Capstone Project – Battle of the Neighborhoods.
An Omakase Restaurant in London or the Outer Boroughs

IBM – Coursera Applied Data Science

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Problem Statement

- A group of young F&B entrepreneurs are looking for a new location to invest in an *omakase* restaurant serving fusion food. However, as London is a very expensive location for any budding resturanteur, and finding the right location to have your first restaurant could dictate how you balance your cash flow along with your human traffic flow. Too expensive a location – your rentals will cut too deeply into your operating budget. On the flipside, if the location is not suitable, without enough human traffic, there is no positive cash flow to sustain the business.

Who would be interested in this study?

- Budding restaurant entrepreneurs and potential café owners who want to open a shop in London but are put off by the steep rental prices and are looking for alternative locations where there are already existing amenities, adequate public transport and a potentially complimenting ecosystem of other F&B outlets.

Sources of Data

- Wikipedia – A list of all of London's Boroughs with its GPS Latitude and Longitude coordinates

- Foursquare geospatial data on the respective locations that have been identified as of particular interest

- Other online based data on rent in these respective boroughs

Shortlisted Boroughs

Foursquare information for these neighborhoods

	Borough	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue
0	Barking and Dagenham	Park	Supermarket	Grocery Store	Coffee Shop	Pub
1	Bexley	Pizza Place	Ice Cream Shop	Coffee Shop	Discount Store	Chinese Restaurant
2	Bromley	Coffee Shop	Grocery Store	Pub	Park	Supermarket
3	Enfield	Coffee Shop	Turkish Restaurant	Pub	Park	Garden Center
4	Haringey	Pub	Café	Park	Turkish Restaurant	Bakery
5	Havering	IT Services	Indoor Play Area	Electronics Store	Food & Drink Shop	Fish & Chips Shop
6	Merton	Pub	Park	Coffee Shop	Café	Bar
7	Redbridge	Pub	Park	Coffee Shop	Italian Restaurant	Café

Higher Clustering (Red Circles)
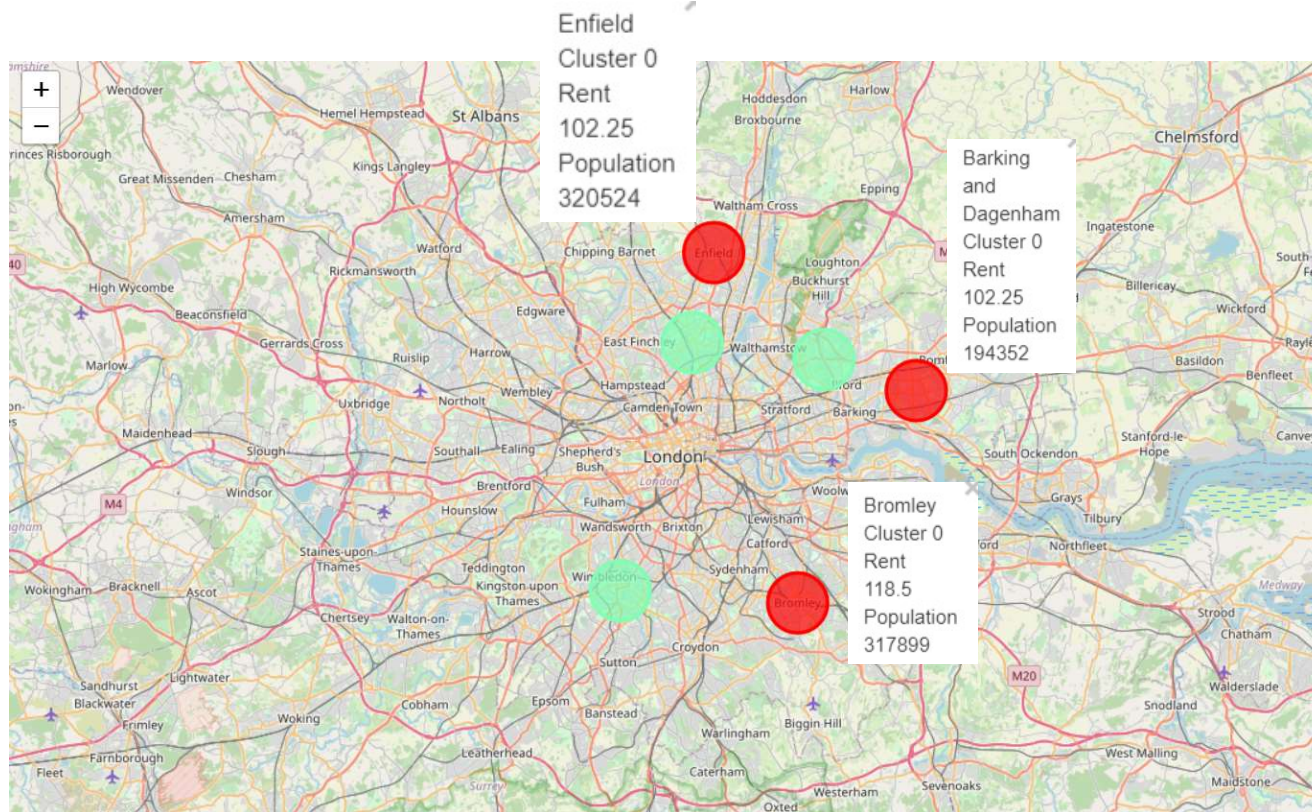
Deeper Dive into each cluster

Cluster 0

Omitting this location within this cluster; on the basis of not having much other F&B in the cluster to form a synergistic ecosystem

	Borough	Area	Population	Max_Rent	Cluster Label	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue
0	Barking and Dagenham	13.93	194352	102.25	0	Park	Supermarket	Grocery Store	Coffee Shop	Pub
1	Bexley	23.38	236687	97.00	0	Pizza Place	Ice Cream Shop	Coffee Shop	Discount Store	Chinese Restaurant
2	Bromley	57.97	317899	118.50	0	Coffee Shop	Grocery Store	Pub	Park	Supermarket
3	Enfield	31.74	320524	102.25	0	Coffee Shop	Turkish Restaurant	Pub	Park	Garden Center

Focusing on these 3 remaining location

Cluster 1

	Borough	Area	Population	Max_Rent	Cluster Label	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue
5	Havering	43.35	242080	86.0	1	IT Services	Indoor Play Area	Electronics Store	Food & Drink Shop	Fish & Chips Shop

More of an electronics retail and IT Services location. While there are food and drink shops, the author – data analyst thinks that they are often more busy during office hours and will not have much human traffic potential after office hours, when it is often the most profitable period of F&B.

Cluster 2

	Borough	Area	Population	Max_Rent	Cluster Label	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue
4	Haringey	11.42	263386	107.75	2	Pub	Café	Park	Turkish Restaurant	Bakery
6	Merton	14.52	203223	123.75	2	Pub	Park	Coffee Shop	Café	Bar
7	Redbridge	21.78	288272	118.50	2	Pub	Park	Coffee Shop	Italian Restaurant	Café

this location seems to have a right mix of pubs and restaurants, typical of an establish F&B scene. While this might seem ideal as there is already a ready-made human traffic, such a mature location might require higher rents, not something an entrepreneur who's starting out might want.

Conclusion

- Bexley, Bromley and Enfield are suitable locations outside of London worth considering to open a restaurant.

- Assumptions made
  - The higher a single ethnic group within a borough can significantly influence the popularity of that ethnic group's cuisine.
  - Only the larger stores might be available in Foursquare, smaller store might be spread by word of mouth.
  - If the demographic and education level of the borough is either older or less educated or poor, then the access to such mobile apps will be limited, thus limiting the digital exposure in Foursquare.

- the author strongly suggest that this Omakase restaurant be located in Enfield due to the desired ecosystem of coffee shops and other restaurants