

# Applied Data Science Capstone

## ***New Shopping Mall in Kuala Lumpur, Malaysia***



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# BUSINESS PROBLEM

- Location of the shopping mall is one of the most important decisions that will determine whether the mall will be a success or a failure.
- Objective: To analyze and select the best locations in the city of Kuala Lumpur, Malaysia to open a new shopping mall.
- This project is timely as the city is currently suffering from oversupply of shopping malls.
- Business question
  - In the city of Kuala Lumpur, Malaysia, if a property developer is looking to open a new shopping mall, where would you recommend that they open it?



# DATA

## ➤ Data required

- List of neighborhoods in Kuala Lumpur
- Latitude and longitude coordinates of the neighborhoods
- Venue data, particularly data related to shopping malls

## ➤ Sources of data

- Wikipedia page for neighbourhoods([https://en.wikipedia.org/wiki/Category:Suburbs\\_in\\_Kuala\\_Lumpur](https://en.wikipedia.org/wiki/Category:Suburbs_in_Kuala_Lumpur))
- Geocoder package for latitude and longitude coordinates
- Foursquare API for venue data

# METHODOLOGY

- Web scraping Wikipedia page for neighborhoods list
- Get latitude and longitude coordinates using Geocoder
- Use Foursquare API to get venue data
- Group data by neighborhood and taking the mean of the frequency of occurrence of each venue category
- Filter venue category by Shopping Mall
- Perform clustering on the data by using k-means clustering
- Visualize the clusters in a map using Folium



# RESULTS

- Categorized the neighborhoods into 3 clusters :
  - Cluster 0: Neighborhoods with moderate number of shopping malls
  - Cluster 1: Neighborhoods with low number to no existence of shopping malls
  - Cluster 2: Neighborhoods with high concentration of shopping malls

# DISCUSSION

- Most of the shopping malls are concentrated in the central area of the city
- Highest number in cluster 2 and moderate number in cluster 0
- Cluster 1 has very low number to no shopping mall in the neighborhoods
- Oversupply of shopping malls mostly happened in the central area of the city, with the suburb area still have very few shopping malls



# RECOMMENDATIONS

- Open new shopping malls in neighborhoods in cluster 1 with little to no competition
- Can also open in neighborhoods in cluster 0 with moderate competition if have unique selling propositions to stand out from the competition
- Avoid neighborhoods in cluster 2, already high concentration of shopping malls and intense competition

# CONCLUSION

- Answer to business question: The neighborhoods in cluster 1 are the most preferred locations to open a new shopping mall
- Findings of this project will help the relevant stakeholders to capitalize on the opportunities on high potential locations while avoiding overcrowded areas in their decisions to open a new shopping mall