

COMMID 570
Community Data Science
Daisy Zhu
Final Paper

How to start an independent coffee shop

Factors Affecting the Success of Independent Coffee Shops in Seattle

Introduction:

Seattle, known as the coffee capital of America, is a city that truly lives and breathes coffee. Its bustling streets are lined with countless coffee shops, each with its own unique charm and character. From global coffee giant Starbucks to cozy independent cafes tucked away on neighborhood corners, Seattle offers a diverse and vibrant coffee scene that appeals to the hearts of locals and visitors alike.

For anyone dreaming of opening their own coffee shop in this competitive market, the journey can seem both exciting and daunting. How do you stand out from the crowd of coffee options and get the high ratings that Seattleites dream of? This is a question that intrigues many coffee lovers and entrepreneurs, prompting them to delve deeper into the factors that contribute to the success of independent coffee shops in Seattle.

There are many factors that can determine the success of a coffee shop, and in this study, we will refer to examples of successful independent coffee shops in Seattle and compare them to highly rated Starbucks to come up with factors that influence the success of Seattle coffee shops for small business owners to consider.

Background:

Seattle's coffee culture has deep roots, with the city being an early adopter and promoter of the specialty coffee movement. For example, Seattle's oldest conscious espresso store: Café Allegro opened in 1958 and exists today.



Cafe Allegro is located in the University District, Seattle. Photo Credit: Cafe Allegro

And 1971 saw the opening of the first Starbucks, The Pike Place Starbucks store, also known as the Original Starbucks.



The first Starbucks located downtown

Coffee holds a special place in the daily lives of Seattleites who have come to expect quality coffee and an exceptional coffee experience. With a large selection, independent coffee shops are faced with the task of separating themselves from established chains and

independent competitors. Opening an independent coffee shop in Seattle requires careful consideration of a variety of factors, including location, menu offerings, coffee sourcing, branding, ambiance and customer service. Each of these factors plays a role in shaping the reputation and success of a coffee shop.

Hypothesis:

The focus of my research was to investigate the role of location as a key factor in the success and rating of independent coffee shops in Seattle. In addition, I examined how the proximity of coffee shop chains, specifically Starbucks, would affect the results of independent coffee shops.

The hypothesis of this study is that the location of independent coffee shops plays a significant role in their overall performance and customer ratings. It is expected that coffee shops located in prime locations, such as busy business districts or popular neighborhoods, will experience higher levels of success and receive more positive customer ratings.

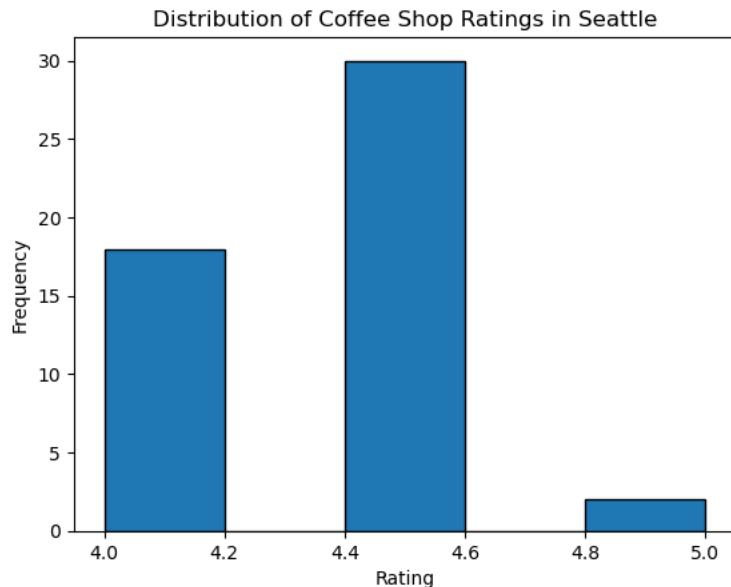
In addition, the study aims to explore the potential impact of the presence of nearby Starbucks on independent coffee shops. Given Starbucks' widespread popularity and popularity, we hypothesized that its proximity could have both positive and negative effects on independent coffee shops. On the one hand, the presence of Starbucks in the neighborhood could attract more customers to the area, potentially benefiting neighboring independent coffee shops through increased foot traffic. On the other hand, Starbucks' strong brand presence and customer loyalty may pose a challenge to the competition from independent coffee shops.

Through this study, I seek to gain insight into the interplay between location, the presence of nearby Starbucks, and the success and ratings of independent coffee shops in Seattle. The findings will provide coffee shop owners and industry stakeholders with valuable information to help them make informed decisions about their location strategies and understand the dynamics of the local coffee market.

Analysis:

1. Examination of average ratings:

The study began by analyzing average ratings of coffee shops in Seattle using data obtained from the Yelp API. To establish a basic understanding of the overall coffee shop scene in Seattle, I first analyzed the average ratings of coffee shops throughout the city. This analysis provided insight into the overall quality and expectations of the local coffee industry. By determining the range of ratings, it can better gauge the level of competition and benchmark independent coffee shops. This approach provided a general understanding of the overall coffee shop scene and set a benchmark for the quality and expectations of the local industry.



Using the Yelp API, I found that most Seattle coffee shops are located in the 4.4 to 4.6 range. In fact, it is the 4.0 to 4.2 range, with very few high-scoring coffee shops (4.8 to 5.0). Therefore, high-scoring coffee shops with a rating of 4.8-5.0 have relatively few competitors and still have a large market.

2. Analysis of independent coffee shops by zip code:

To get a more nuanced picture of independent coffee shops, I focused on the range of zip codes 98101-98105. By collecting data on coffee shop names, zip codes and ratings, we constructed a comprehensive table that allowed us to identify patterns and trends. investigation for a subsequent study and to discover potential factors contributing to their success.

Rank		Coffee Store Name	Rating	Zipcode
0	1	The Shop by Porter	5.0	98101
1	2	?ál?al Cafe - By Chief Seattle Club	5.0	98101
2	3	The Dailies	5.0	98101
3	4	FLEUR	5.0	98101
4	5	Overcast Coffee Company	5.0	98101
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495	46	Copper Tree Cafe	5.0	98110
496	47	The Burnt Coffee	5.0	98110
497	48	Cafe Red	5.0	98110
498	49	Resistencia Coffee	5.0	98110
499	50	Diore Espresso	5.0	98110

[500 rows x 4 columns]

Rank	Coffee Store Name	Rating	Zipcode		31 Street Bean Coffee Roasters	4.5	98101
1	The Shop by Porter	5	98101		32 Realfine Coffee	4.5	98101
2	?ál?al Cafe - By Chief Seattle Clu	5	98101		33 Storyville Coffee Company	4.5	98101
3	The Dailies	5	98101		34 SELEUSS Chocolates	4.5	98101
4	FLEUR	5	98101		35 Ada's Technical Books and Cafe	4.5	98101
5	Overcast Coffee Company	5	98101		36 Caffe Vita at KEXP	4.5	98101
6	Seeking Kombucha	5	98101		37 Moore Coffee Shop	4.5	98101
7	Evoke Cafe Bar	5	98101		38 Midtown Espresso	4.5	98101
8	Coffee Tree & Bop	5	98101		39 MarketSpice	4.5	98101
9	Konvene Coffee	5	98101		40 Anchorhead Coffee	4.5	98101
10	Pike Street Coffee	5	98101		41 Seattle Best Tea	4.5	98101
11	Coping Cookies	5	98101		42 Tous Les Jours	5	98101
12	Yellow Butterfly Coffee	5	98101		43 Alexandras Macarons	4.5	98101
13	Peloton	4.5	98101		44 Kitanda Espresso & Acai	4.5	98101
14	Rey Amargo Chocolate Shop	4.5	98101		45 Basecamp Cafe	5	98101
15	Metropolitan Cafe	4.5	98101		46 Artly Coffee	4.5	98101
16	Caffe Umbria	4.5	98101		47 Storyville Coffee Company	4.5	98101
17	Cafe An'Clair	4.5	98101		48 Midnight Cookie	4.5	98101
18	Cafe Madeline	4.5	98101		49 Bake Shop	4.5	98101
19	PIM Bicycles and Coffeehouse	4.5	98101		50 Indi Chocolate	4.5	98101
20	Rapha - Seattle	4.5	98101		1 The Shop by Porter	5	98102
21	Hydrate Juice Bar	4.5	98101		2 ?ál?al Cafe - By Chief Seattle Clu	5	98102
22	Overcast Coffee Bar	4.5	98101		3 The Dailies	5	98102
23	Phin	4.5	98101		4 FLEUR	5	98102
24	Cafe Argento	4.5	98101		5 Overcast Coffee Company	5	98102
25	Lune Cafe	4.5	98101				
26	Monorail Espresso	4.5	98101				
27	Monorail Espresso	4.5	98101				
28	Ghost Alley Espresso	4.5	98101				
29	Gemini Room	4.5	98101				
30	City Grind	4.5	98101				
31	Street Bean Coffee Roasters	4.5	98101				
1	FLEUR	5	98105		31 Rey Amargo Chocolate Shop	4.5	98105
2	Morning Glory Chai	5	98105		32 Metropolitan Cafe	4.5	98105
3	?ál?al Cafe - By Chief Seattle Club	5	98105		33 Caffe Umbria	4.5	98105
4	The Shop by Porter	5	98105		34 Urban Luxe Cafe	4.5	98105
5	Siam Clay	5	98105		35 Cafe An'Clair	4.5	98105
6	The Dailies	5	98105		36 Cafe Madeline	4.5	98105
7	Basecamp Cafe	5	98105		37 PIM Bicycles and Coffeehouse	4.5	98105
8	Overcast Coffee Company	5	98105		38 Bobae Coffee & Tea- Kirkland	4.5	98105
9	Chocolat Vitale	5	98105		39 The Bridge Coffee House	4.5	98105
10	Seeking Kombucha	5	98105		40 Aroom Coffee	4.5	98105
11	Avole Ethiopian Coffee	5	98105		41 Anchorhead Coffee	4.5	98105
12	Dilettante Mocha Café - Plaza Center	5	98105		42 Rapha - Seattle	4.5	98105
13	Evoke Cafe Bar	5	98105		43 Hydrate Juice Bar	4.5	98105
14	Mas Cafe	5	98105		44 Coffeemind	4.5	98105
15	Two Kick	5	98105		45 Lune Cafe	4.5	98105
16	Kelly Cannoli - Lake City	5	98105		46 MmmJavalicious	4.5	98105
17	Coping Cookies	5	98105		47 Red Arrow Coffee	4.5	98105
18	Coffee Tree & Bop	5	98105		48 Overcast Coffee Bar	4.5	98105
19	Pike Street Coffee	5	98105		49 Phin	4.5	98105
20	Konvene Coffee	5	98105		50 Matcha Magic	4.5	98105
21	Bangkok99 Food Truck	5	98105		1 FLEUR	5	98106
22	Copper Tree Cafe	5	98105				
23	The Burnt Coffee	5	98105				
24	The Living Room Cafe	5	98105				
25	Santo Coffee	5	98105				

This table contains all independent coffee shops in Seattle 98101-98105 area, including name, rating and zip code, people who want to open a coffee shop can use this table to find their competitors' information.

3. Wilson Score Analysis:

To further refine our evaluation of independent coffee shops, I utilized the Wilson Rating Method. This method takes into account not only the average rating, but also the number of reviews each coffee shop receives. By considering these two aspects, I was able to identify the top three independent coffee shops within each zip code in our chosen range (98101-98105). In addition, I compared these results to the top three Starbucks locations to assess the performance of independent coffee shops relative to well-known chains.

	Rank	Coffee Store Name	Rating	Weighted Rating	\
0	1	FLEUR	5.0	3.706897	
1	2	?ál?al Cafe - By Chief Seattle Club	5.0	3.846154	
2	3	Basecamp Cafe	5.0	3.636364	
3	4	The Shop by Porter	5.0	3.828125	
4	5	The Dailies	5.0	3.660714	
..	
495	46	Bangkok99 Food Truck	5.0	4.292453	
496	47	Copper Tree Cafe	5.0	4.000000	
497	48	The Burnt Coffee	5.0	3.636364	
498	49	Cafe Red	5.0	4.471831	
499	50	Resistencia Coffee	5.0	4.423077	

As suggested, one problem with the original rating is that it is easy to get an average rating of 5.0 if there is only 1 review. A place with 1000 5-star reviews but 1 4-star review will have a lower rating than a place with only 5-star reviews. So I use the Wilson score to combine the number of ratings with the average rating. to get a more objective and fair rating.

4. Konvene Coffee SWOT Analysis:

Konvene Coffee ranks NO.1 through the analytics. (98101-98105) To synthesize the various factors influencing the success of independent coffee shops, I conduct a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis. This comprehensive evaluation provides a holistic view of the internal and external factors that contribute to a coffee shop's rating and overall performance. By considering aspects such as geographic location, brand identity, menu offerings, customer experience, and competition, we gain valuable insights into the strengths that set successful coffee shops apart, the weaknesses they should address, the opportunities they can leverage, and the threats they should navigate.

SWOT Analysis

Strength

located
owned &
operated

hipster vibe

locally
sourced
ingredients

Weakness

Fewer
attendants
store service
and cleaning

Do not
communicate
much with
guests
Store staff
do not know
the product

Opportunities

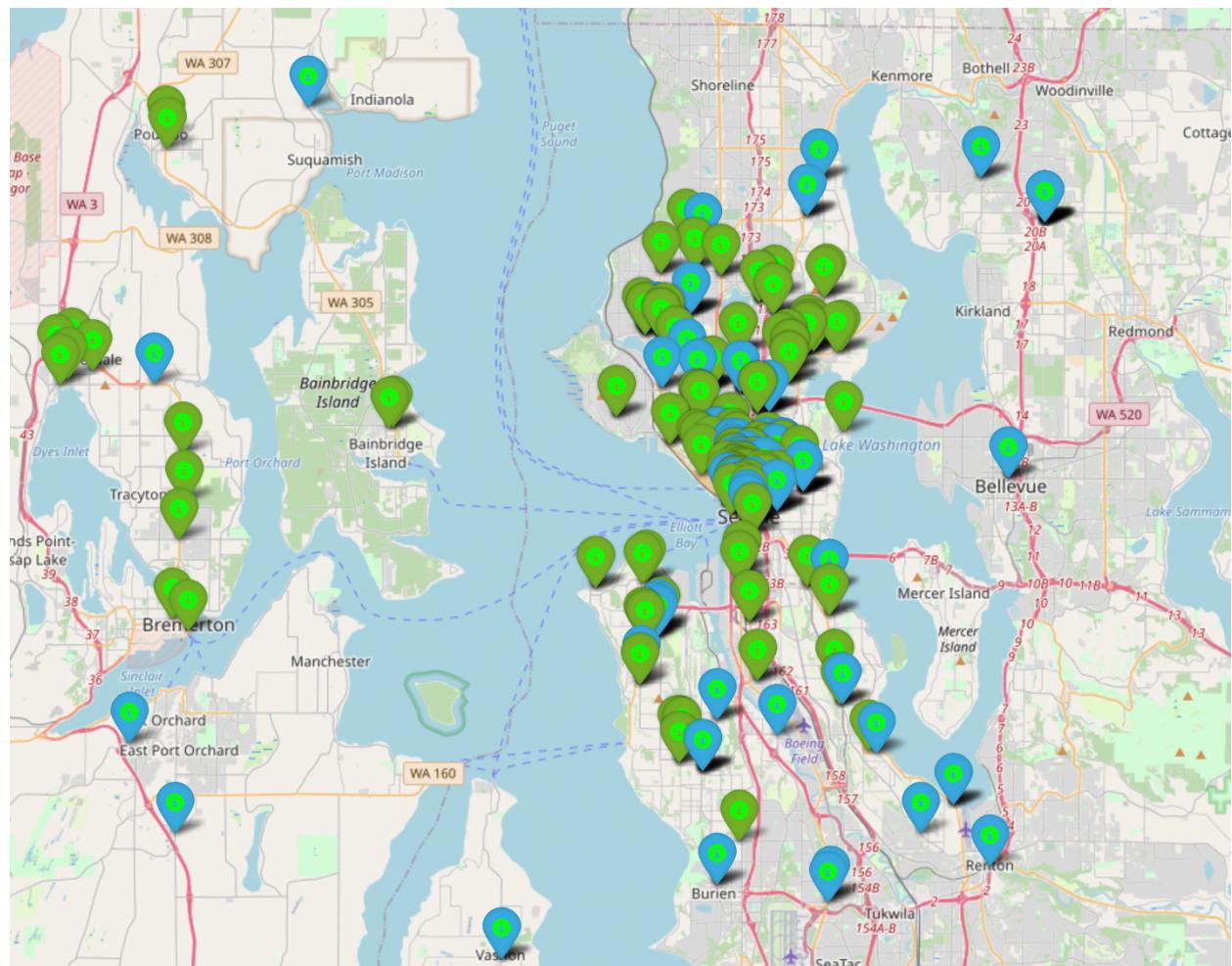
Tasty
desserts
Good
location

Social media
Exposure

Threats

High price

Attendants



http://localhost:8889/view/daisy_final_map.html

Discussion:

The analysis sheds light on several key findings regarding the factors that influence the success of independent coffee shops in Seattle. Firstly, the geographic location emerges as a crucial factor, confirming the initial hypothesis. Coffee shops strategically situated in vibrant neighborhoods with high foot traffic, proximity to office spaces, or popular tourist destinations tend to attract a larger customer base. Furthermore, being located in areas with a high concentration of coffee enthusiasts and a supportive local community can contribute to the success of independent coffee shops.

Secondly, the analysis highlights the significance of coffee quality, customer service, and ambiance in shaping a coffee shop's reputation and rating. Seattleites are known for their discerning palates and appreciation for specialty coffee. Therefore, independent coffee shops that prioritize sourcing high-quality beans, mastering brewing techniques, and delivering exceptional customer experiences tend to garner higher ratings and positive reviews.

Additionally, it can be observed that menu diversity, including options for different dietary preferences, can enhance a coffee shop's appeal and cater to a wider customer base. By offering a range of beverages, from traditional espresso-based drinks to innovative creations, as well as food options that cater to various dietary needs, coffee shops can attract and retain a diverse customer demographic.

Moreover, the role of branding and creating a unique identity cannot be understated. Successful independent coffee shops in Seattle often cultivate a distinct brand persona that resonates with their target audience. This includes elements such as the shop's name, logo, interior design, and overall atmosphere. Creating a memorable and authentic coffee shop experience contributes to positive customer perceptions and, consequently, higher ratings.

Conclusion:

New coffee shop still can also differentiate themselves from the abundance of coffee options available to Seattle residents and visitors.

Ultimately, the journey to becoming a highly rated independent coffee shop in Seattle requires careful consideration of multiple factors. The geographic location is a critical determinant, but it is complemented by factors such as coffee quality, customer service, menu diversity, and branding. By combining these elements effectively, coffee shop owners can carve a path to success in Seattle's vibrant and competitive coffee market.

The aim of our research was to present the data analysis in an engaging and accessible manner, using visualizations, figures, and clear explanations. We hope that by adopting this approach, we have effectively communicated our findings to a non-technical audience while providing a

comprehensive understanding of the factors that contribute to the success of independent coffee shops in Seattle.

In conclusion, aspiring coffee shop owners should carefully consider the location, prioritize quality and customer service, offer diverse menu options, and create a unique and memorable brand identity. By leveraging these factors, they can increase their chances of success and stand out in Seattle's thriving coffee scene.

Limitation and future plan:

While this study aims to provide insight into what factors contribute to the success of independent coffee shops in Seattle, there are many limitations, such as

1. sample size: I focused on the specific zip codes of Seattle 98101-98105 and analyzed a limited number of independent coffee shops and Starbucks locations. To gain a more comprehensive understanding, future studies could include a larger and more diverse set of coffee shops from different neighborhoods in Seattle.
2. Data sources: My study relied on data obtained from the Yelp API, which may have limitations in terms of coverage and accuracy. To improve accuracy, it would be beneficial to incorporate data from multiple sources, such as customer reviews from different platforms and data collected directly from coffee shop owners.
3. Starbucks: Data from Starbucks is incomplete due to incomplete data on Yelp. Also the comparison between independent coffee shops and Starbucks is not sufficient.
4. Limited factors to consider: While some important factors were analyzed, such as location, customer service, product diversity and brand, there may be other factors that contribute to the success of a coffee shop. Future research could explore additional factors such as marketing strategies, social media presence, community engagement, and pricing to provide a more comprehensive understanding.

To address these limitations, future research should consider expanding sample sizes, using multiple data sources, expanding geographic scope, considering a broader range of factors, and employing more rigorous research designs. In addition, engaging with coffee shop owners and industry professionals through surveys or interviews will provide valuable insights into the factors that influence success.

By improving on these limitations, future research can deepen understanding of the complex dynamics within the coffee industry and provide more accurate and practical guidance to owners who intend to operate independent coffee shops.