

Restaurant Market Research in Itaewon

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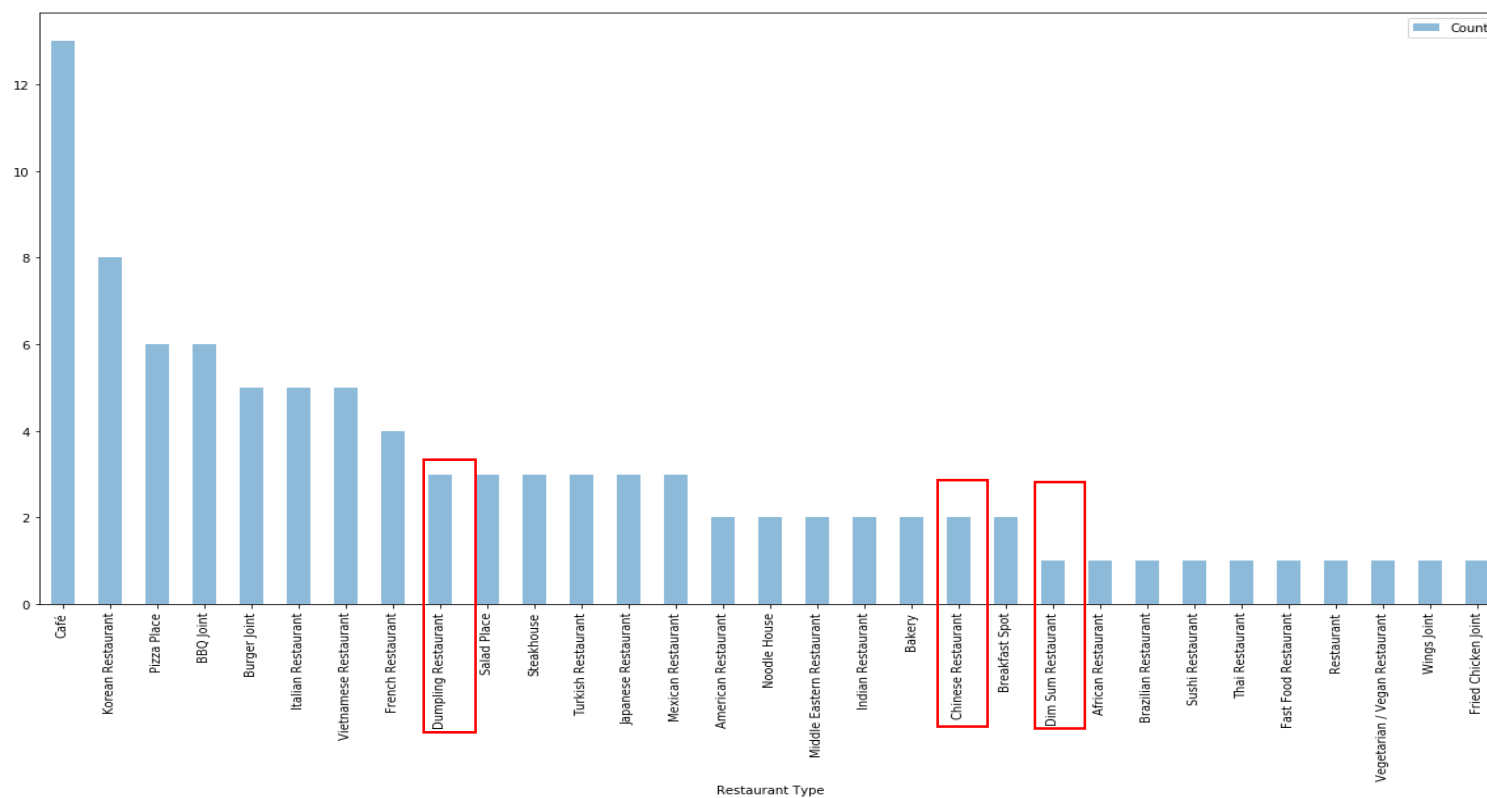
Background

- Itaewon (Korea) is a place in Seoul that is popular for having restaurants that provides wide diversity of cuisines.
- Main purpose of visitors to Itaewon for dining could be exposure to unique types of restaurants
- I would like to explore Itaewon's restaurant market in order to open Hong Kong cuisine restaurant

Method

- Saturation level of the market
- Popularity analysis
- Correlation analysis between factors (popularity, distance, price, restaurant type)
- Using visualization to find some appropriate location for restaurant
- Finding price range using reference to competitors.

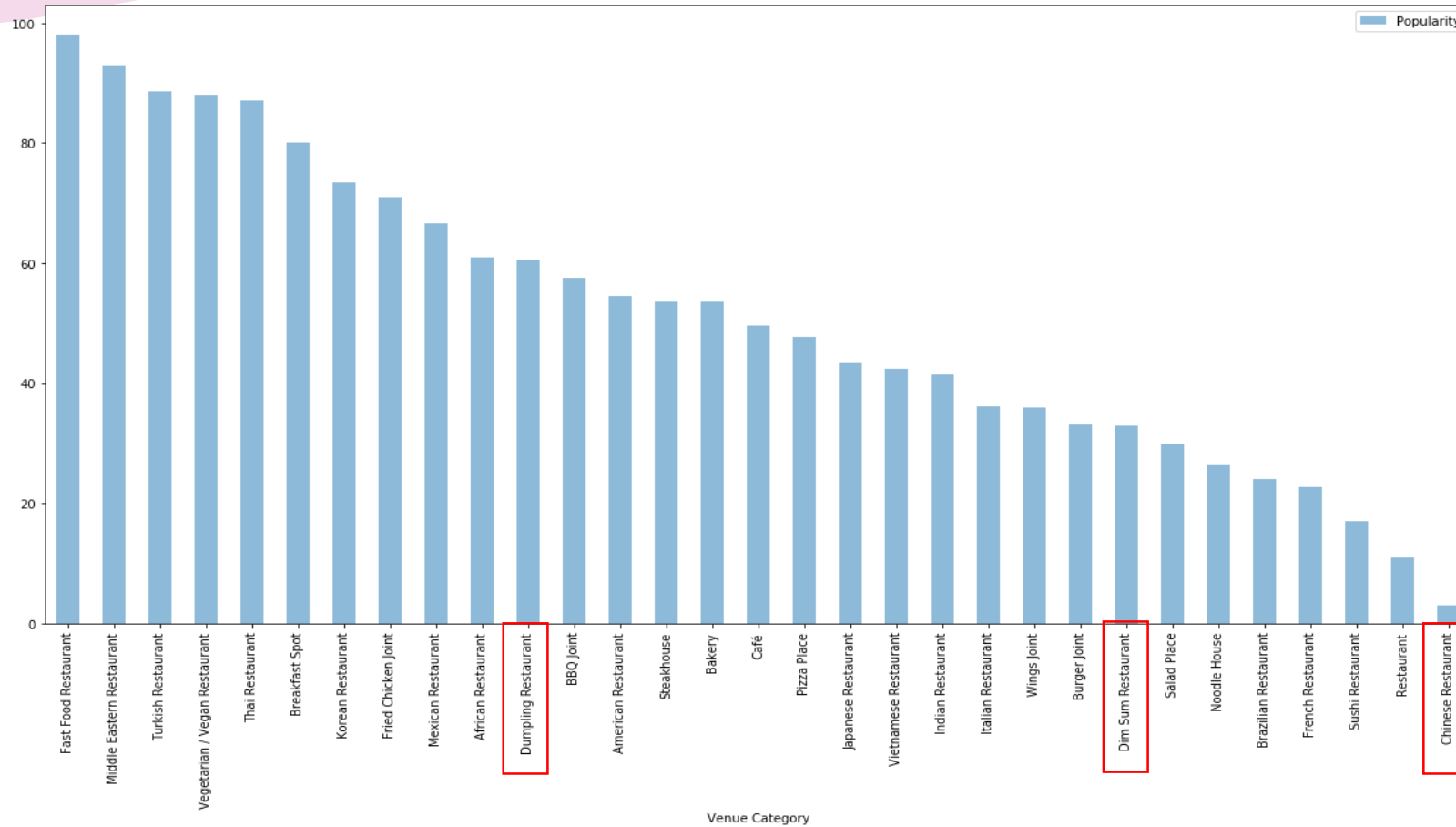
Saturation level of the market



Competitors

Total 6 out of 94 restaurants

Popularity analysis



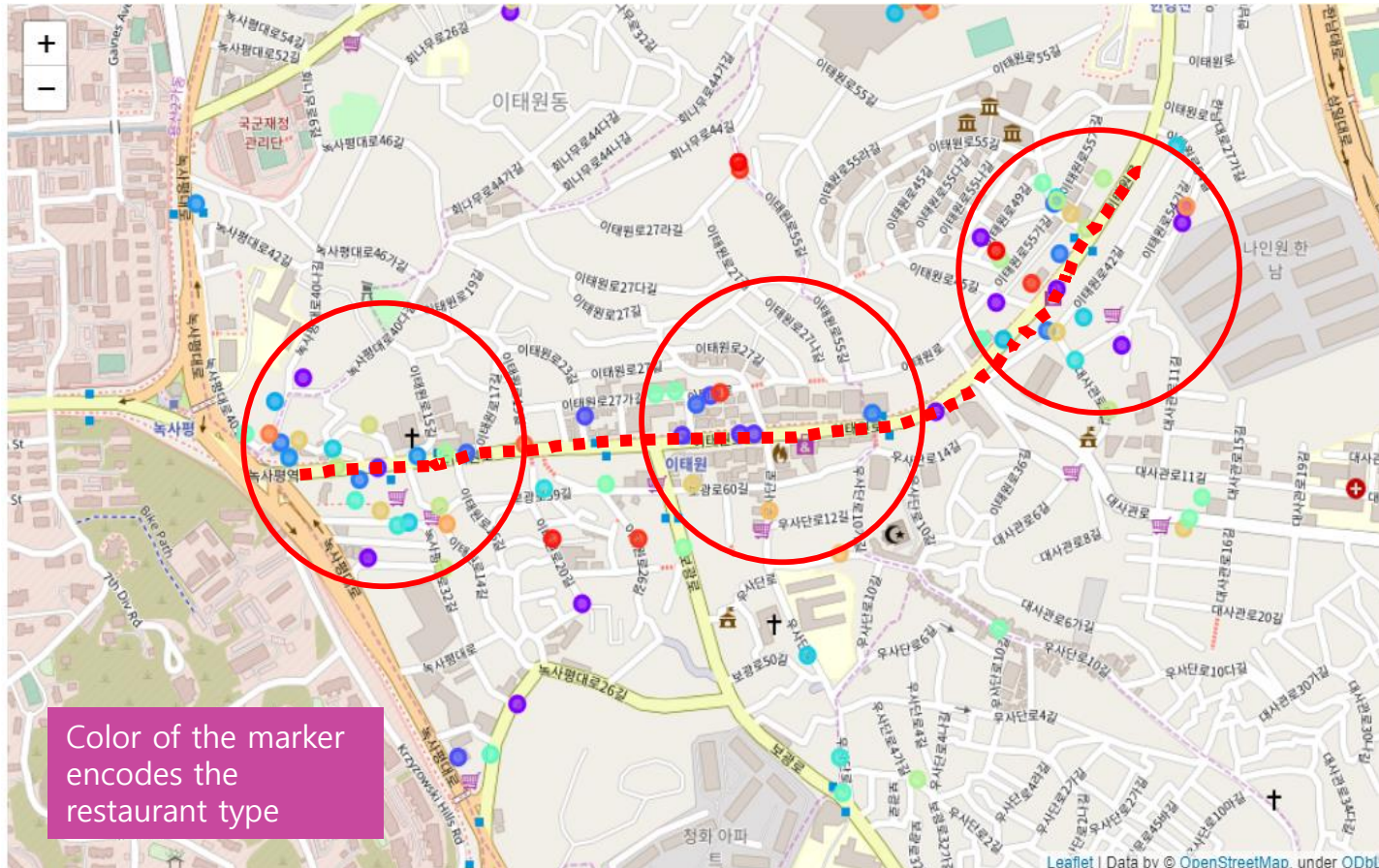
Generally low popularity

No shining competitor yet

Correlation analysis

- ***Correlation between distance from subway and popularity: -0.068.***
 - Inference: People visiting Itaewon often have choices of restaurants in advance.
- ***Correlation between price and popularity: 0.096055***
 - Inference: High budget expectation
- ***Correlation between saturation level and popularity: -0.015281***
 - Inference: Due to different restaurants having different specialty disregarding their similarity in cuisine type or existence of competitors increasing the quality of food and attracting more customers.

Visualization to find some appropriate location for restaurant



Observations:

- Wide variety of restaurant types in Itaewon
- High density and these places are near the main road
- No clear clusters of same types of restaurants.

Price range using reference to competitors.

Venue	Venue Category	Price
명동교자	Dumpling Restaurant	1
YE Shanghai (야상해)	Dumpling Restaurant	1
넘버원양꼬치	Chinese Restaurant	1
대한각	Chinese Restaurant	1
Jonny Dumpling (자니덤플링)	Dumpling Restaurant	2
Bao Bar (바오바)	Dim Sum Restaurant	2

The price range from 1 to 4.
4 being the highest price
range (around \$30 per person)

Expected price of Hong Kong cuisine
=> 1~2 (\$10~\$20)

Conclusion

- Large diversity of restaurants in Itaewon
- Prices not affecting the popularity in this area
- High density of restaurants near the main road and this could improve the exposure level to the potential customers.
- Some market niche for Hong Kong cuisine in Itaewon since there are not many competitors and especially there is no shining competitor.
- Finally, it is expected that the price range could be below \$20 as the competitors usually have prices below that.