Opening a Gift Shop in Boston, Massachusetts

Introduction/Business Problem

Boston is the capital of Massachusetts. A bustling city full of lives attracts a lot of tourists. As, many people come to visit Boston, opening a gift shop would seem like a good idea. Therefore, the next step would be to find out on which street to open the shop. In order to do so, it is important to find out the locations where more tourists are likely to visit. It is crucial to know the competition in the area and also the nearby landmarks.

Data

As gift shops are mainly targeted towards tourists, it is important to locate the shop near a tourist attraction. To do that, used the dataset on hotel reviews from Dataworld.org. The dataset contains ratings and reviews of hotels from all over the US. Used the reviews of Boston, MA. Included the address, the name, the rating, city, state, postal code, latitude and longitude. Along with this also used the foursquare API location data to explore the venues nearby the hotels.

Methodology

First imported the csv file containing all the reviews. Next, extracted the Boston reviews from the file and created a separate data frame. Also, redundant columns were removed. Created a separate data frame by taking the mean of the ratings. With the help of Foursquare API, located the 10 most common venue nearby the hotels and using k-means cluster for unsupervised machine learning, created 5 clusters. The common venues would help to understand what the environment of the streets are, what kind of businesses are common in that area. To determine the location best for opening a gift shop, first explored around the Charlesmark Hotel. This is because this hotel had the highest number of reviews and the total rating was also above 5. Using Foursquare search query, looked into the nearby gift shops. Also, checked the nearby venues to see whether tourists are likely to visit there. Next, looked into the ratings of the gift shops nearby to see how their business was. After that moved to XV Beacon hotel. The second most common venue nearby this

hotel is historic sites. There is a good chance that tourists would visit that area. The next location was Bricco Suites as historic sites are the fifth most common venue around. Then chose Ritz-Carlton Boston because according to the map it seemed to be located in the center of all the hotels in the map. That would mean that it could cover many prime locations. Next, looked into the hotel The Boxer and W Boston. Hotels are the fourth most common venue in those areas. Inspected Beacon Hill Hotel and Bistro as park is the first most common venue and College Club of Boston as it had the second most reviews. Also, looked into AC Marriot Downtown Boston and Harborside Inn. According to the map, the hotels are mostly in or nearby the Financial District. As a result, checked for gift shops in that neighborhood to get an idea. The only hotel that has not been looked into is the Embassy Suites by Hilton Boston at Logan Airport. This is because it is near the airport and quite detached from the other hotels and downtown area.

Results

First most, it could be seen that the hotels in the dataset are mostly or nearby the Downtown of Boston. After looking into the most common values nearby, it could be observed that restaurants are very common around the hotels. Other than that, there are also coffee shops, bakeries, hotels, parks, art gallery and historic sites. When explored near the Charlesmark hotel, 655 Boylston Street, it could be seen that there are 4 gift shops already within 500 radiuses. However, no ratings are found for them. Near XV Beacon, 15 Beacon Street, there are 2 gift shops; 1 of them being categorized as coffee shop. Again, no ratings have been found for them. When searched for the nearby venues within 500 radiuses, it could be seen that there are restaurants, bars, university, bus stop, scenic lookouts and historic sites nearby. Bricco Suites, 241 Hanover Street has no gift shops nearby and the nearby venues are mostly offices, doctors' office, grocery and automotive shops, few restaurants and bars. Near Ritz-Carlton Boston, 10 Avery Street, there are 5 gift shops. Again, no ratings could be found on Foursquare. The nearby venues of this hotel are movie theaters, restaurants and bars, nightclubs, metro stations and art galleries. Near The Boxer, 107 Merrimac Street, there are 10 hotels with ratings greater than 5 and there are 2 gift shops within the same radius. These gift shops also have no ratings. Near W Boston, 100 Stuart Street, there are 5 gift shops which are also nearby 10 Avery Street. Beacon Hill Hotel and Bistro, 25 Charles Street, has no gift shops around. The nearby venues are mostly community centers, metro, bank and schools.

Near College Club of Boston, 44 Commonwealth Avenue, there are 2 gift shops. The nearby venues are jewelry store, nail store, boutiques, spa and art gallery. Harborside Inn, 185 State Street, there are no gift shops either. The venues nearby are mostly general stores and offices. AC Marriott Hotel Downtown, 225 Albany Street, has only 1 gift shop around. However, that particular gift shop is also nearby 10 Avery Street and 100 Stuart Street. The nearby venues are mainly restaurants, café and banks. In the overall Financial District of Boston, there are 8 gift shops in the 500-radius circle. One of the gift shops has a rating of 6.8.

Discussion

After looking into all the nearby venues, it could be observed that gift shops are already established in areas where tourists are most likely to visit. The number of gift shops are high in areas near restaurants, hotels, metro stations. After looking closely, it could be seen that 107 Merrimac Street has about 11 hotels nearby and 2 gift shops nearby. There could be a space for another gift shop in that street. Also, according to the map, it could be seen that the 2 gift shops are a bit scattered. Another option would be 15 Beacon Street. There are currently 2 gift shops, but 1 is categorized as coffee shop. The nearby venues are also restaurants, scenic lookouts, tour guided bus stops. There is a possibility that number of tourists might be higher in this area. Also, gift shops are mostly located in the centers and not by the bay. Furthermore, it could be observed that some of the gift shops nearby are hotel gift shops and museum gift shops. Such shops tend to have a higher price tag. So, if it is possible to sell in a lower price, it might have a chance of attracting customers.

It is also important to keep in mind that these are the first glimpses of the gift shop market in Boston, MA. To dig deeper, it might be helpful to look into the gift shops' websites to find out what kind of products they are selling. Here, the hotels are centered mostly in the Downtown; therefore, it only represents the gift shops in or nearby Downton of Boston.

Other interesting things observed through this is that Italian restaurants are very common nearby almost in every hotel. In general restaurants are very common in the area. Apart from that coffee shops are also common.

Conclusion

This project looked at the gift shop market in Boston, mainly focusing on Financial District. It could be summarized that there are already gift shops near tourist attractions. However, there might be opportunity for opening a gift shop. 15 Beacon Street and 107 Merrimac Street could be 2 possible options, given that further research is conducted.