

Matcha Cafe

Location Strategy & Data Analysis

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Business Situation

CLIENT

- Axem commercial real estate

BUSINESS GOAL

- Capitalize on the growing trend of matcha by creating a brand of high end matcha cafes

INPUT

- Believes cafes need to be in higher income geographies.
- Offering premium priced matcha drinks (\$8-\$10 per drink)



Matcha Trends

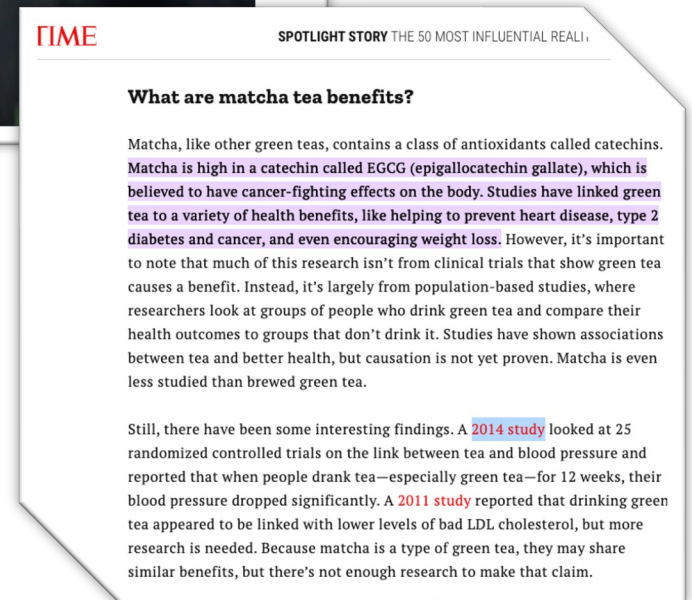
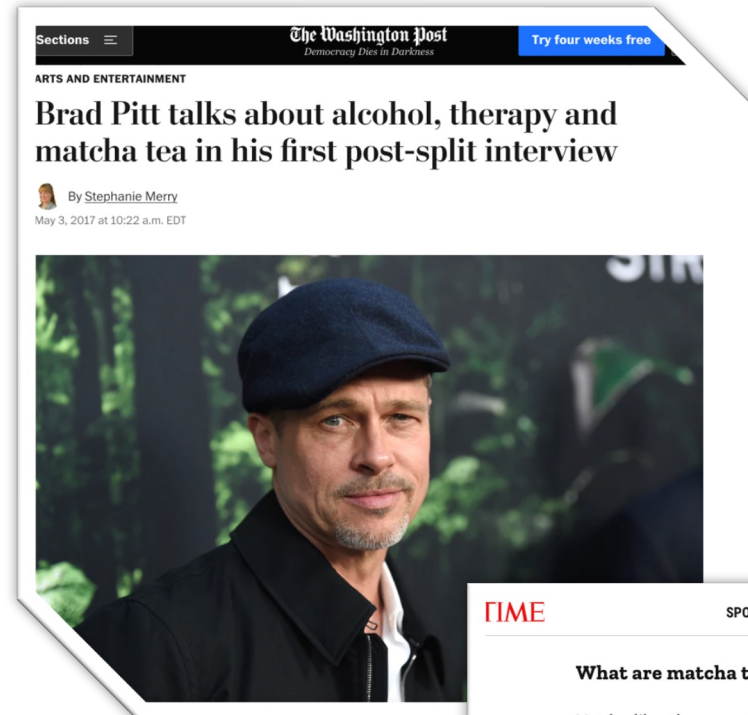
Market Share is Growing

- 2019 North American matcha market share \$750MM USD
- Industry expected to gain 7.5% by 2026

People Believe In Its Health Benefits

- People feel matcha helps them feel better
- Some science linking matcha to potential health benefits

<https://www.quora.com/Have-you-personally-experienced-significant-benefits-from-drinking-matcha-green-tea-regularly>
<https://time.com/5188377/matcha-tea-benefits/>



Business Question

Where do we put Matcha Cafes to best drive business success?



US Census Data



PERSONAL INCOME BY COUNTY

- Total Personal Income divided by total population



POPULATION BY COUNTY

- $\text{Pop Base} + \text{Births} - \text{Deaths} + \text{Migration} = \text{Pop Est}$



COUNTY BUSINESS PATTERNS

- By county, the number of fitness and recreational sports facilities featuring exercise and other active physical fitness conditioning or recreational sports activities

Tools



EXCEL



PANDAS



TABLEAU

Links to data

<https://www.bea.gov/data/income-saving/personal-income-county-metro-and-other-areas>

<https://www.census.gov/data/datasets/2020/econ/cbp/2020-cbp.html>

<https://www.census.gov/data/tables/time-series/demo/popest/2020s-counties-total.html>

Strategic Approach



Impact Hypothesis

What we want the work to achieve

Identifying the geographic areas where people have higher income and pursue healthy lifestyles will increase the likelihood for sales of matcha drinks

Targeting Higher Income Counties

Cast the net broad but not too broad

Higher Income Individuals



Filtering Criteria

1. Identify counties where Personal Income is greater than US Median

2. Resulting Metric

> \$67,500 Personal Income

Targeting Healthy Lifestyle

Find counties that have higher concentration of fitness and sports recreation centers

Healthy Lifestyle



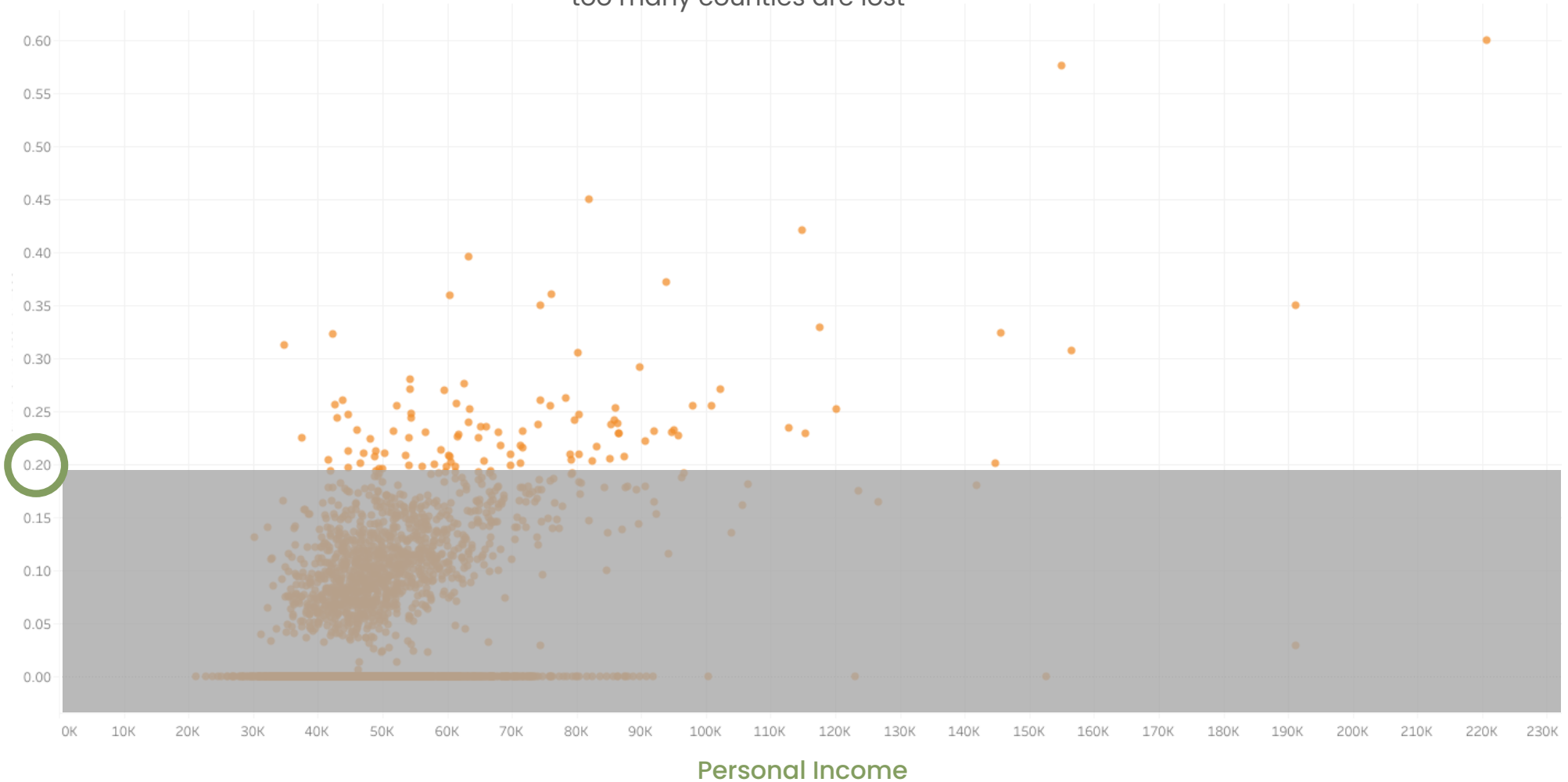
Filtering Criteria

1. Number of establishments per county
NAIC code 713940
2. Establishments per 1000 people
3. Resulting Scale
0 to 0.6 gyms per 1000 people
4. Resulting Metric
>= 0.2 establishments
per 1000 people

Why ≥ 0.2 Per 1000?

Higher concentration than the norm, but not too tight of a parameter where too many counties are lost

Fitness
Centers
Per 1000



Results



40 Counties

OUT OF 3006 US COUNTIES

20 States

VARIOUS PARTS OF US

County Counts by Region

East	Mid	West
NJ (5)	IL (2)	CA(3)
MA(4)	WI(2)	CO(3)
CT (2)	IN(1)	NV(1)
DC(2)	SD(1)	UT(1)
NY(2)		
NH (2)	South	
RI (2)	GA(3)	
VA(2)	TN(1)	
MN (1)		
PA(1)		

Complete List

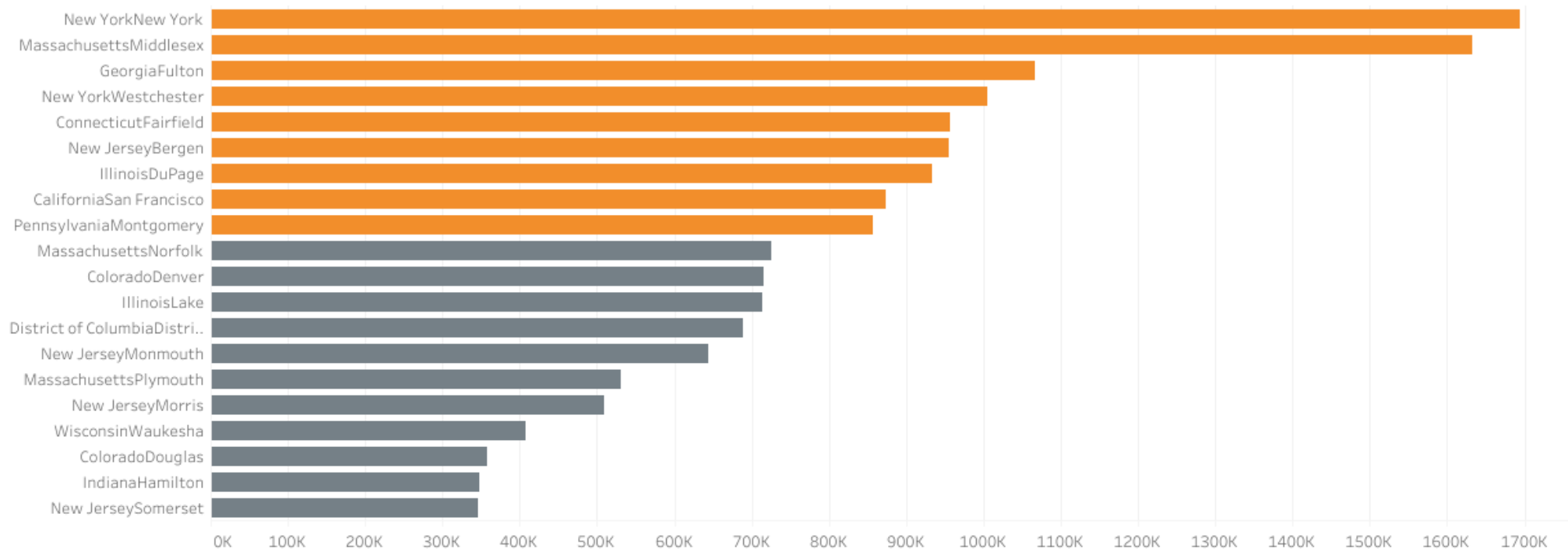
State	County	Income	Pop	Estabs per 1000
California	Marin	145575	262321	0.324030
California	Napa	82408	138019	0.202871
California	San Francisco	144818	873965	0.201381
Colorado	Boulder	79649	330758	0.241869
Colorado	Denver	85411	715522	0.237589
Colorado	Douglas	78980	357978	0.209510
Connecticut	Fairfield	120244	957419	0.251718
Connecticut	Middlesex	71291	164245	0.200919
District of Columbia	District of Columbia	86567	689545	0.229137
Georgia	Fayette	71384	119194	0.218132
Georgia	Fulton	95683	1066710	0.226866
Georgia	Oconee	71768	41799	0.215316
Illinois	DuPage	79127	932877	0.204743
Illinois	Lake	85159	714342	0.205784
Indiana	Hamilton	80426	347467	0.247506
Maine	Cumberland	68237	303069	0.217772
Massachusetts	Barnstable	80420	228996	0.209611
Massachusetts	Middlesex	90688	1632002	0.222426
Massachusetts	Norfolk	98019	725981	0.254828
Massachusetts	Plymouth	74034	530819	0.237369
Nevada	Douglas	78416	49488	0.262690
New Hampshire	Grafton	67943	91118	0.230470
New Hampshire	Rockingham	80220	314176	0.305561

State	County	Income	Pop	Estabs per 1000
New Jersey	Bergen	91972	955732	0.231236
New Jersey	Hunterdon	95088	128947	0.232654
New Jersey	Monmouth	86091	643615	0.253257
New Jersey	Morris	102227	509285	0.270968
New Jersey	Somerset	112825	345361	0.234537
New York	New York	191220	1694251	0.350007
New York	Westchester	115386	1004457	0.228979
Pennsylvania	Montgomery	86340	856553	0.238164
Rhode Island	Bristol	83127	50793	0.216565
Rhode Island	Washington	71717	129839	0.231055
South Dakota	Lincoln	74493	65161	0.260892
Tennessee	Williamson	94748	247726	0.230093
Utah	Summit	156537	42357	0.306915
Virginia	Arlington	100823	238643	0.255612
Virginia	Henrico	69872	334389	0.209337
Wisconsin	Ozaukee	87395	91503	0.207643
Wisconsin	Waukesha	75958	406978	0.255542

Top 20 Counties by Population

■ > 800K

State / County



Population

Next Steps

Ongoing Collaboration – Iterative Design Process

01 BUSINESS GOAL

The business question we're answering

04 ITERATION

Further evolve the work to answer the business question

02 EXPLORATION

Hypothesis and Exploratory Data Analysis
Initial Findings

03 DISCUSSION

Ideas that resonate
New Ideas
Ideas to further Explore



Discussion

