# SETTING UP THE LOCATION OF A NEW CHINESE RESTAURANT

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IBM Data Science Certificate Coursera Capstone Project

# PROBLEM STATEMENT

□New York City is home to hundreds of cultures, and so is to thousands of foreign-cuisine restaurants



- □But *how to proceed when growing a restaurant?*
- □2 variables depending on location: market size and competition
- □This <u>project aims to be valuable</u> for those setting up a Chinese restaurant in NY City taking into consideration population, density competition and other demographics.

# **DATA**

- Mainly related to demographics of the city.
  - Division of its 5 boroughs and their size, population and density
  - 306 neighborhoods

https://en.wikipedia.org/wiki/New\_York\_City

https://en.wikipedia.org/wiki/Demographics\_of\_New\_York\_City

A Geojson dataset of the city (<a href="https://cocl.us/new\_york\_dataset">https://cocl.us/new\_york\_dataset</a>)

Foursquare APIs in order to gain access to Chinese restaurants in the city.

# METHODOLOGY AND RESULTS

## FIRST PART: DEMOGRAPHICS

- Most populous boroughs: Brooklyn and Queens
- Densest borough: Manhattan
- Least populous and dense: Staten Island

	borough	county	population	gdp_billions	land_sqm	land_sqkm	persons_sqm	persons_sqkm
0	The Bronx	Bronx	1418207.0	42.695	42.10	109.04	33867.0	13006.0
1	Brooklyn	Kings	2559903.0	91.559	70.82	183.42	36147.0	13957.0
2	Manhattan	New York	1628706.0	600.244	22.83	59.13	71341.0	27544.0
3	Queens	Queens	2253858.0	93.310	108.53	281.09	20767.0	8018.0
4	Staten Island	Richmond	476143.0	14.514	58.37	151.18	8157.0	3150.0

This affects to location selection: overcrowded place to attract as many clients as possible vs quiet place so the restaurant is able to supply with the highest possible quality the lower demand

Highest % of Asian population: Queens (17.6% of total)

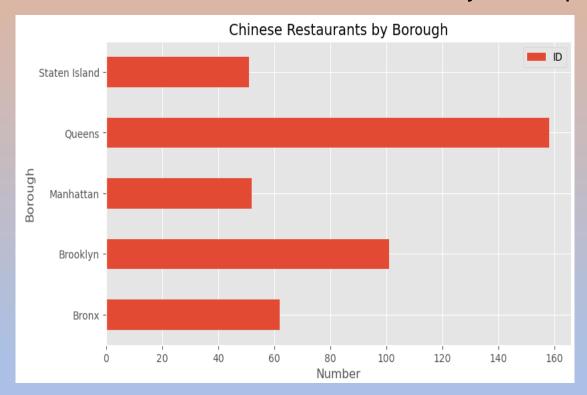
Lowest % of Asian population: The Bronx and Staten Island (less than 5%)

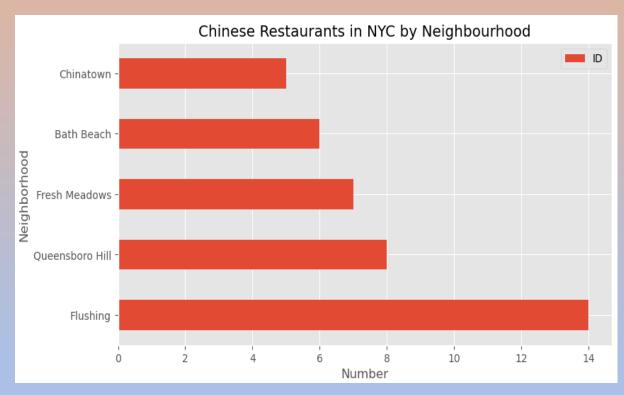
<u>Friendly reminder</u> that Asian race includes many other origins and cultures than just the Chinese one

		Jurisdiction	% White	% Black or African American	% Asian	% Other	% Mixed Race	% Hispanic latino of other race
	0	Brooklyn	41.2	36.4	7.5	10.6	4.3	19.8
	1	Queens	44.1	20.0	17.6	12.3	6.1	25.0
	2	Manhattan	54.4	17.4	9.4	14.7	4.1	27.2
	3	Bronx	29.9	35.6	3.0	25.7	5.8	48.4
•	4	Staten Island	77.6	9.7	5.7	4.3	2.7	12.1
	5	NYC Total	44.7	26.6	9.8	14.0	4.9	27.0

### SECOND PART: CHINESE RESTAURANTS IN THE CITY

424 Chinese restaurants detected by Foursquare APIs.





#### **BOROUGHS**

Queens absolute leader, 158 of them (38% of total)

#### **NEIGHBORHOODS**

The top 3 are Queens's neighborhoods.

# RESULTS DISCUSSION

#### **OBSERVATIONS**

- Flushing, Queensboro Hills and Fresh Meadows neighborhoods (all located in Queens) are some of the <u>best neighborhoods for Chinese cuisine</u>.
- When it comes to boroughs, <u>Queens is the absolute leader</u> of Chinese restaurants.
- At the bottom, we can check <u>that Manhattan and Staten Island</u> are <u>not very appealing</u> for Chinese restaurant owners.
- As for curiosity, the famous and notorious Chinatown Manhattan is not the neighborhood with the highest number of Chinese restaurants.

# FINAL RECOMMENDATION



1. Attract the highest number of clients + competition is not a problem: **QUEENS** 

#### **Reasons:**

- √ 2<sup>nd</sup> most populous borough
- √ Highest percentage of Asian population
- ✓ Highest number of Chinese restaurants
- ✓ Flushing, Queensboro Hill or Fresh Meadows are great options.



## 2. Gain a competitive strategy (first-mover) or not facing a high rivalry level:

## **MANHATTAN**

#### Reasons:

- ✓ Densest borough
- √ 2<sup>nd</sup> highest Asian population (%)



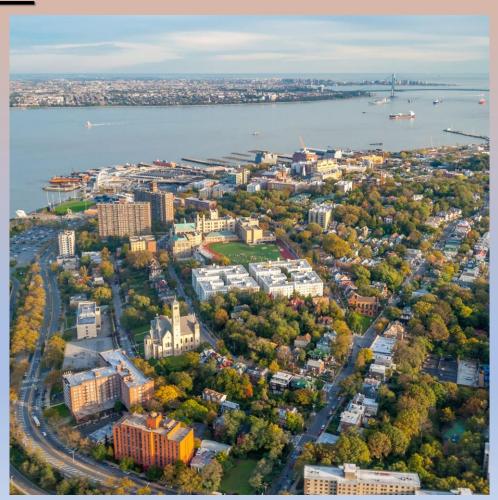
- ✓ At the same time one of the boroughs with the lowest number of Chinese restaurants.
  - → The market and demand is there, and competition is low.

## 3. No recommendation:

## **STATEN ISLAND**

#### **Reasons:**

- ✓ Least populated and least dense borough
- ✓ Very low percentage of Asian population
- ✓ Lowest number of Chinese restaurants (it has be for a reason).



## **CONCLUSIONS AND FUTURE DIRECTIONS**

• Main intention: establishing a *protocol* about how to proceed in order to open a Chinese (or any other type of cuisine) restaurant in New York.

• New York is known by its multiculturalism and Chinese population is a very present one in the city. Chinatown can be an example of that, while Queens is known as the most diverse place in the world.

Crucial to analyze: population, location and other demographics → market size and competition

• As for future directions, this project may need a more accurate list of Chinese restaurants, since Foursquare may not have registered all of them, or does not identify a determined restaurant as Chinese.