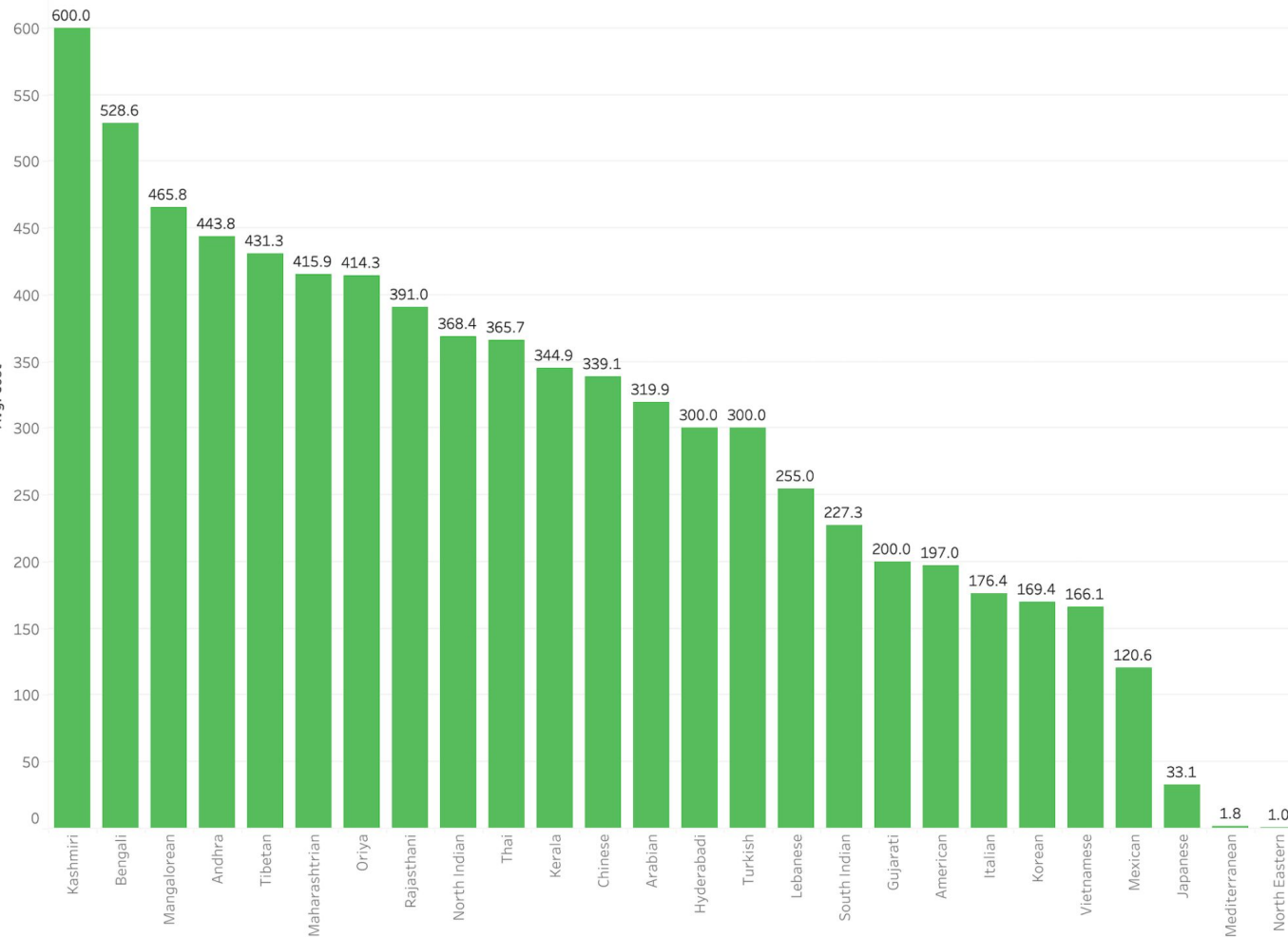
# Average Cost of Koramangala 8 Different Blocks



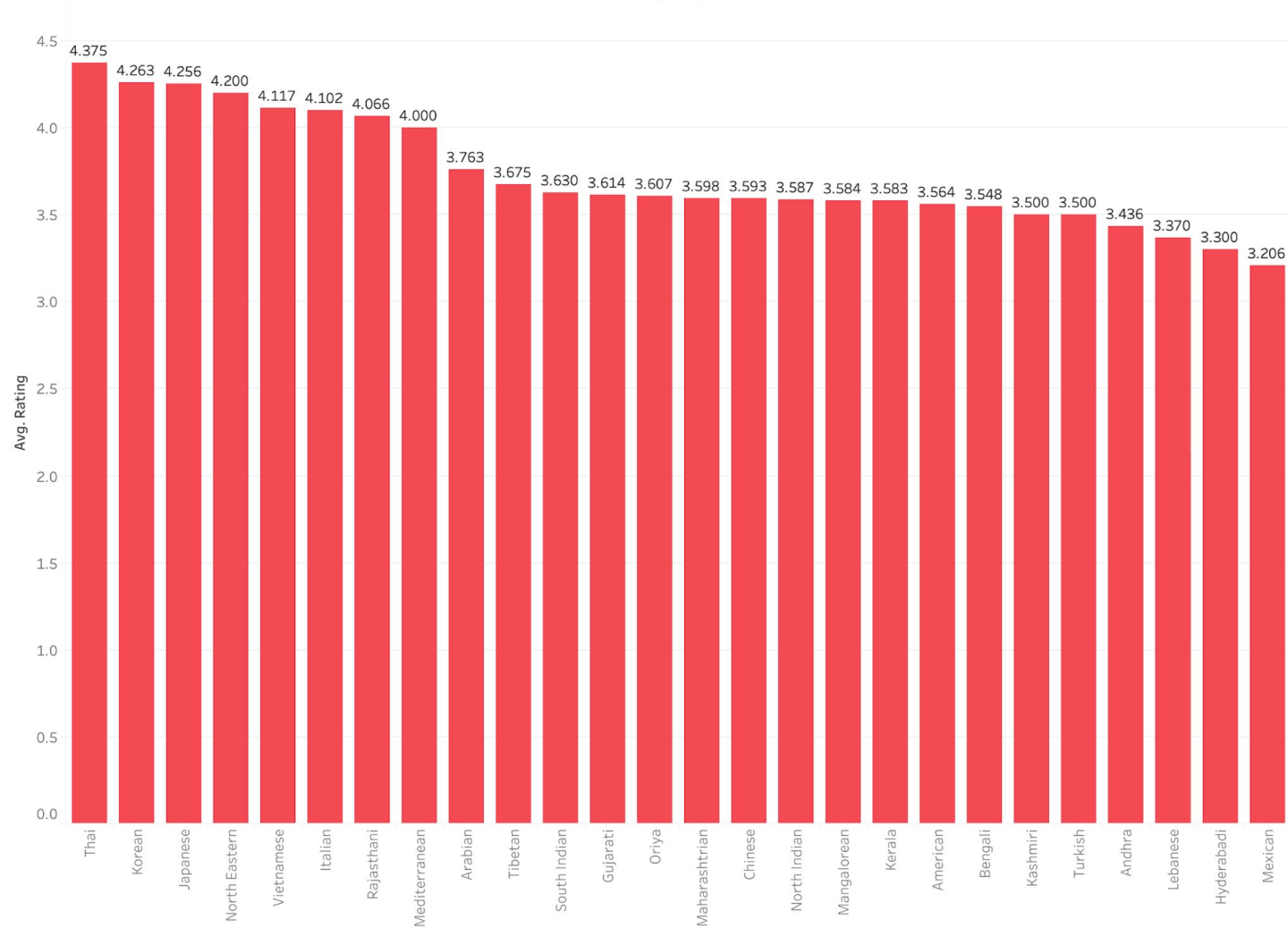
Cuisines

# Average Cost of Different Cuisines in Indian Rupee

Avg. Cost



Cuisines



# Average Rating on Different Cuisines



# Conclusion

- GOAL: To find which factors affect the overall rating/foot traffic of restaurants
- Cost has a polynomial correlation with ratings, based on this we can see that that low medium cost level restaurants affect the ratings better
- Providing a wide range prices menu directly impact high rated reviews
- Casual dining is the most popular restaurant type across all ratings
- Online Service improves customer satisfaction, reviews, business traffic



# Conclusion

- City street locations to target:
  - Indiranagar
  - Old Airport Rd
  - MG Road
  - Koramangala (5th or 6th block)
- For restaurant type to target: choose a hybrid unless you want a pure microbrewery
- Target a variety of cuisines including:
  - Continental
  - Indian (north or south)
  - Italian
  - Mediterranean
- Based on average cost in Koramangala Block 2 is the cheapest.
- Based on average ratings Thai food has the highest average.





# Appendix



- Data source: [Zomato Dataset | Kaggle](#)
  - Cleaned using Python
- Resources used to make visualizations:
  - Seaborn, Matplotlib, and Pandas libraries from Python
  - Tableau
  - Microsoft tools & Google Maps
- Used Linear Regression and Polynomial Regression for analysis



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S O F T W A R E