

Market potential for a Robo-café chain

Market Research

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Context

- What – a Robo-run café
- Where – Los Angeles
- Initial investment – USD 440K
- Business model – see the [link](#)
- Team – visit [our LinkedIn](#)



Main question

Will we be able to maintain our success when the novelty of robot waiters wears off?

Our market research is based on the open-source data on more than 9,500 cafes, fast-food points, and restaurants



Name



Chain attribute



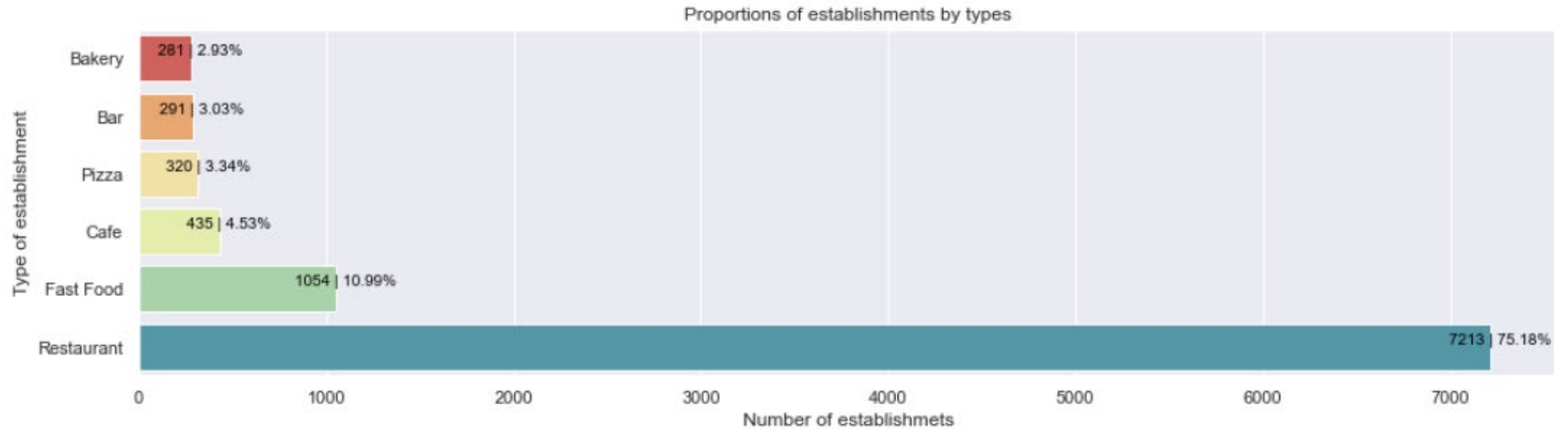
Type of establishment



Address

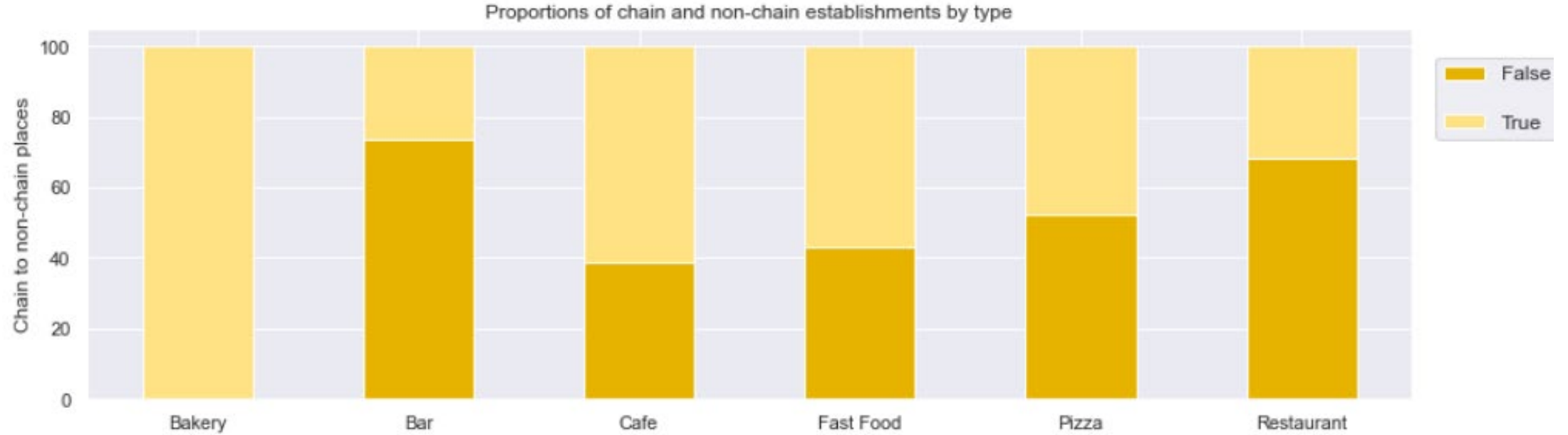


Number of seats



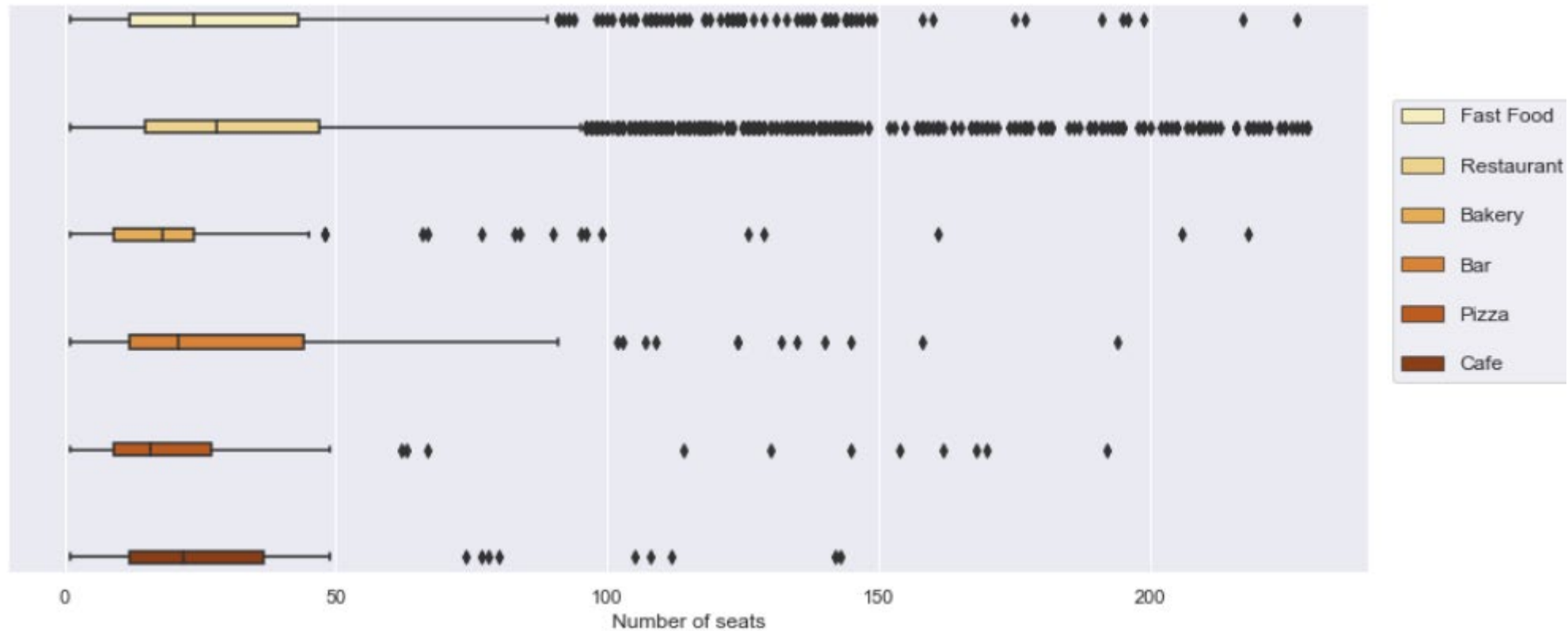
75% of all establishments are restaurants

- The second most popular type of places to eat at are fast-food restaurants
- Bakeries, bars, and pizza places comprise another 10% of the landscape



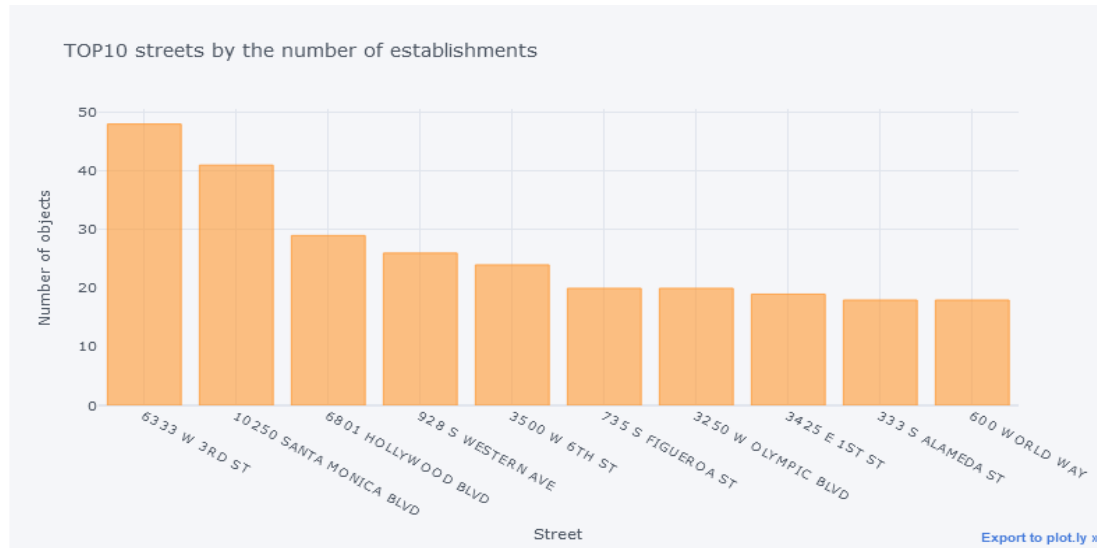
Every type of establishment has different ratio of chain-related and independent objects

- Cafes, fast food and pizzas are for 50-60% chains
- Restaurants and bars are for 70-75% independent



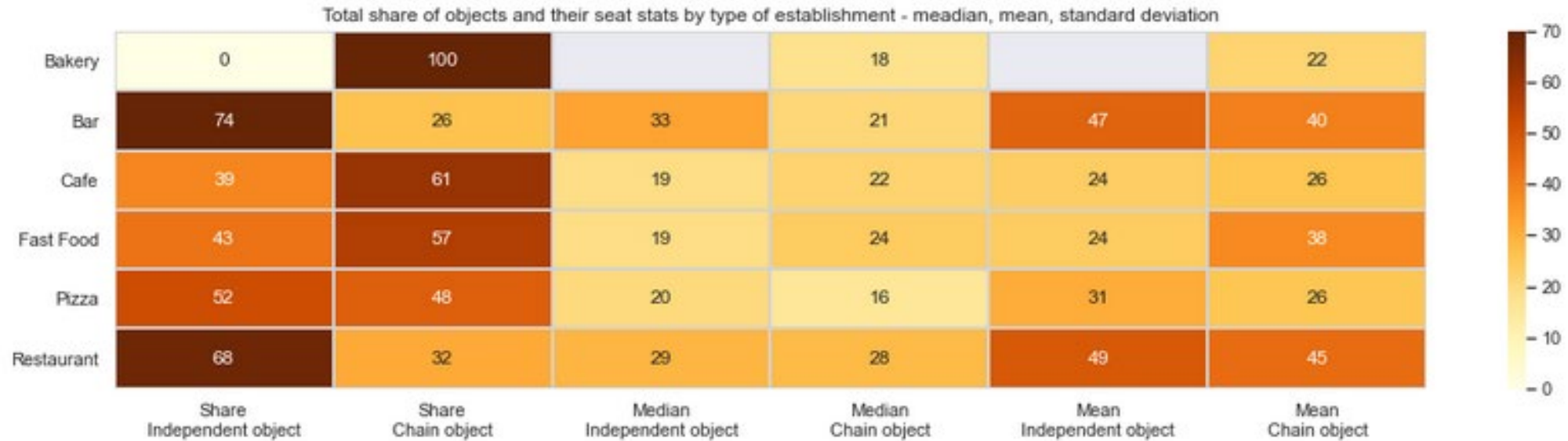
For each type, there are more establishments with a smaller number of seats

- 50% of all the types, besides restaurants, have 25 and less seats
- Restaurants have more seats in general and a relatively high share of objects with more than 100 seats (may be event venues)



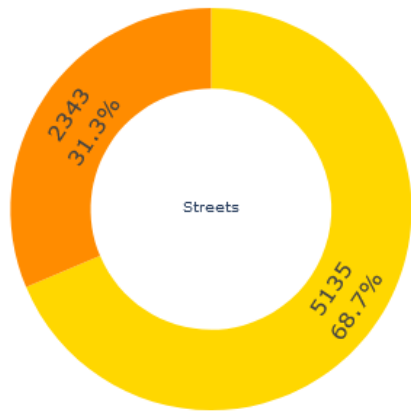
The streets with the highest number of food places have between 18 and 48 objects

- 6333 W 3RD St. has the highest number of food establishments in LA, both in general and in the non-restaurant segment
- In general, 5 most popular streets out of 10 are most popular both with restaurants and with non-restaurants are

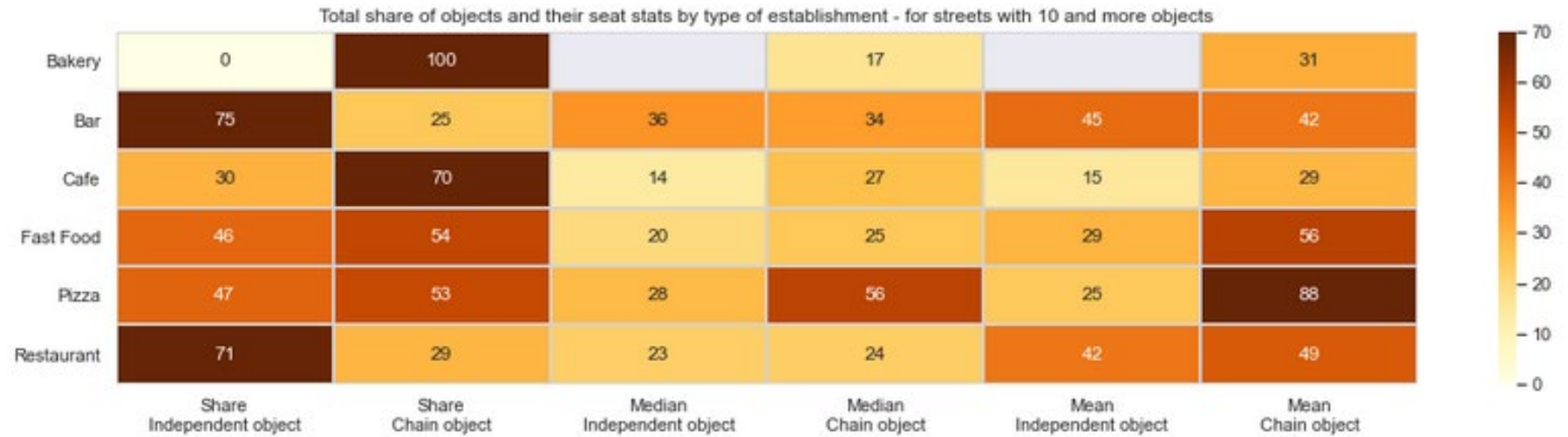


Due to the high number of outliers the average number of seats is much higher than the median

- Independent bars and restaurants have the greatest number of seats
- Among chain establishments, higher numbers of seats are in fast food



■ One establishment
■ More than one



69% of streets have only one food establishment

- Restaurants on the popular streets tend to be smaller, though large restaurants can have even more seats than those on the streets containing less restaurants
- Proportion of chain cafes and pizza establishments seems to be higher on the popular streets
- Chain objects, especially chain pizzas, on the popular streets have higher number of seats than the general dataset.

Conclusions



Courtesy [Tanuki](#)

- The overall recommendation on the restaurant type and number of seats would be to open a medium-size independent café object of 30 to 40 seats in one of the popular (to draw upon the traffic and raise interest at as many people as possible) streets.
- After proving the concept, gathering some statistics and testing the hypotheses about the target audience, menu, and favorable conditions for a robo-run restaurant to thrive, further developing of the chain can be assessed.

* The real estate and the traffic issues, as well as the general readiness to accept the idea of robo-service in food, should be investigated additionally.

** Ultimately, the idea can become a new standard of high quality and time-efficient eating.