



# Discovering the best neighborhood to start a restaurant business in the city of Los Angeles.

COURSERA CAPSTONE PROJECT

# Description of the Background



City of Los Angeles often known by its initials L.A., being the most popular city in California, and culturally very diverse, starting any kind of a restaurant business would be a great business opportunity. Comparing Neighborhoods in the city of Los Angeles to find the best neighborhood to start a restaurant business.



Starting a new business need lot of investments and time, for the investments to yield fruitful results the choice made should be backed by research and not by instincts. By analyzing the city population and current business trends provide an insight on city lifestyle and people choices.



To exploring the opportunities to start a new restaurant business it is essential to understand the City by its demography, population and the current restaurants businesses located in and around the city.

# Data section and Data sources



The city is divided into many different districts and neighborhoods. These neighborhoods were developed piecemeal, L.A. has 15 districts and 272 neighborhoods.



[US Census data](#) is used to analyze the Population of the city by Year trend.



Population by Race, Age and Sex and Income of the people living in L.A. is extracted from US Census.



US Census 2018 Estimate ACS 1-Year Survey (Table [B03002](#), Table [S0101](#), and Table [S1901](#))



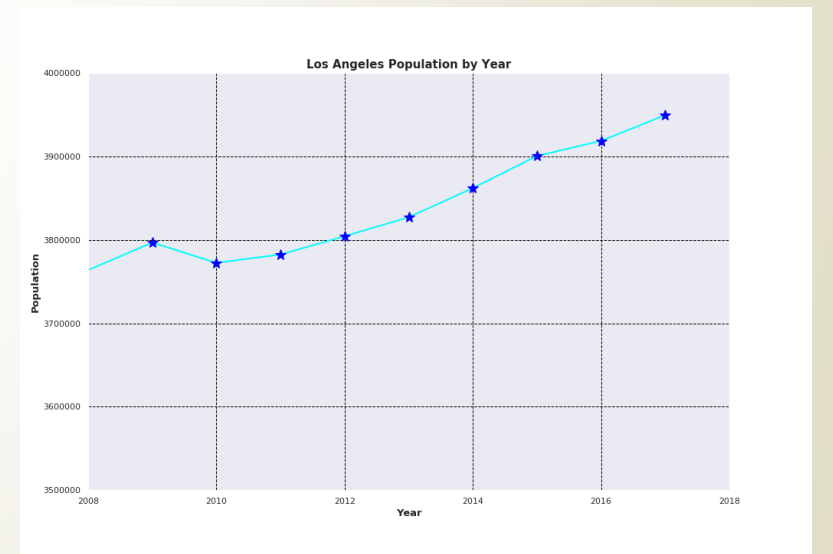
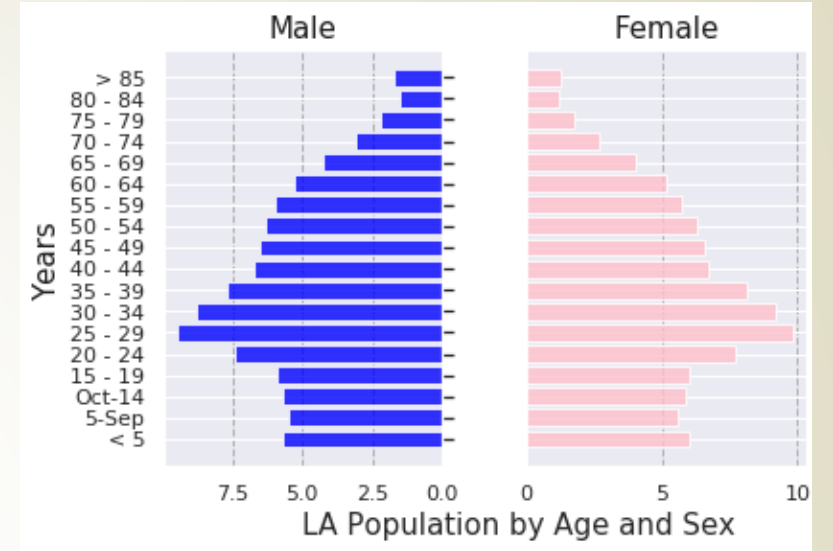
I have scraped the [Wiki table](#) Hottest and coldest, wettest and driest averages for a month From 1895–2019 to understand weather pattern



[Wike page](#) is harvested to fetch the List of districts and neighborhoods of Los Angeles. To Analyzing current restaurants established in each neighborhood, using Foursquare APIs.

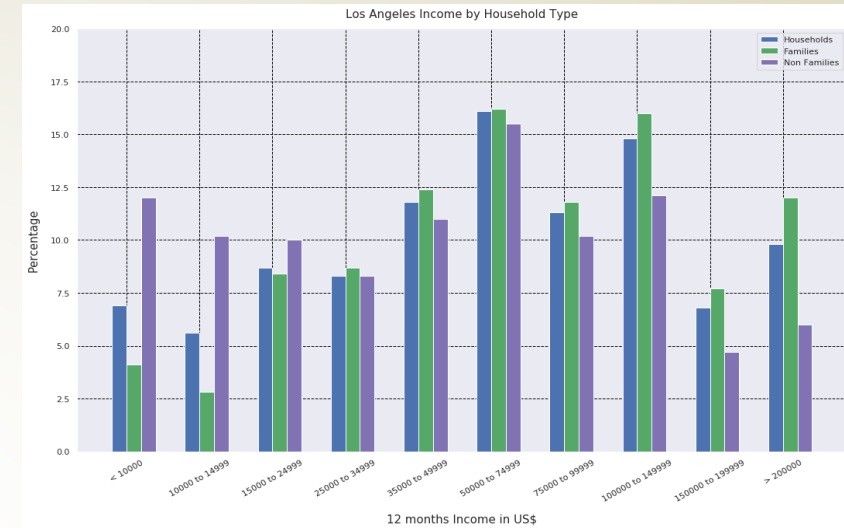
# Population of the city by Year, Income, Age & Sex

- ▶ The city population has steadily increasing over the years. Over 4 million people are living in the city.
- ▶ Majority of the population both male and female are between the age group of 25 to 39.

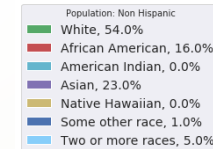
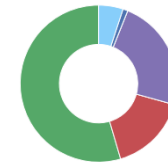


# Population of the city by Income and Race and City weather pattern

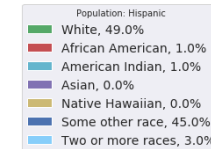
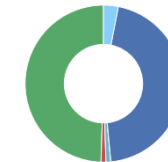
- Most of the people across all category Households, families, and non-families are in the range of US\$ 50,000 to US\$ 75,000 and US\$ 100,000 to US\$ 150,000.
- Total population by race show two major group of people living in the city
- The weather pattern of Hottest and coldest, wettest and driest averages for a month from 1895–2019 show that the city has very less rainfall throughout the year and it usually dry and cold



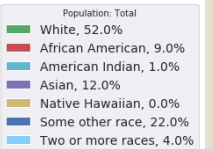
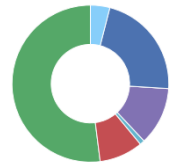
Non Hispanic Population of LA



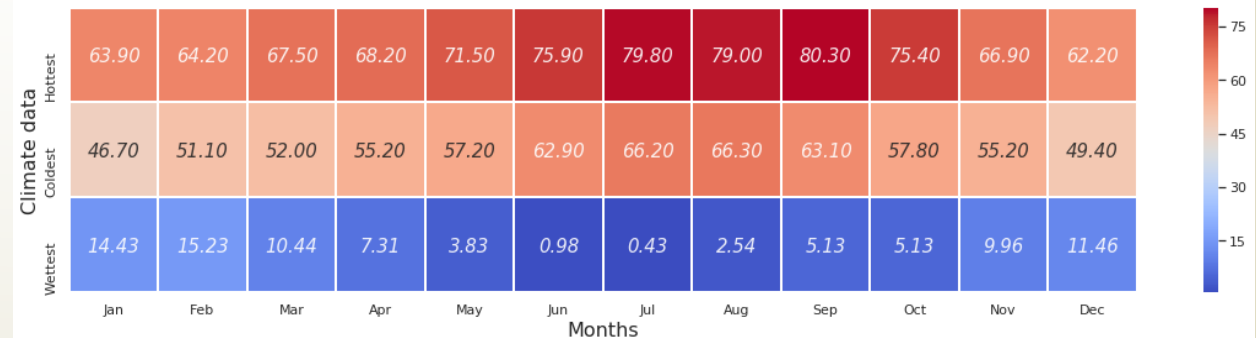
Hispanic Population of LA



Total Population of LA



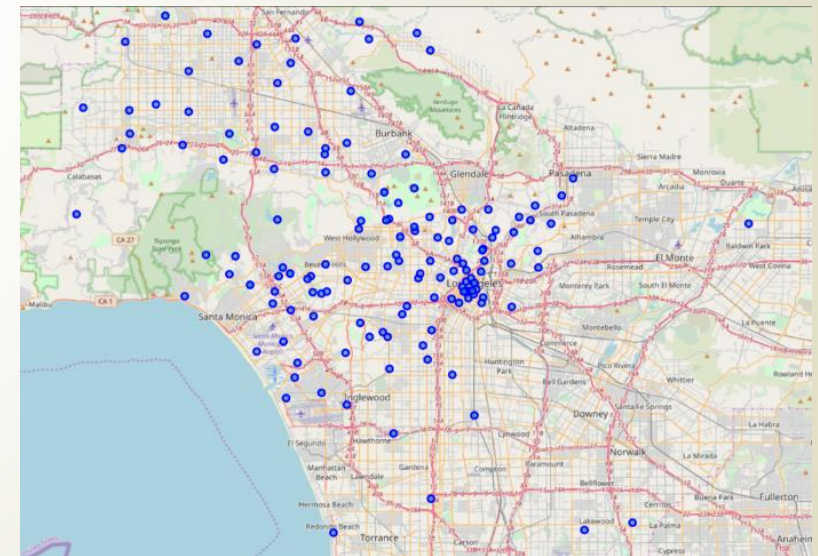
Hottest and coldest, wettest and driest averages for a month (f/inch), 1895–2019





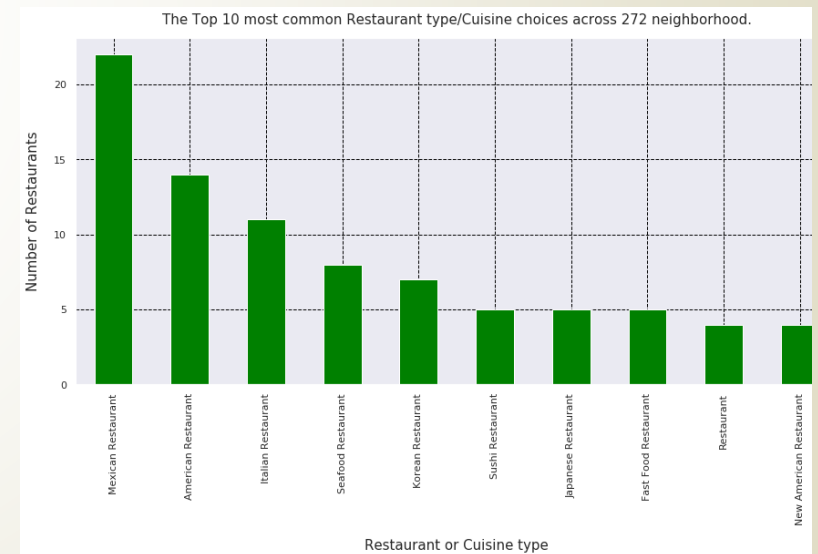
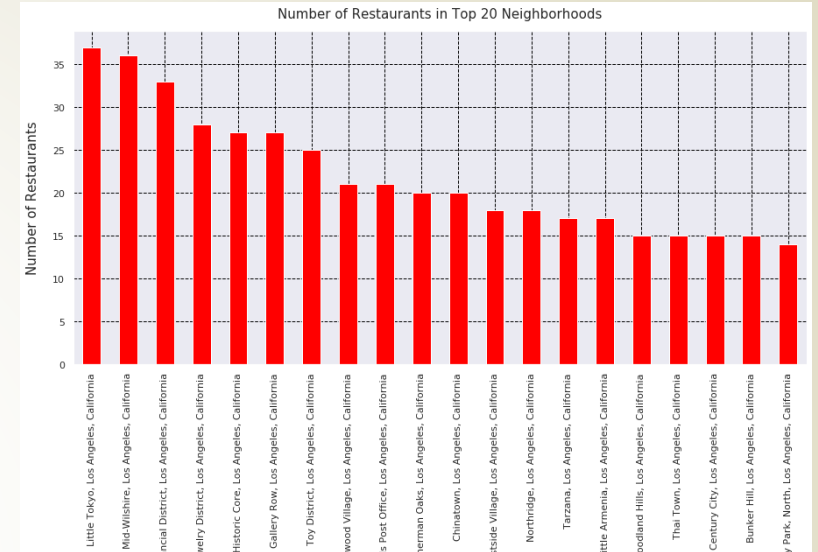
# Analyzing current restaurants established

- Analyzing the current restaurants established in each neighborhood within the radius of 500m.
- General search on each neighborhood of L.A. resulted 3716 venues among those 323 unique categories returned by Foursquare.
- Specific categories such as Bar, Restaurant, Coffee shop, Pizza, and Food resulted 74 unique categories.
- 74 unique categories are further grouped to show Top 20 hangout places across all neighborhoods.
- The current analysis show that Little Tokyo, Mid-Wilshire, Jewelry District, Toy District, Historic Core, Financial District, and Gallery Row neighborhoods are the most favorite hangout places in Los Angeles.



# Restaurants search

- Analyzing only the restaurants around each neighborhood yielded 53 unique categories.
- Top 20 neighborhood where high volume of restaurants established are Little Tokyo, Mid-Wilshire, Financial District, Jewelry District, Historic Core, Gallery Row, and Toy District where most of the restaurants established in the city.
- First list of most common restaurant venue plot shows the Top 10 cuisine choices people are making across 272 neighborhoods. From the plot we can see that Mexican and American are most desired type of food, followed by Italian.







# Observations and Conclusion

- **Observations:** Los Angeles is known for its Mediterranean climate the weather pattern of Hottest and coldest, wettest and driest averages for a month from 1895–2019 confirms the climate conditions, from the analysis of the population data by race we can see the ethnic diversity of the city. Bulk of the people living in the city is either young or middle aged with the Households, families, and non-family's income range of US\$ 50,000 to US\$ 150,000.
- Comparing both narrow search and wider search show the concentration of restaurants and hangout places around similar neighborhood.
- **Conclusion:** The city, which covers about 469 square miles (1,210 km<sup>2</sup>) and with over 4 million in population it would be beneficial to open a restaurant to cater to the Hispanic and Non-Hispanic population.
- Based on the income of the people and with majority of the population both male and female are between the age group of 25 to 39 it would be a good choice either open a Family style restaurant or a Fine dining restaurant with a good infrastructure to support Mediterranean climate.
- Mexican, American, Italian, Japanese cuisine are currently peoples favorite, investor can either opt to go with the current trend or go pick a new variety of cuisines such as Greek, Mediterranean, French or Spanish Cuisine.
- With 53 unique categories of restaurants spread across 7 neighborhoods of L.A. Little Tokyo, Mid-Wilshire, Financial District, Jewelry District, Historic Core, Gallery Row, and Toy District. Investors can either chose to establish in these popular neighborhoods or opt for second most popular neighborhoods such as Westwood Village, Beverly Hills, Sherman Oaks, Chinatown, Westside Village, and Northridge.