Business Opportunities in Spring Branch, Houston, Texas

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# Introduction

Houston’s demographics show that it is a large and ethnically diverse metropolis. It is the largest city in the United States by total area. Houston is home to nearly 2.3 million people in 2018. Houston is a minority-majority city, making it the most linguistically diverse city in the world.

Houston is economically diverse also with Trade, Transportation, and Utilities (19.8%), Professional and Business Services (16.5%), Government (13.1%) and Education and Health Services (12.7%) making up 62.1% of the GDP

I currently live in Spring Branch, Houston, Texas. A melting pot of Korean, Polish, and Hispanic immigrants. The growth in Houston has brought gentrification of many neighborhoods. Spring Branch is in the early stages of gentrification and a business that can bridge the gap between culturally and economically diverse communities has the opportunity to do well for years to come.

# Data Acquisition and Cleaning

For this project we need the following Data:

1. Houston data that contains list Zip Codes, Neighborhoods.

* Data source: https://www.houstoniamag.com/home-and-real-estate/2019/03/neighborhoods-by-the-numbers-2019
* Description: This data set contains the required information. And we will use this data set to explore various neighborhoods of Houston.

1. Most common venues in each neighborhood of Houston.

* Data source: Foursquare API
* Description: By using this API we will get all the venues in each neighborhood. We can filter these venues to get most common venues.

1. GeoSpace data

* Data source: https://public.opendatasoft.com/explore/dataset/us-zip-code-latitude-and-longitude/table/
* Description: By using this geo space data we will get the Houston Zip Code that will help us visualize choropleth map.

Spring Branch is located between inner city living and suburban lifestyle. Once data is aggregated, the adjacent neighborhoods and developed suburbs of Houston will be under investigation. A table would be generated of the top 10 venues per selected neighborhood this will provide insight for possible business ventures in Spring Branch.

# Methodology

1. We begin by collecting the Houston neighborhood data and cross reference it with the GeoSpace Data from the following links:
   1. "https://www.houstoniamag.com/home-and-real-estate/2019/03/neighborhoods-by-the-numbers-2019 “
   2. “https://public.opendatasoft.com/explore/dataset/us-zip-code-latitude-and-longitude/table/”
2. We will find all venues for each neighborhood using Foursquare API.
3. We will then rank the most common venues for neighborhoods surrounding neighborhoods and suburban and urban gentrified neighborhoods.
4. We will analyze the data for opportunities in Spring Branch

# Results

Below is a table of the 10 most common venues for Spring Branch, Adjacent Neighborhoods, and Developed Suburbs:

To make sense of the data a count and weighted count was taken of all the venues to prioritize the trends tables. Count is defined number of times a venue appeared in the table. Weighted count is defined as count times its weight. The weighting system used is the following:



The derived table are below:

I identified three groups (Well represented, Represented, Under represented) for businesses in Spring Branch by comparing the Spring Branch and Total Data Set.

Well represented venues are in the top 5 Spring Branch and top 10 of the Total Data set. These businesses are well represented and have the lower potential to be a successful business. The venues identified are Restaurant, Food, Bank, and Mexican Restaurants.

Represented venues are in rankings 6 – 10 Spring Branch and top 10 of the Total Data set. These businesses are represented and have medium potential to be a successful business. The venues identified are Yoga Studio, Gas Station, Gastropub, Garden Center, and Flea Market.

Under represented venues are not top 10 venues in Spring Branch and top 10 of the Total Data set. These businesses are represented and have higher potential to be a successful business. The venues identified are Bar, Spa, and Parks.

# Discussion

I recommend opening a Yoga Studio, Bar, Gastropub, or Garden Center. Yoga Studio and Bar had significantly higher weighted counts, about 20 more, than Gastropub and Garden Center.

Next steps are to validate choice by cross referencing other data sources, reviewing recently submitted business permits, and market research on convenient locations and business need.

# Conclusion

The growth in Houston has brought gentrification of many neighborhoods. Spring Branch is in the early stages of gentrification and a business that can bridge the gap between culturally and economically diverse communities has the opportunity to do well for years to come.

I recommend opening a Yoga Studio, Bar, Gastropub, or Garden Center in Spring Branch. These businesses possess medium to high potential to be successful. Drawn from interpreting popular venues around Houston.

To elevate this study to the next level validating model by cross referencing other data sources, review recently submitted business permits in Spring Branch, and market research on convenient locations and need.