EXPANSION TO GERMANY

Coursera Capstone Final Project

1. INTRODUCTION/BUSINESS PROBLEM

The client, a small event-organiser company in Copenhagen, Denmark has had a great last couple of years and is now looking to expand its business to Germany. Being a small company, it must spend its limited resources carefully even after the good years, they can only choose one city to start off with.

They want to know which city they should choose and ,potentially, some indication of where in the chosen city they should open a new office. Based on available resources, the company's analysts have narrowed down its expansion scope of interest to the two closest German major-cities of Hamburg and Berlin.

Having had some experience they know that they tend to do well and know how to market in neighbourhoods of Copenhagen, and they suspect it has something to do with the overall atmosphere in them. The "atmosphere" can be proxied by the types of venues that are most common in the neighbourhood.

The task then is to come up with a model prototype of determining the type of neighbourhood in the three cities , and give a better look of where the company is likely to do better in order for them to make the final expansion decision.

1.1 PROBLEM FORMULATION

So, the **business problem** can be formulated in brief as:

"Which of the two cities(Berlin, Hamburg) should the Danish event-organiser company expand to? "

And, the **data science problem** that is derived from the above can be formulated in brief as:

"Between Hamburg and Berlin, which city's neighborhoods are most similar to those of Copenhagen in terms of entertainment venues?"

1.2 COMMERCIAL INTEREST

Naturally, finding places that are very similar to the one that the client has already succeeded in, will increase chance of success in the new location. This type of analysis would allow the company to open to new markets utilizing resources they currently have more effectively, instead of going through large and potentially costly changes within the company's resources/knowledge base, or having to rely purely on luck by expanding blindly.