Finding a New Pet Store Location in St. Paul, MN

IBM Applied Data Science - Coursera Capstone

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Introduction / Business Problem

- Estimates of <u>more than \$75 billion</u> are going to be spent for pets in the US this year
- More than 40% of it is being spent on food:
 - Pet store is a lucrative business
- Target Audience: John Doe wants to open a new pet store in St. Paul,
 MN area
- Can we use our machine learning skills to solve this problem?

Data

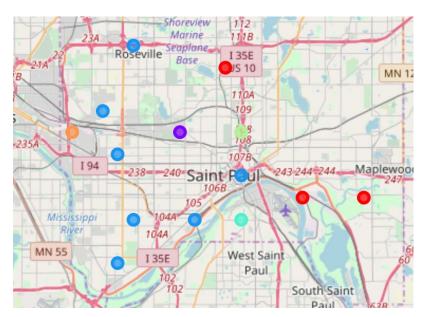
- Zip code data from <u>uszipcode</u> Python package
- Nominatim data for latitude and longitude of St. Paul, MN
- Venues data from:
 - FourSquare data from <u>FourSquare Places API</u>
 - Yelp data from <u>Yelp Fusion API</u>

Methodology

- Combining the dataset from FourSquare and Yelp API
- Reshaping the data for the k-Nearest-Neighbor algorithm
- Determine the k value for the algorithm
- Run the algorithm and visualize it on the map using Folium

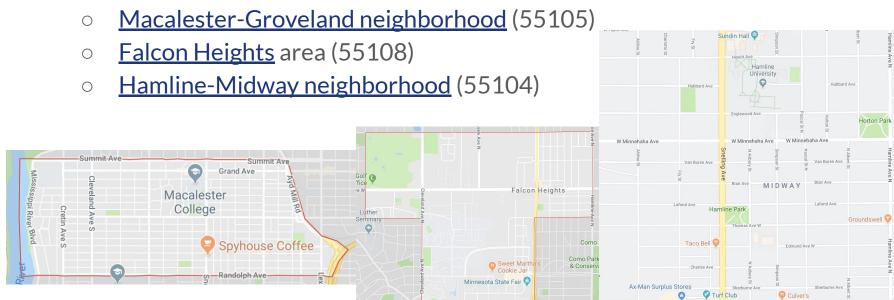
Results

- Categorize the data into 6 clusters:
 - Cluster 1: Veterinarians area
 - Cluster 2: North End
 Neighborhood
 - Cluster 3: Most promising cluster
 - Cluster 4: West End neighborhood
 - Cluster 5: Payne-Phalen neighborhood
 - Cluster 6: St. Anthony neighborhood



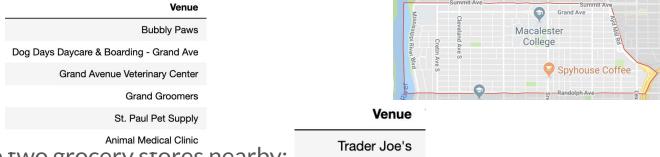
Discussions

• Three zip codes are nominated for the new pet store locations:



Macalester-Groveland neighborhood

Pros: they have a lot of pet services, high median income area (\$74k):



Kowalski's Market

Cons: they have two grocery stores nearby:

 Recommendation: the best location to open a new pet store, make sure items are different enough from the ones sold in St. Paul Pet supply and the two grocery stores

Falcon Heights area

Pros: two veterinary services and one animal shelter without any pet

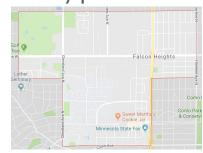
store in sight

Venue

Raptor Center

University of Minnesota Veterinary Medical Center

Animal Humane Society - St. Paul



Cons: not as high of a median income (\$56k) as the Macalester neighborhood (\$76k)

Recommendation: a very promising location to open a new pet store

Hamline-Midway Neighborhood

Went Line State Of Line State

Pros: plenty of pet services without any pet store in sight

St. Paws Dog Daycare & Boarding

Midway Animal Hospital

Grand Paws Professional Dog & Cat Grooming

Feline Rescue

VCA Feist Animal Hospital

Pawsitivity Service Dogs

Cons: the lowest median income area (~\$44,000) from the other two zip codes (~\$56,000 and ~\$76,000)

Recommendation: a good location to open a new pet store

Conclusion

- Based on the k-Nearest-Neighbor algorithm, the three most promising location for opening a new pet store are:
 - Macalester-Groveland neighborhood
 Ensure items are different enough from the other stores
 - Falcon Heights
 A very promising location due to no pet stores in sight
 - Hamline-Midway neighborhood
 A good location to open a new pet store, but with lower median income than the other two above