



# BATTLE OF NEIGHBORHOOD IBM CAPSTONE PROJECT

**START BUBBLE TEA  
BUSINESS IN TOKYO**



# INTRODUCTION



- Have you seen “bubble tea ramen” before? Following the boom of bubble tea or “tapioca” in Japan, bubble tea shops have become increasingly popular and even need to line up several hours to buy these tea!
- What if we want to open a new bubble tea shop in Tokyo?
- What we should take into consideration?

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## PROBLEMS TO BE SOLVED

- Why should invest in bubble tea shop?
- Current bubble tea shop market analysis
- Where is the optimal location for the shop?

## FIRST STEP: PREPARE THE DATA

	Ward	District	latitude	longitude
0	Chiyoda	Nagatachō	35.675618	139.743469
1	Chiyoda	Kasumigaseki	35.672478	139.752388
2	Chiyoda	Ōtemachi	35.686794	139.766200
3	Chiyoda	Marunouchi	35.204882	136.841895
4	Chiyoda	Akihabara	35.699736	139.771250
5	Chiyoda	Yūrakuchō	35.674423	139.761674
6	Chiyoda	Iidabashi	35.701869	139.745381
7	Chiyoda	Kanda	29.855563	81.298341
8	Chūō	Nihonbashi	35.684058	139.774501
9	Chūō	Kayabachō	35.680229	139.779424

Use the 'FourSquare' app, we can get different information about popular venues. But first, we need more detailed geographical information about the main districts in Tokyo.

Here we utilize some powerful packages

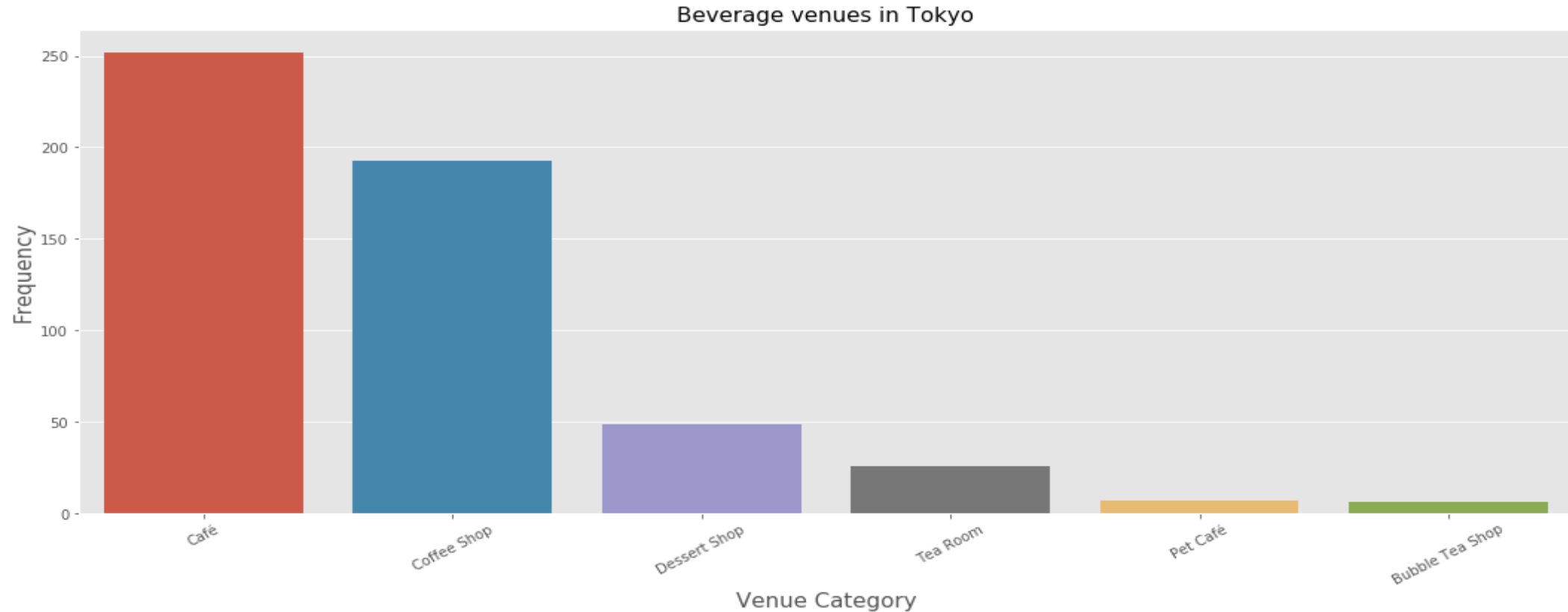
- BeautifulSoup: scrap the Wikipedia information from the webpage for ward, district names
- Geopy: provide the corresponding latitude, longitude information
- Folium: visualize the map to be more user friendly!



# NEIGHBORHOOD IN TOKYO

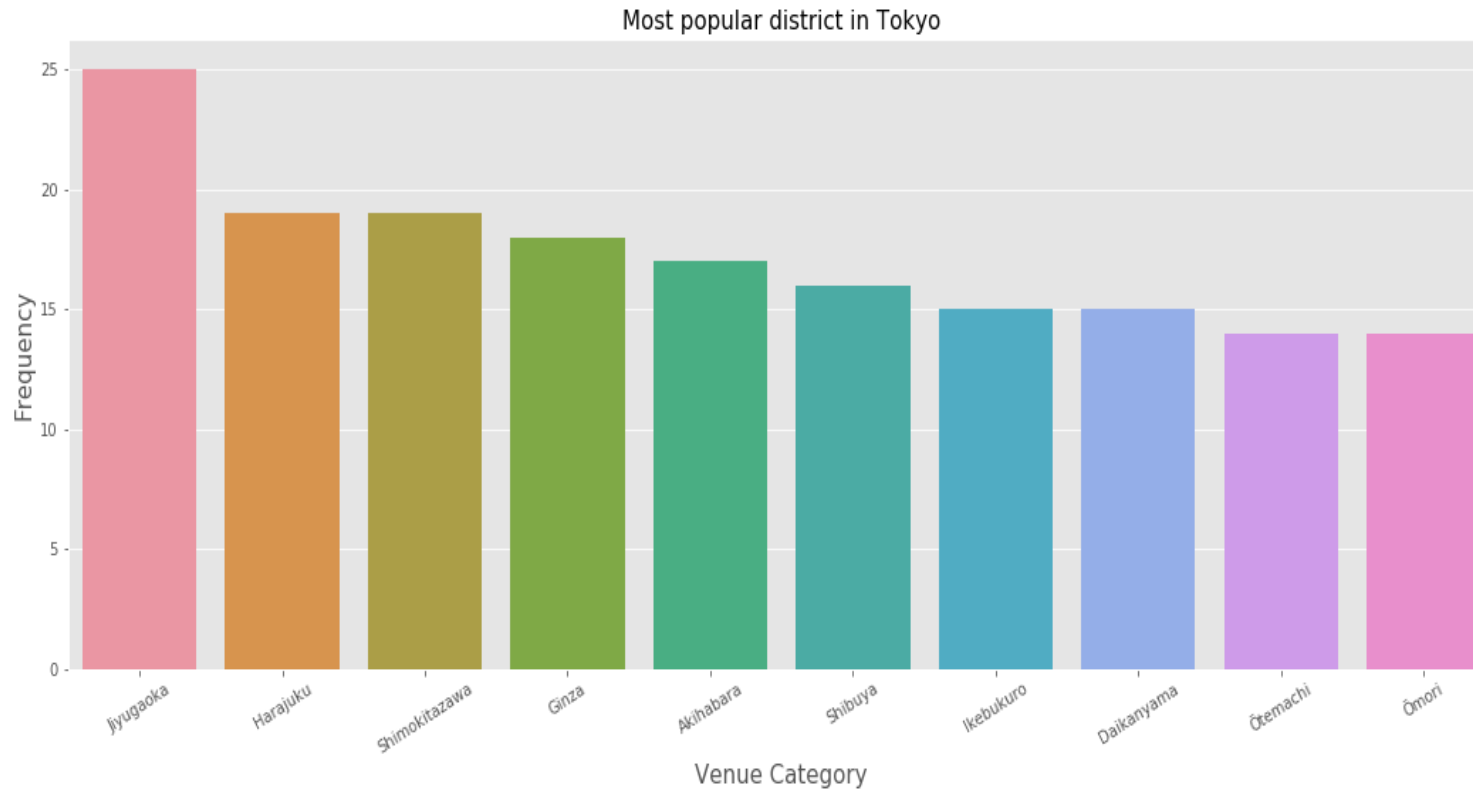


## SECOND STEP: MARKET ANALYSIS



- Bubble tea shop is a small category. Only 6 shops have been found in the data
- Café and coffee shop are popular in all categories which ranked as 5<sup>th</sup> and 6<sup>th</sup>
- Specialized bubble tea shop is relatively fewer than café, which may also offer bubble tea

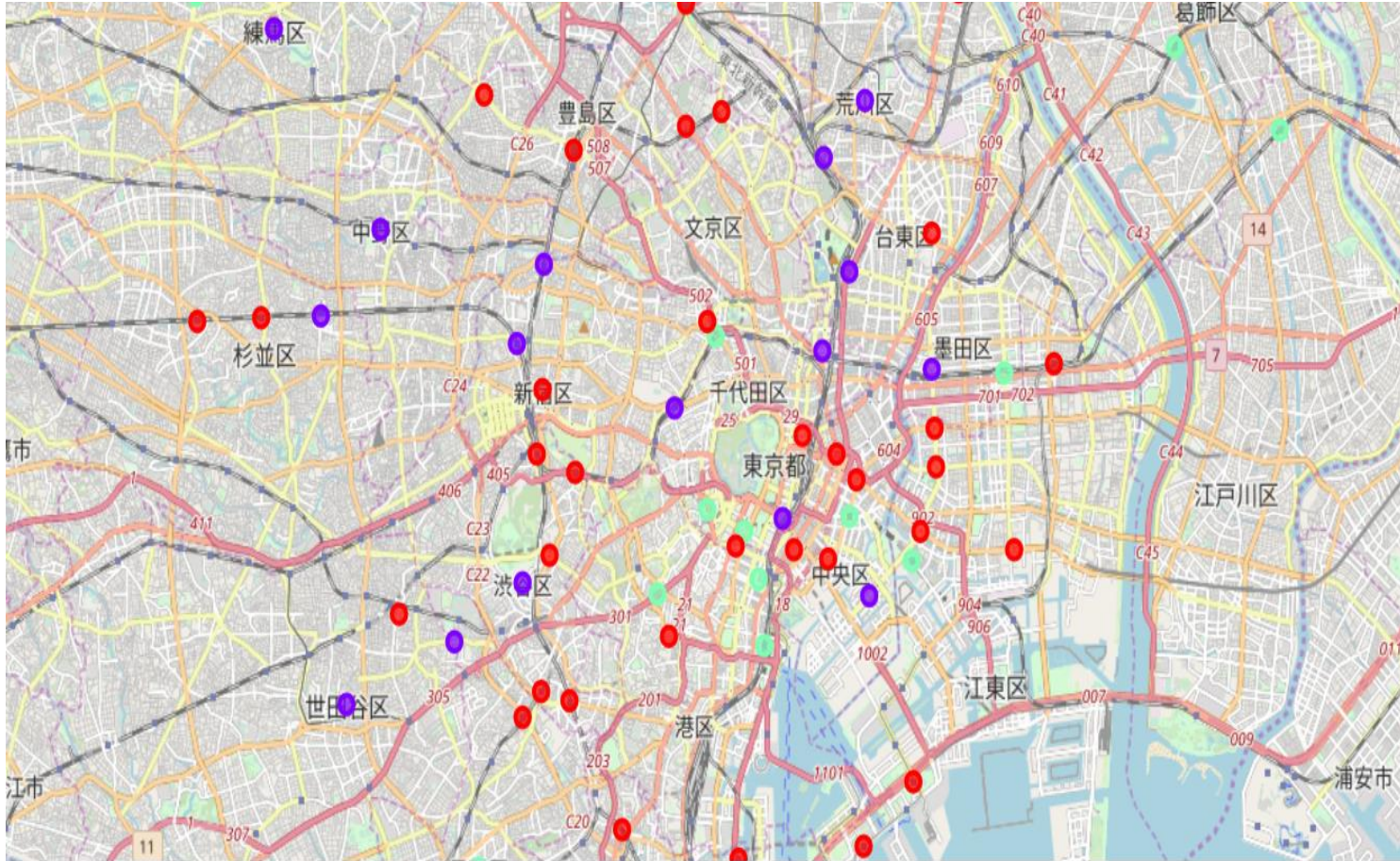
# DISTRICT DISTRIBUTION ANALYSIS



- Bubble tea shops are distributed separately. There are 2 shops in Harajuku, which is the 2<sup>nd</sup> popular district in beverage venue categories.
- There are no bubble tea shops found in the most popular district, Jiyugaoka.
- All bubble tea shops are near railway or metro, which are easily access to public transportations.



## STEP 3: NEIGHBORHOOD CLUSTERS



- Purple dots are districts dominated by coffee shops, and red dots are districts dominated by café. Green dots are having mixed features, but 'tea' and 'desserts' seems to be a common feature for these districts.
- Roppongi and Meguro are two green dots with convenient public transportation.



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## SUGGESTIONS

- It is valuable to consider investment in bubble tea shop due to the large supply and low competition situation.
- Beverage is popular, but bubble tea is still a small category based on the market analysis
- **Jiyugaoka** is a good choice for the intensity and popularity of beverage in this area. Furthermore, popular bubble tea shops are still absent here.
- **Roppongi and Meguro** have mixed features about beverage and prefer sweet desserts. They also have railway and subway nearby which can be good options to open new bubble tea shop.