

Practicum

# Robot-run restaurant in Los Angeles

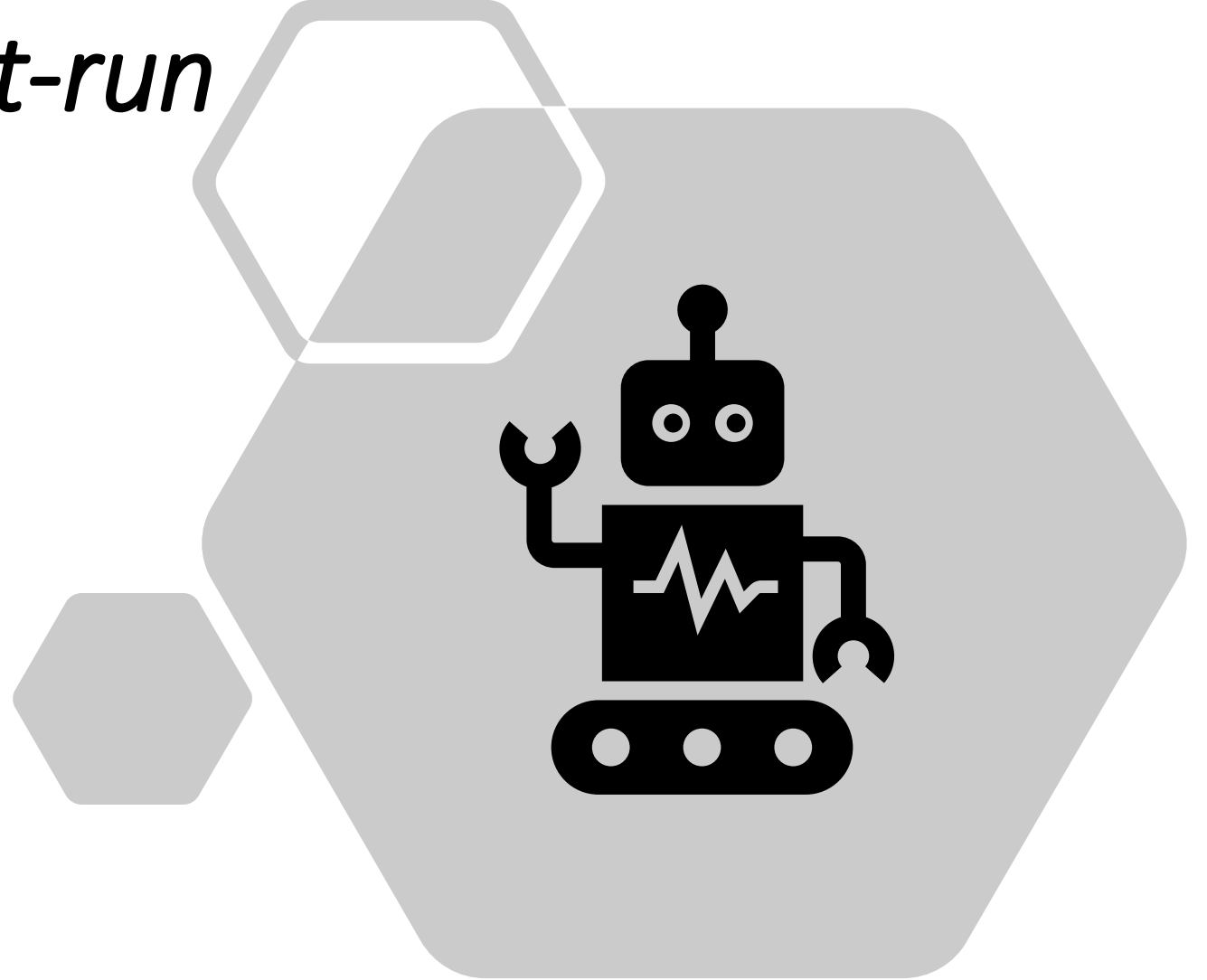
Market research of restaurant business in LA



# *Market research for opening a small robot-run cafe in Los Angeles*

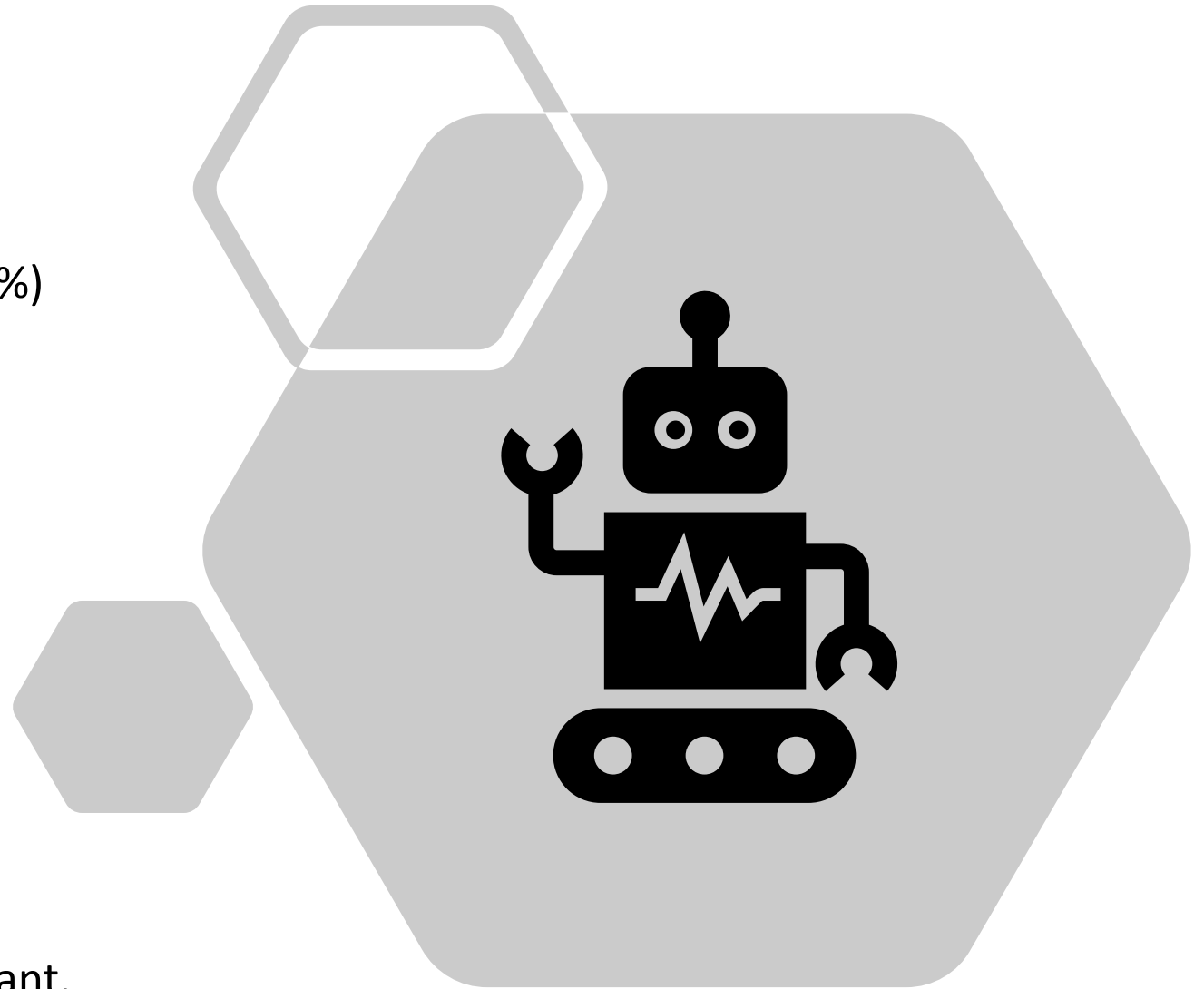
**DATA:** open-source data on  
restaurants in LA

**Goal:** present  
recommendations for a  
restaurant based on the  
current market conditions

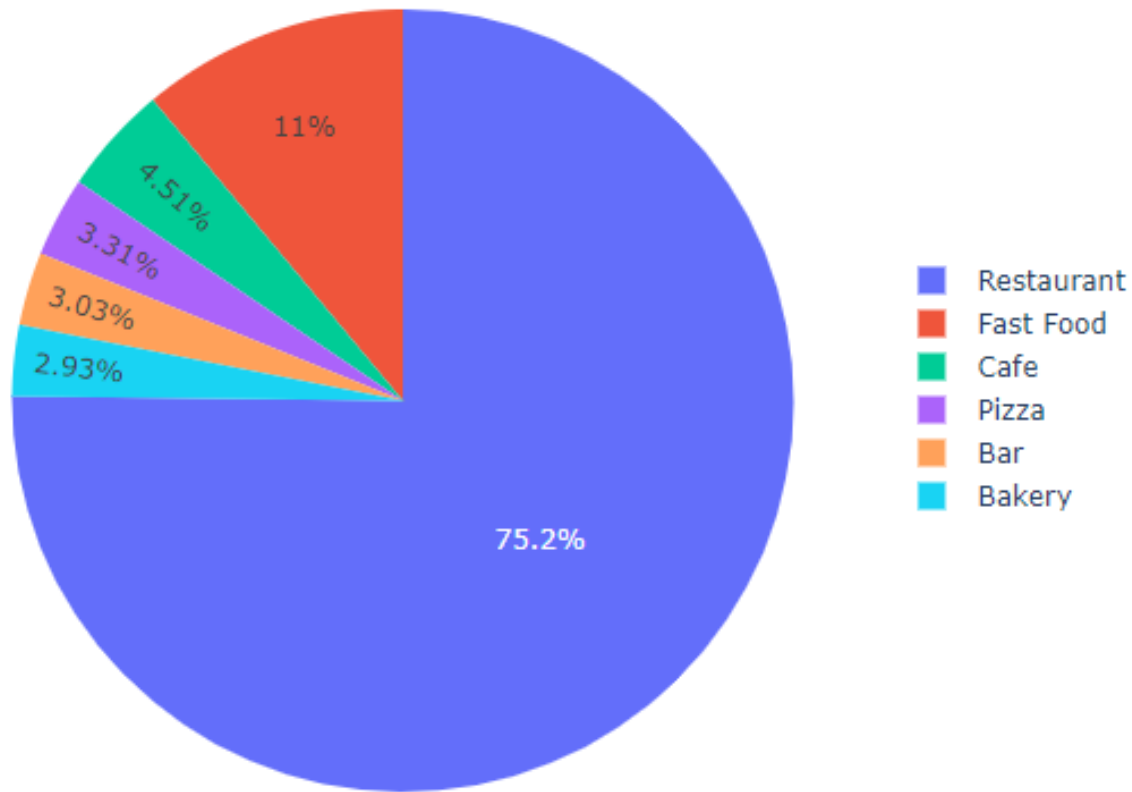


# *Market research results:*

1. Most of the market is preoccupied with restaurants. (75%)
2. Most of the establishments are nonchain. (~60%)
3. Restaurants and bars are mostly nonchain.
4. Fast food and cafes are more often part of the chain.
5. Most establishments have a small or medium number of seats, up to 50.
6. The most popular streets are West Sunset Boulevard, West Pico Boulevard, Wilshire Boulevard, and Hollywood Boulevard.
7. Most of the streets in LA have only one restaurant. (~60%)



The proportions of the various types of establishments



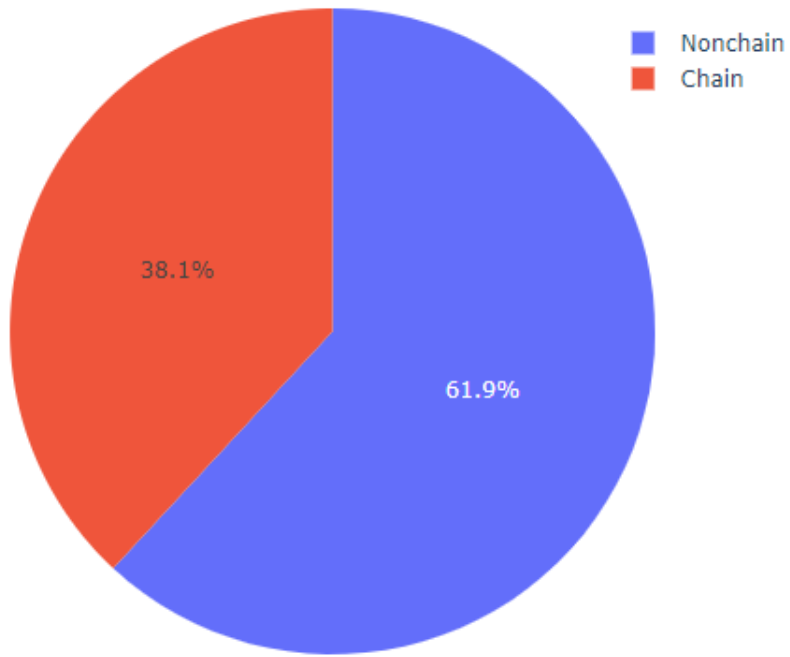
## *Restaurants are leading the market:*

- Most of the establishments on the market are restaurants
- The second most popular type is fast-food
- The rarest type of establishment is bakery

***The market in LA is dominated by restaurants .***

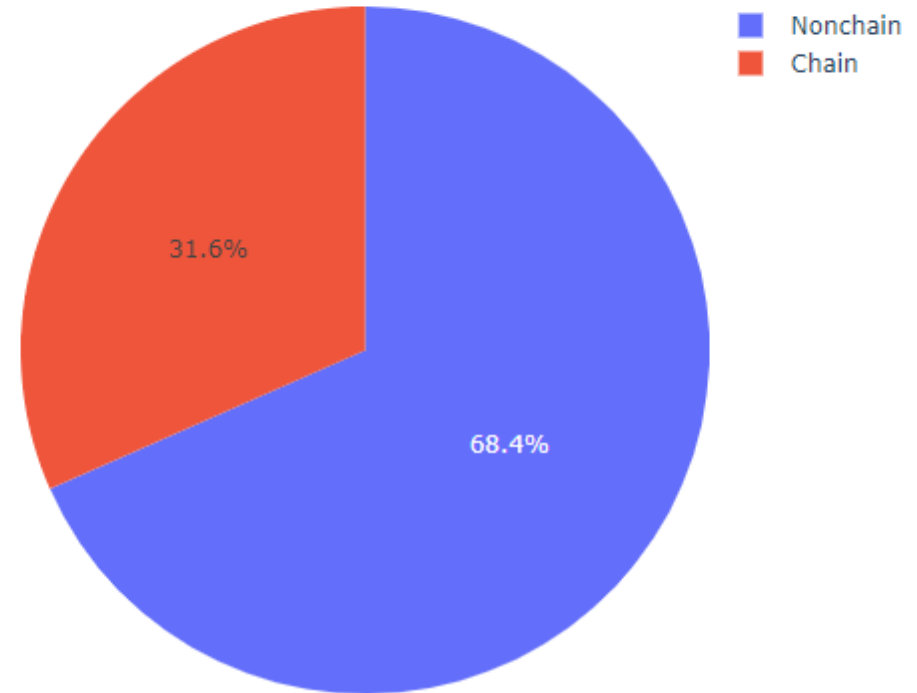
# *Nonchain establishments prevail:*

The proportions of chain and nonchain establishments



Most of the establishments are nonchain.

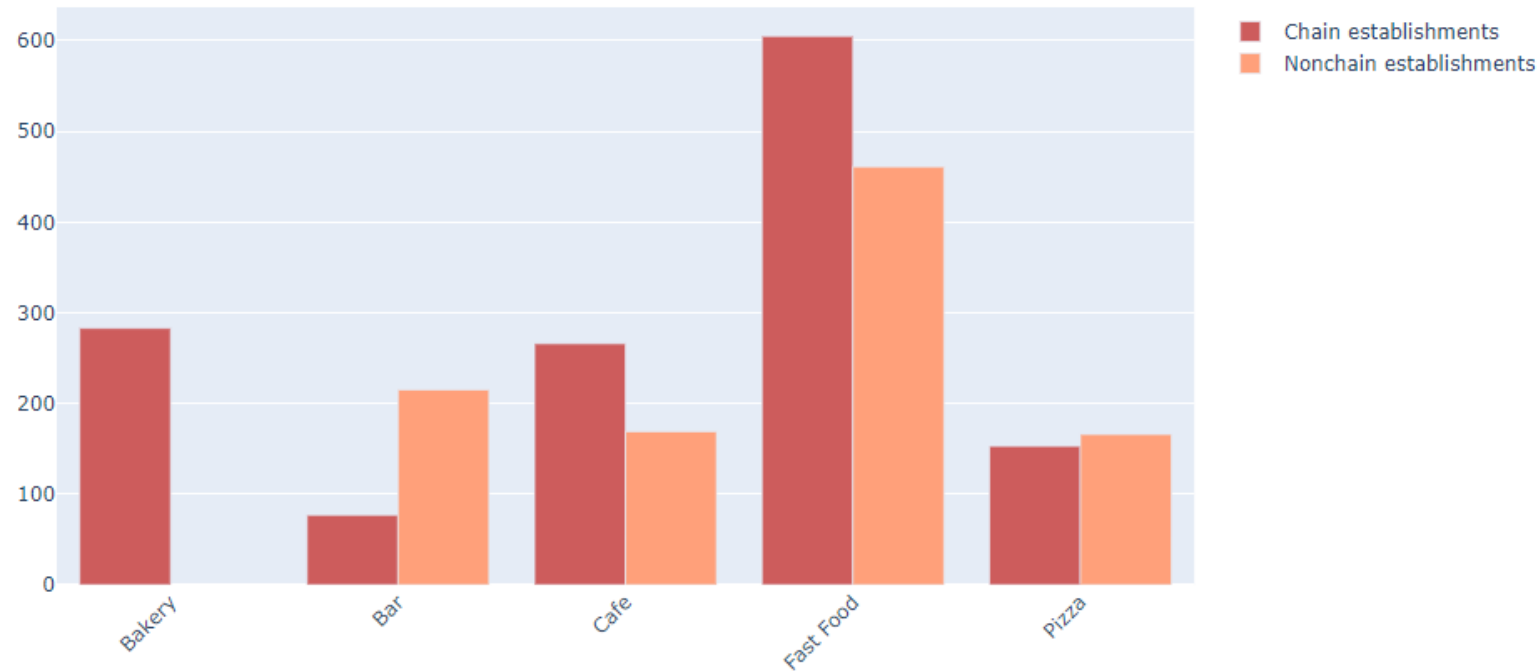
The proportions of chain and nonchain establishments for restaurants



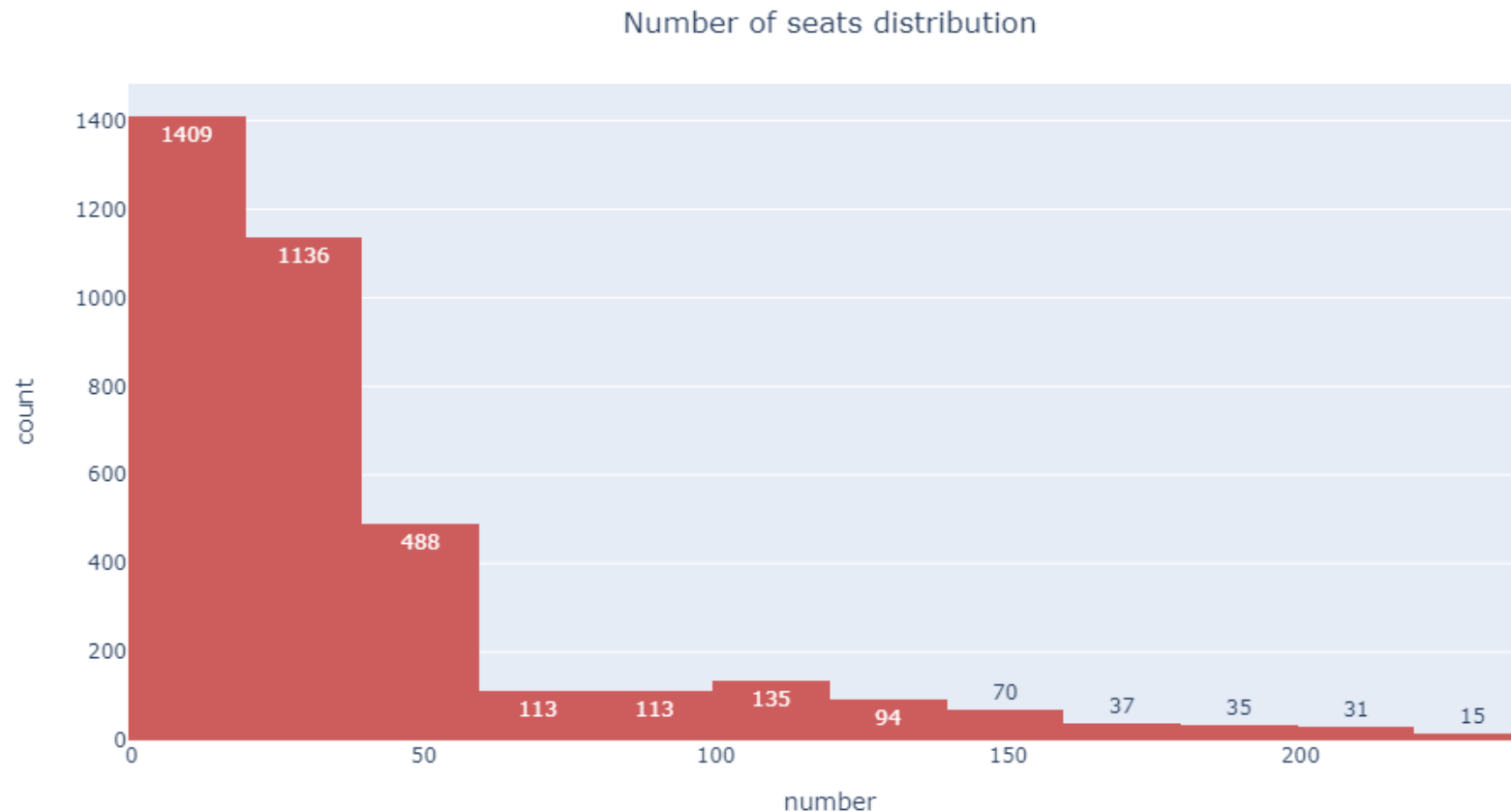
Most of the restaurants are nonchain establishments.

- There are no nonchain bakeries.
- Most of the bars are nonchain.
- Cafes and fast-food establishments mostly belong to some chain.
- Pizza places are almost equally chain and nonchain establishments, with nonchain establishments slightly leading in number.

The proportions of chain and nonchain for different types of establishments



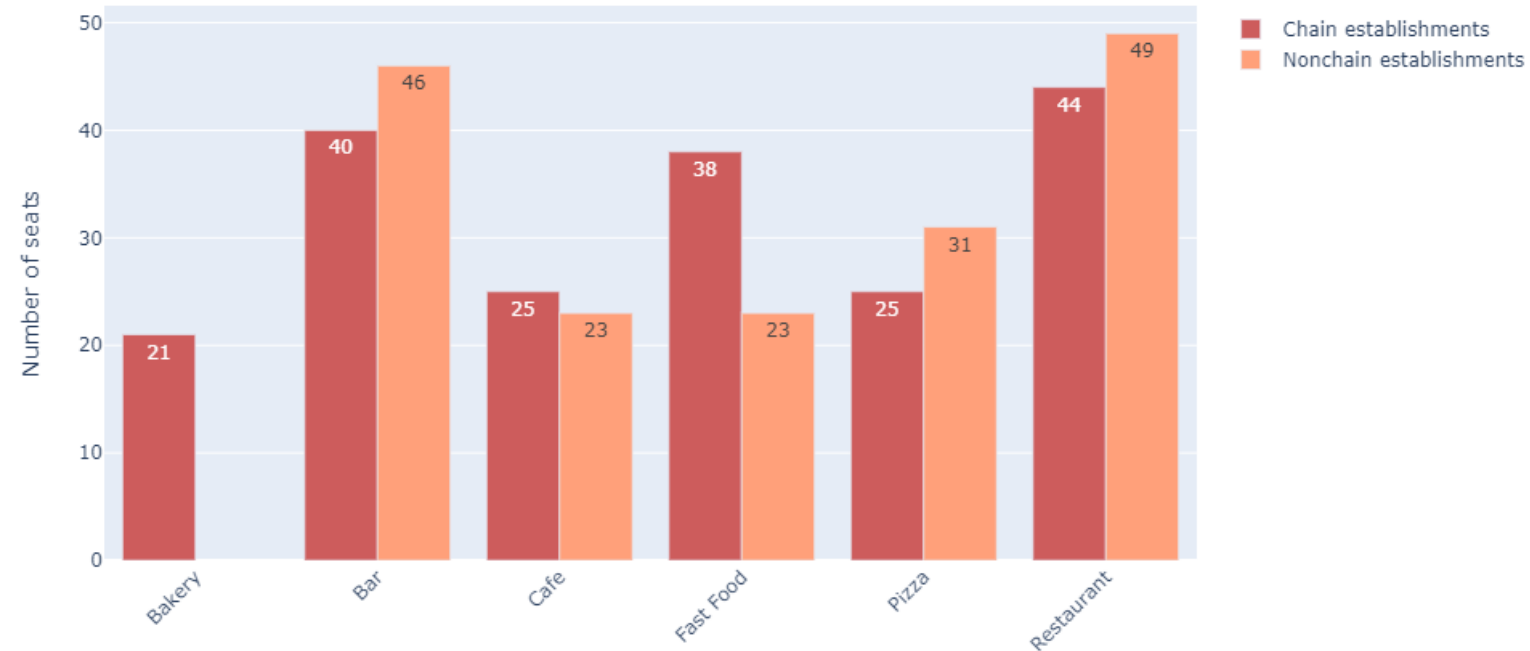
# What characterizes chains: many places – little seats



Chains can be characterized as many establishments with a small number of seats.

- Bars that are part of the chain have fewer seats than nonchain bars.
- Cafes in chains have more seats than in nonchains.
- Pizza places and restaurants have more seats on average in nonchain establishments.
- Fast food places have almost twice as many seats if they are chain compared to nonchain ones.

The average number of seats for each type of establishment

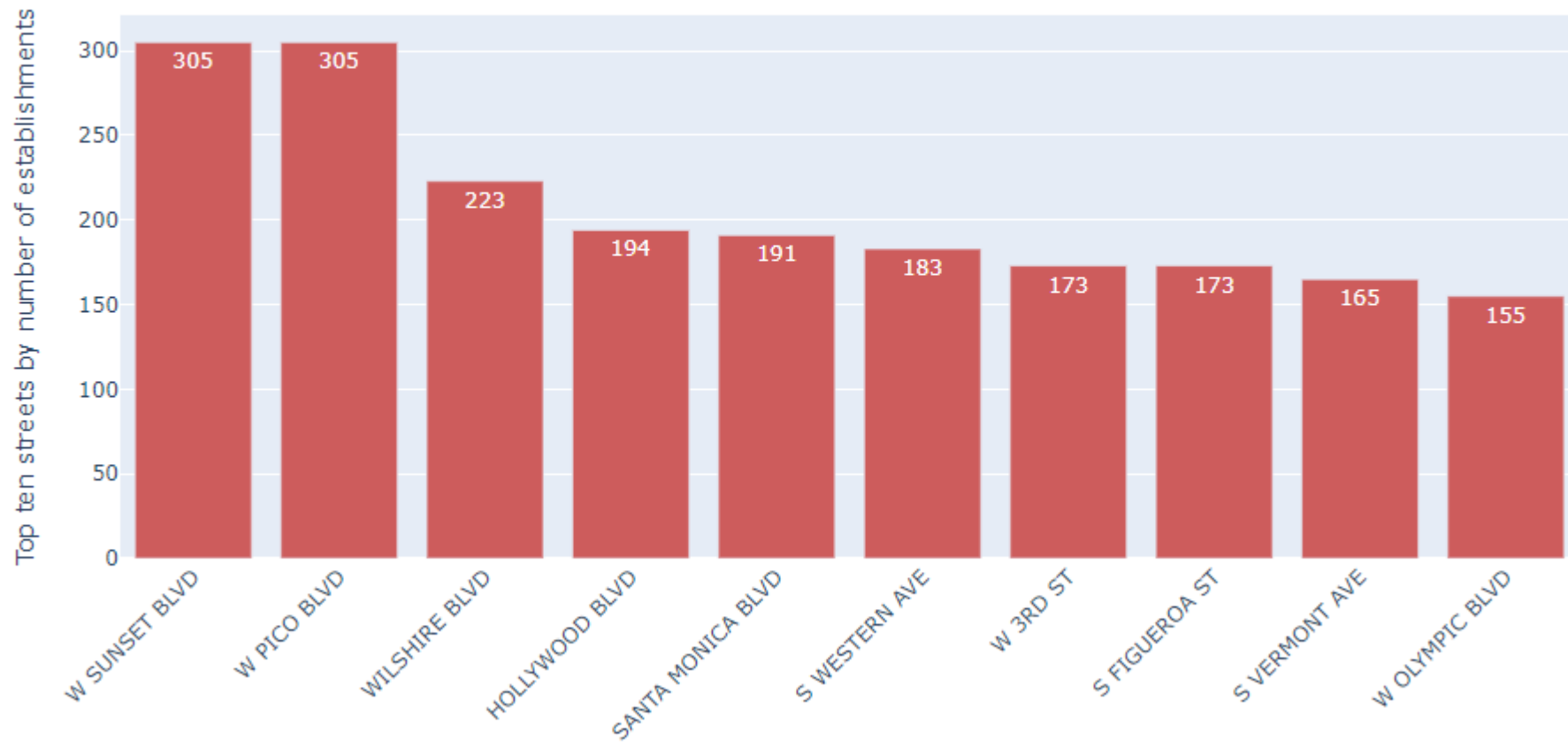


The greatest number of seats can be found in nonchain restaurants and bars, chain restaurants, bars and fast-food places.

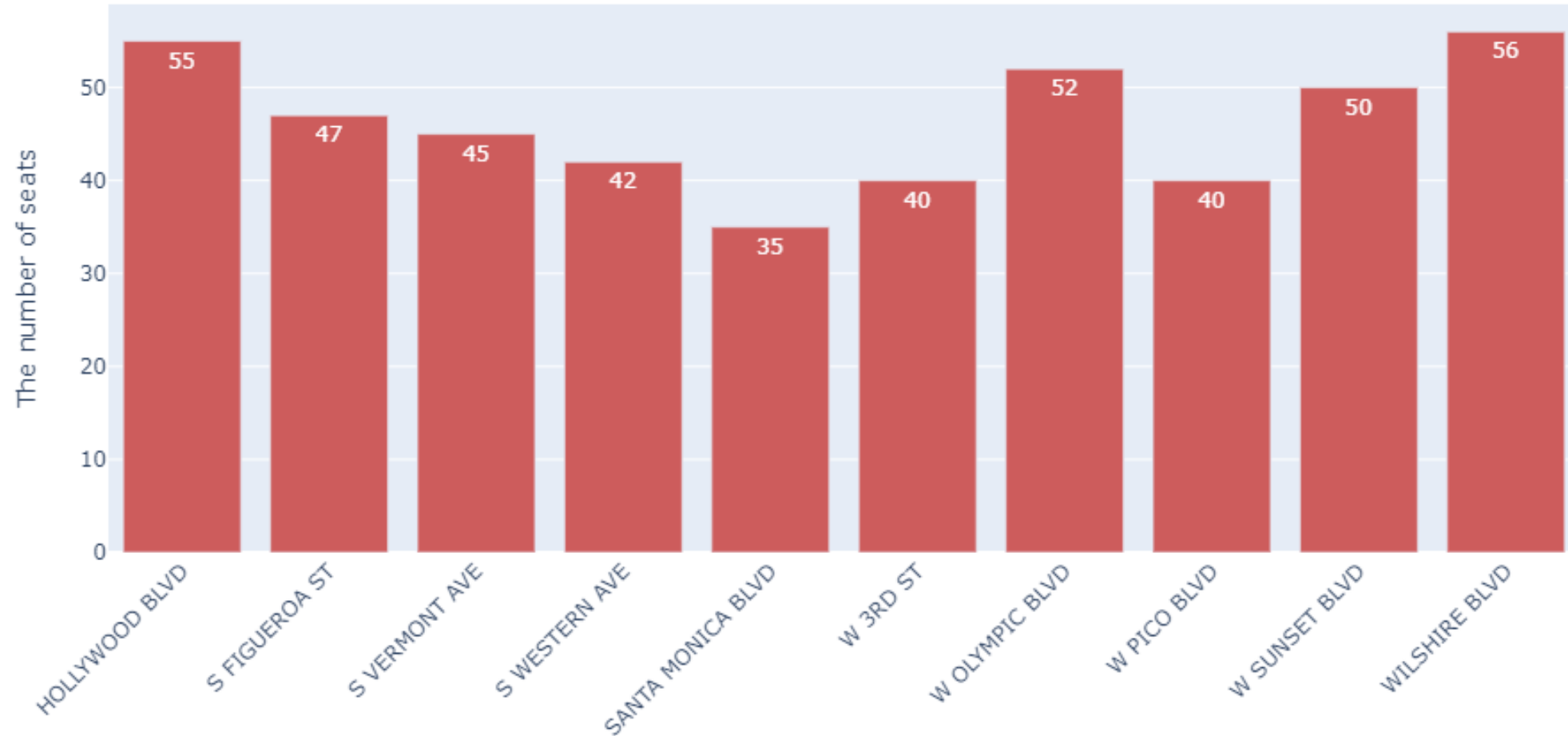


# ***Top ten streets by number of restaurants***

The number of establishments



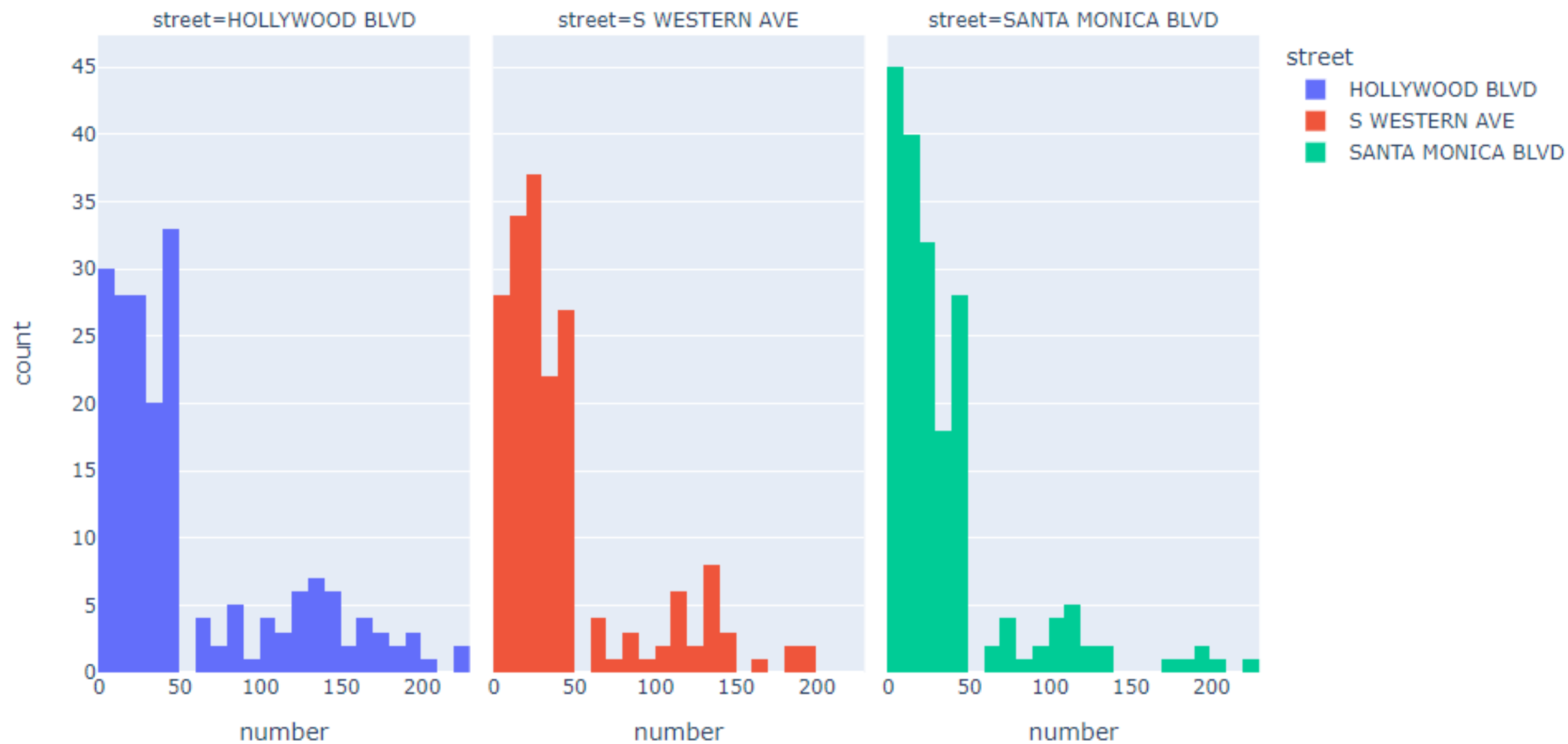
Average number of seats for streets with a lot of establishments

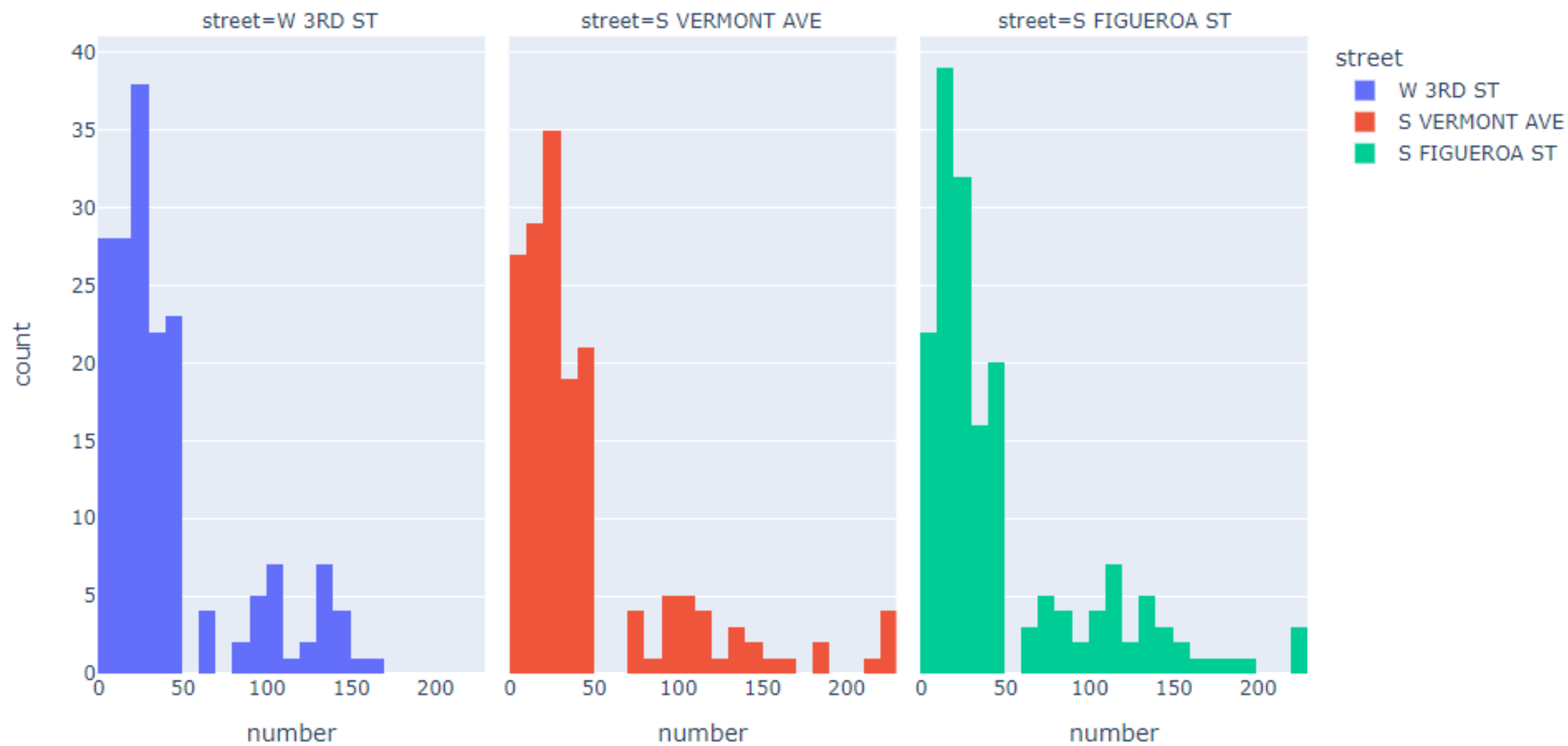


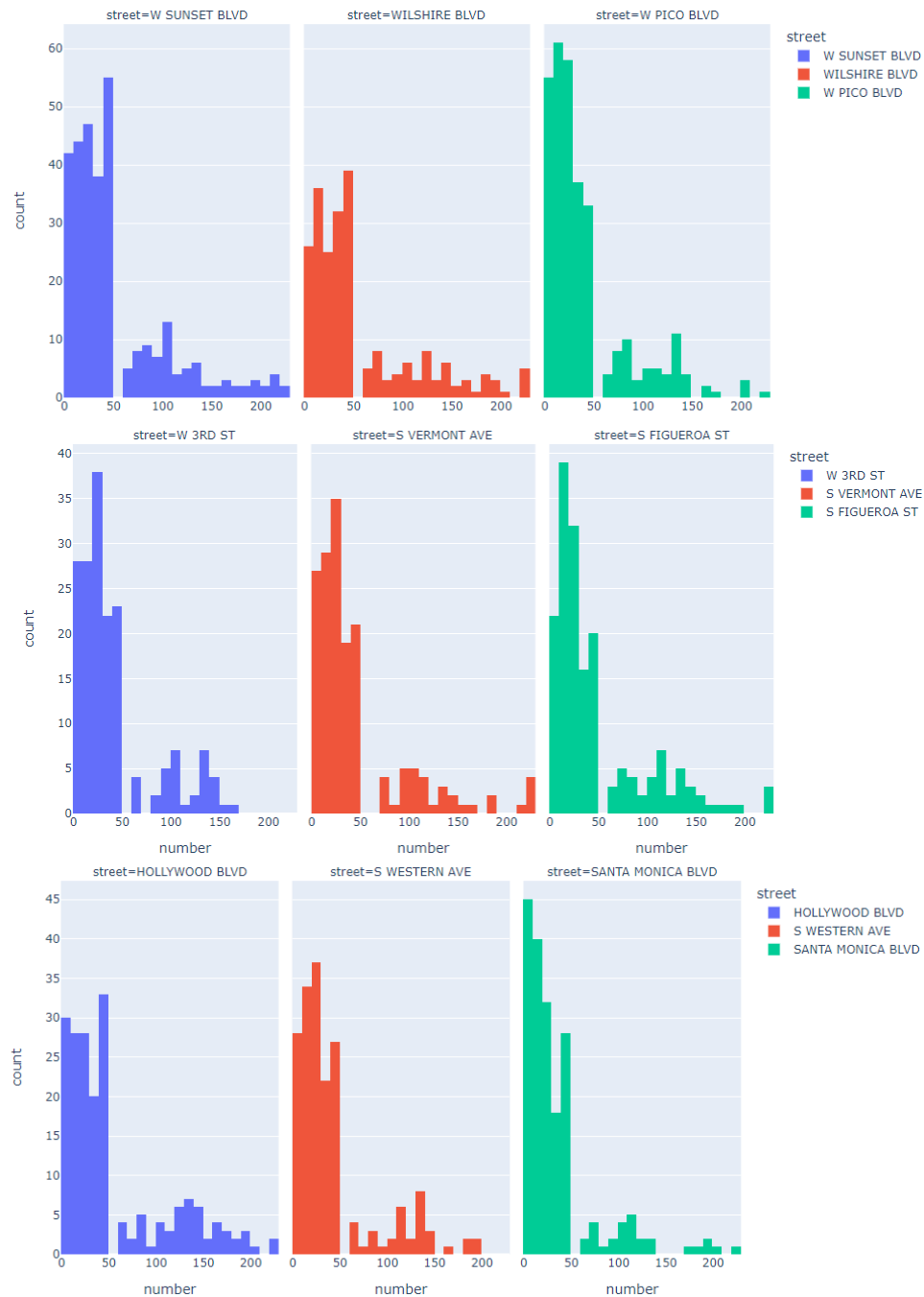
The average number of seats for the top ten streets is a little higher than the average for whole dataset.  
Around 40 - 50 seats.

# *The distribution of the number of seats*



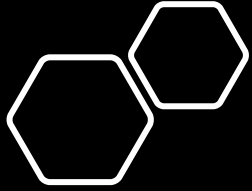






## *The distribution of the number of seats:*

- We can see that most of the places on the streets with a lot of establishments more often have less than 50 seats.
- We can assume that popular streets hold small- and medium-sized places.



## Recommendations on opening a small robot-run cafe in Los Angeles:

### **1. Open a restaurant.**

Restaurants are very popular in LA. Since our concept is all about experience, the restaurant seems to be a good choice, people can enjoy the interactions with robot waiters as part of the entertainment. They might stay longer and order more.

### **2. The restaurant like that should be opened in the city center.**

We should choose one of the popular streets. People tend to go to these streets when they are going out. If a location like that we can also become a tourist attraction.

### **3. Our restaurant will have ~20 seats.**

Most of the places in LA have a small number of seats. We will be an exclusive place, we don't need a lot of seats. Running a place like that is expensive, especially if we prefer a location in the city center. Also, our robots require space so we can't open a place with a lot of seats. We don't want people to feel like it's too crowded.

### **4. We can become a chain with time.**

I don't think we should open more than one restaurant in one city. But once we are popular, we can open more restaurants in other cities across the country.

### **5. We shall exploit all the perks of having robots as waiters.**

The interactions should be entertaining. We can develop a loyalty program when robots "recognize" you. All of the robots can make offers and recommendations upon customer's response. Non-human services will be very popular because of the pandemic. Customers also don't have to leave tips.