

# **Setting up a coffee shop outside of New York**

**June 2020**

## **1. Introduction**

### **1.1. Background**

New York City is the most populous city in the USA, with a population of 8,336,817. As a result of this, and its role as a highly popular tourist destination, the real estate in New York is highly expensive, and sought after. However, the coronavirus pandemic might see this trend start to shift. COVID-19 has meant that an increasing number of people are looking to move out of busy cities, this trend will be emphasised by the increasing number of people looking to work from home. As a result, when looking to invest in a new business, it would be interesting to consider the market opportunities on the outskirts of New York, as people might increasingly start to sprawl outwards.

### **1.2. Problem**

In order to answer this problem, we need to understand two things: the average real estate prices outside of New York, and the density of coffee shops in the area. We need to understand the average real estate prices, to see where people might be drawn to, this should be understood in conjunction with factors such as population size. We then need to understand the density of other coffee shops in the area to understand if there are market opportunities for your venture.

## **2. Methodology and Data Requirements**

### **2.1. Data Requirements**

In order to answer this question, I will be using the following data: Venue location, name, ID and category, as well as information which I will scrape from a website called 'Niche' about the areas surrounding New York

### **2.2. Data Acquisition**

The following data will be obtained using FourSquare API and geolocator for the geographical coordinates of Monmouth Junction.

### **2.3. Methodology**

I will take the data on the neighbourhoods surrounding New York, to identify which might be most attractive to people looking to move out of New York. I will then use the FourSquare API data to understand where the surrounding businesses are which might be saturating the market.

## **3. Results**

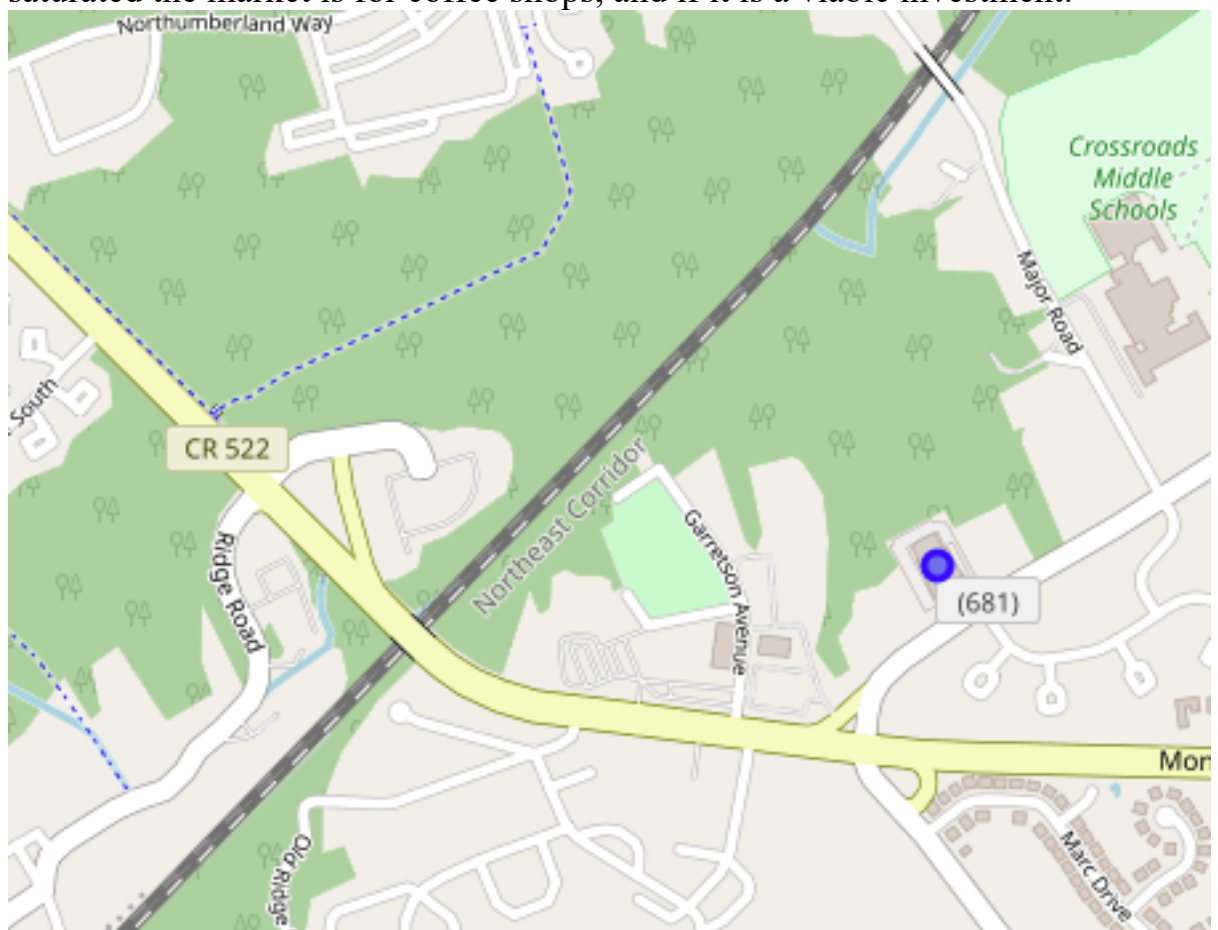
- 3.1. After scraping the information from the website ‘Niche’, I narrowed down the top 10 areas surrounding New York, sorted by

	County	Population	Median Home Value	Density
0	Monmouth Junction	3302.0	40700.0	Rural mix
1	Hartsdale	4822.0	280200.0	Urban
2	Bedminster Township	8112.0	382800.0	Dense
3	Dayton	7340.0	385400.0	Sparse
4	Kendall Park	9346.0	397100.0	Sparse

median house prices in descending order.

After doing this, it became clear that I wanted to look at Monmouth Junction as the area to invest in my coffee shop, as the median home value was the lowest here, meaning it would likely be an attractive option for people looking to move outside of New York.

- 3.2. After doing this, using FourSquare API data I was able to use the coordinates of Monmouth Junction to find coffee shops in the surrounding area. I displayed this data on a map in order to see how saturated the market is for coffee shops, and if it is a viable investment.



#### **4. Discussion**

I found that, due to its relatively sparse population and largely rural typography, there was only one coffee shop in the surrounding area, which was in the local library. Therefore, presenting a huge opportunity to set up a coffee shop in the area.

#### **5. Conclusion**

To conclude, through scraping information off website 'niche' I was able to find that Monmouth Junction, due to its low median house price value, might be a popular option for people looking to move outside of the densely populated New York City, in the wake of the coronavirus pandemic. Subsequently, using FourSquare API data, I was able to find that there is just one coffee shop in the area. This means there is a big opportunity to set up a coffee shop in Monmouth Junction.