<u>Predicting the Best Areas to Start an Italian Restaurant in</u> <u>Pune</u>

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1 Introduction

1.1 Background

It's quite a difficult and time consuming task to analyze "Where to start my restaurant" as this "Where" part is most difficult and is an important factor in determining the success of your hefty investment. A Good restaurant with excellent interior and Food Quality and competent rates can also fail if it's established on a wrong area. For E.g. if the area is on industrial zone or human presence is far away then in spite of maintaining everything it will cause problem. So a Good Area with good demand and supply with all above mentioned points related to restaurant will help the restaurant to succeed.

1.2 Problem

Apart from above mentioned points it is more difficult to analyze for a Specific Cuisine related restaurant which is our case of "<u>Italian Restaurant</u>". Besides this a specific cuisine restaurant requires to analyze the most important "<u>Where</u>" question. A good Italian restaurant can run only and only on areas where there is a <u>Good Demand & Good Supply</u> apart from other facilities and services that a restaurant provides.

1.3 Interest

As this is a complex problem, So this basically attracts a newbie to analyze how this actually works and extract exact data and output.

2 Data Acquisition & Cleaning

2.1 Data Sources

This project will use data from:

- Geopy For getting the co-ordinated of different locations.
- Foursquare API To get the list of venues and their details around a given location.
- Geocoder To extract latitude and longitude from Areas and the city itself.

3 Methodology

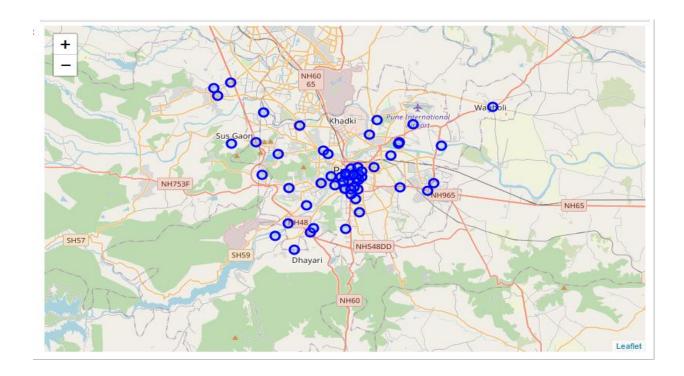
Below are the step-by-step points that consists of Methodology steps.

1. Getting the co-ordinates of the target city.

2. Getting the list of neighborhoods and their co-ordinates.

```
In [9]: def calculate_latitude_longitude_all_areas(localities):
                locate = geocoder.arcgis('{},Pune,India'.format(localities))
                getlatlong = locate.latlng
                return getlatlong
 In [11]: # Getting Latitudes and Longitudes for All Areas of Pune
           store_localities =[]
           for i in neighbourhood_df['Locality'].tolist():
                store_localities.append(calculate_latitude_longitude_all_areas(i))
 In [12]: store_localities[:5]
 Out[12]: [[18.516483671884753, 73.85387026191101],
            [18.563459090909046, 73.812270909090907], [18.576020909090928, 73.77983000000006], [18.548200000000065, 73.77316000000008],
            [18.517544858465925, 73.77853184068661]]
]: coordinates = pd.DataFrame(store_localities,columns=['Latitudes','Longitudes'])
   neighbourhood_df['Latitudes']=coordinates['Latitudes']
   neighbourhood_df['Longitudes']=coordinates['Longitudes']
   neighbourhood_df.head()
]:
                 Locality Latitudes Longitudes
    0 Appa Balwant Chowk 18.516484
                                     73.853870
              Aundh, Pune 18.563450
                                     73.812270
    2
                 Balewadi 18.576020 73.779830
                   Baner 18.548200 73.773160
    3
                 Bavdhan 18.517545 73.778532
```

3. Mapping them on Map Using Folium



4. Using Foursquare API to extract nearby Venues from all areas

```
In [32]: #foursquare
CLIENT_ID = 'M1NURV4RJYRINESBG1AZJ2LLFM0VN4K4FIDUHYQRK5GO0RBL'
          CLIENT_SECRET = 'SRW3IY5XJ5G3M3CSYKVABCW2B3DDDR5QEELMBNJX1UX5CDVI'
          VERSION = '20180605' # Foursquare API version
In [36]: Limit = 10 radius = 2000
          venues =[]
           for lat,long,locality in zip(neighbourhood_df['Latitudes'],neighbourhood_df['Longitudes'],neighbourhood
              url = 'https://api.foursquare.com/v2/venues/explore?client_id={}&client_secret={}&ll={},{}&v={}&results = requests.get(url).json()['response']['groups'][0]['items']
               for venue in results:
                   venues.append((locality, lat, long, venue['venue']['name'], venue['venue']['location']['lat'],
                   #venues.append((locality,lat,long,venue['venue']['name'],venue['venue']['location']['lat'],venu
In [37]: venues[0]
Out[37]: ('Appa Balwant Chowk',
            18.516483671884753,
            73.85387026191101,
            'Sujata Mastani',
            18.511792754341577,
           73.85214493967393,
```

,

```
In [38]: venues_df = pd.DataFrame(venues)
    venues_df.columns = ['Locality', 'Latitude', 'Longitude', 'Venue name', 'Venue Lat', 'Venue Lng', 'Venue venues_df.head()
    venues_df.head()
```

	Locality	Latitude	Longitude	Venue name	Venue Lat	Venue Lng	Venue Category	Venue ID
0	Appa Balwant Chowk	18.516484	73.85387	Sujata Mastani	18.511793	73.852145	Ice Cream Shop	4bd12ba141b9ef3b12a4fbe5
1	Appa Balwant Chowk	18.516484	73.85387	Bhagat Tarachand	18.514332	73.851317	Indian Restaurant	4c41785da5c5ef3bb73eb06f
2	Appa Balwant Chowk	18.516484	73.85387	Hotel Madhuban	18.519248	73.848688	Tea Room	50f6c177e4b0e9762504f426
3	Appa Balwant Chowk	18.516484	73.85387	Raja Dinkar Kelkar museum	18.510744	73.854389	History Museum	4d96d24fc910d7ce1b454755
4	Appa Balwant Chowk	18.516484	73.85387	Mad Over Donuts	18.519335	73.845320	Donut Shop	4feebcafe4b0da11fdbe582b

5. Categorizing the Data to get total count venue category wise.

```
In [42]: demo1_df = pd.DataFrame({'Venue Category':complex_df.index[:50]})
          category_strength=[]
          for i in range(50):
             category_strength.append(complex_df['Strength'][i])
          demo2_df = pd.DataFrame(category_strength, columns=['Strength'])
          demo_df = pd.DataFrame({'Venue Category': demo1_df['Venue Category'], 'Strength': demo2_df['Strength']]
          demo_df.head()
Out[42]:
                       Venue Category Strength
          0
                       Indian Restaurant
          1
                        Ice Cream Shop
                                          35
                           Snack Place
                                Café
                                          23
                                          23
          4 Vegetarian / Vegan Restaurant
```

6. Using Word Cloud to visualize frequency of Categories of Venues

Here we come to know Indian Restaurants are having most frequency in Pune.

7. Using OneHotEncoding and Transpose method to convert data into more visualizable form to clearly see details. E.g. if there is Indian Restaurant in Appa Balwant Chowk then it will be displayed with 1. Encoding is used to make Textual Data more lenient and flexible for statistical modeling. It can be analyzed with ease.

```
62]: blr onehot = pd.get dummies(venues df[['Venue Category']], prefix="", prefix sep="")
      blr_onehot['Locality'] = venues_df['Locality']
      #moving the locality column to the front
      blr_onehot = blr_onehot[ [ 'Locality' ] + [ col for col in blr_onehot.columns if col!='Locality' ] ]
      blr_onehot.head(10)
62]:
                                                                                            South
                                                                                                   Southern /
                                                                                                              Sporting
                        American
                                              Asian BBQ
                                                                        Beer
                                 Arcade Restaurant
         Locality ATM
                                                          Bakery Bar
                                                                             Bistro ...
                                                                                                  Soul Food 
Restaurant
                                                                                                               Goods
Shop
                                                                                            Indian
                       Restaurant
                                                                      Garden
                                                                                        Restaurant
            Appa
         Balwant
                                                                                                           0
                                                                                                                   0
           Chowk
            Appa
                                                                                  0 ...
                                                                                                           0
          Balwant
                               0
                                                                           0
                                                                                                0
                                                                                                                   0
                                                 0
                                                       0
                                                               0
                                                                   0
           Chowk
            Appa
         Balwant
                               0
                                      0
                                                 0
                                                               0
                                                                   0
                                                                           0
                                                                                                0
                                                                                                           0
                                                                                                                   0
           Chowk
            Appa
                                                                                                                   0
         Balwant
           Chowk
            Appa
```

8. To Group By areas to get the mean of Italian Restaurant in Pune. For better analyzing and clustering areas this step is implemented.

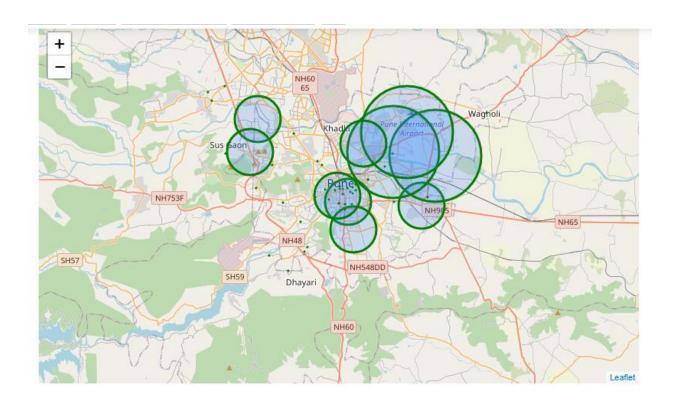


9. To Display a Map where an Area with most Restaurants is displayed in bigger circles.

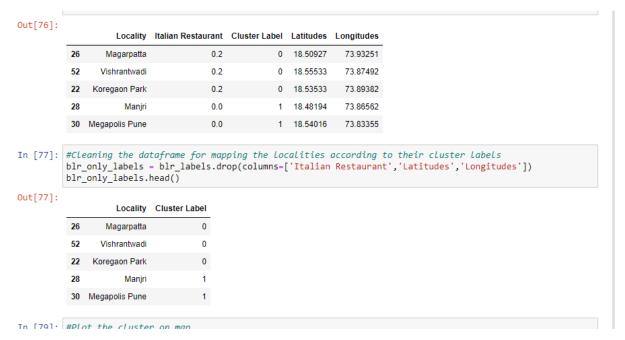
```
In [70]: blr_map = folium.Map(location=[18.504220000000032,73.85302000000007 ],zoom_start=11)

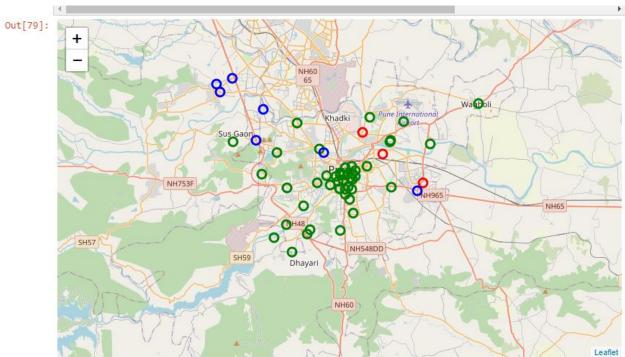
#markers for Localities
for latitude,longitude,name,strength in zip(neighbourhood_df["Latitudes"], neighbourhood_df["Longitudes
    folium.circleMarker(
        [latitude, longitude],
        radius=strength*300,
        color='green',
        popup=name,
        fill=True,
        fill_color='#3186ff'
    ).add_to(blr_map)

blr_map
```



10. Clustering Areas based on Mean of Total restaurants in that particular area.





4 Result Section

Here we observed that 3 clusters are formed and we need to analyze that which cluster is to be used for decision making. Ideally 3rd cluster with Shivaji Nagar Area having 0.1 Mean is suitable as it resembles that demand is there but supply is less. Rather than Magarpatta where Demand and supply both are high.

Result:

Cluster 1:

```
In [80]: #Cluster 1
#Dataframe containing localities with cluster label 0, which corresponds to localities with no Italian
    cluster_1 = blr_labels[blr_labels['Cluster Label'] == 0]
    print("There are {} localities in cluster-1".format(cluster_1.shape[0]))
    mean_presence_1 = cluster_1['Italian Restaurant'].mean()
    print("The mean occurence of Italian restaurant in cluster-1 is {0:.2f}".format(mean_presence_1))
    cluster_1.head()

There are 3 localities in cluster-1
The mean occurence of Italian restaurant in cluster-1 is 0.20
```

Cluster 2:

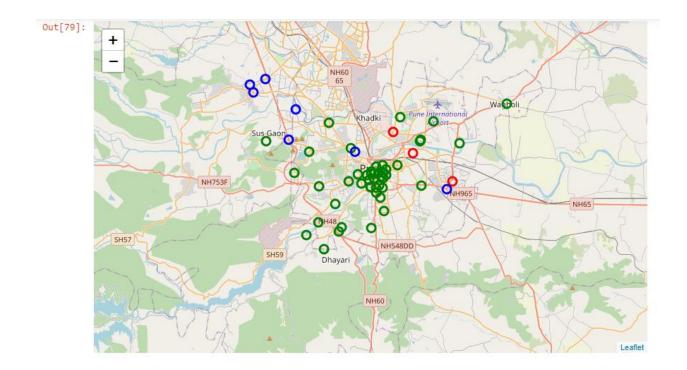
```
#Cluster 2
#Cluster 2
#Dataframe containing localities with cluster label 1, which corresponds to localities with high densit cluster_2 = blr_labels[blr_labels['Cluster Label'] == 1]
print("There are {} localities in cluster-2".format(cluster_2.shape[0]))
mean_presence_2 = cluster_2['Italian Restaurant'].mean()
print("The mean occurence of Italian restaurant in cluster-2 is {0:.2f}".format(mean_presence_2))
cluster_2.head()
                  There are 46 localities in cluster-2
The mean occurence of Italian restaurant in cluster-2 is 0.00
Out[81]:
                                       Locality Italian Restaurant Cluster Label Latitudes Longitudes
                  28
                                      Manjri 0.0 1 18.48194 73.86562
                   30
                             Megapolis Pune
                                                                          0.0
                                                                                                       18 54016
                                                                                                                            73 83355
                           Mukund Nagar
                                                                                                   1 18.49480 73.86229
                   31
                                                                          0.0
                                                                                                   1 18.45992 73.79015
                   33 Nanded City, Pune
                                                                          0.0
```

Cluster 3:

```
In [82]: #Cluster 3
          #Dataframe containing localities with cluster label 2, which corresponds to localities with low density cluster_3 = blr_labels[blr_labels['Cluster Label'] == 2]
          print("There are {} localities in cluster-3".format(cluster_3.shape[0]))
          mean_presence_3 = cluster_3['Italian Restaurant'].mean()
          print("The mean occurence of Italian restaurant in cluster-3 is {0:.2f}".format(mean_presence_3))
          cluster_3.head()
           There are 7 localities in cluster-3
          The mean occurence of Italian restaurant in cluster-3 is 0.10
Out[82]:
                       Locality Italian Restaurant Cluster Label Latitudes Longitudes
           43 Shivajinagar, Pune
                                                           2 18.53723
                                                                         73.83808
                                            0.1
                                                                         73.92706
           17
                      Hadapsar
                                            0.1
                                                           2 18.50253
                                            0.1
           18
                      Hinjawadi
                                                           2 18.59142
                                                                         73.73895
            3
                          Baner
                                            0.1
                                                           2 18.54820
                                                                         73.77316
                                                           2 18.57602
                       Balewadi
                                                                       73.77983
```

5 Discussion Section:

Based on clustering we get to know that clusters give us an extra knowledge to analyze how to perceive things and come up with an exact/near to it decision.



- 6. 3 Clusters are formed with First and Last Most Significant
- Thus best Areas to Open Italian
 Restaurant are Magarpatta, Vishrantwadi, Koregaon Park on basis of
 Frequency of Italian Restaurants and also this observation seems to be True
 as these areas are actually good for Italian Restaurant
- 2. But for A Startup Italian Restaurant with no brand name and less Risk Cluster 3 Seems to be promising as it has a decent amount of Italian Restaurant and that means demand is there but supply is less. So Shivaji Nagar, Hadapsar, Hinjawadi seems to be more promising for Future Prospective