



# LOS ANGELES RESTAURANT MARKET RESEARCH

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ROBOT-RUN CAFE LAUNCH PERSPECTIVE

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## MARKET SHARE

1

only 5% of current market are Cafes  
There is a great opportunity to growth.

## SIZE OF ESTABLISHMENT

2

More than 80% of the market  
establishments have low number of seats.  
The cafe should be around 25 seats . This  
is reduces costs on entering the market.

## Location

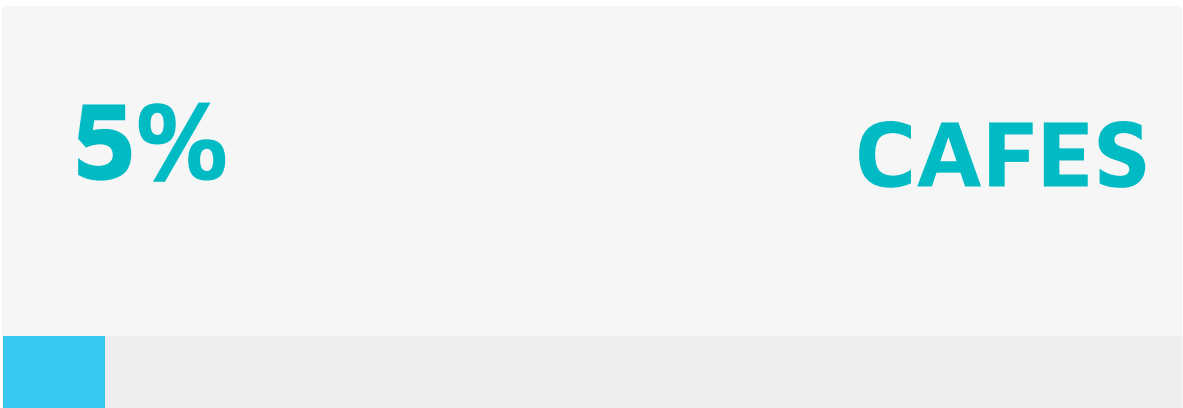
3

There are highly competitive streets with  
a small number of Cafes. And at the same  
time a lot of streets with the small number  
of establishments overall.

# Advantages of robot-run cafe launch

- uniqueness of the service
- high competitiveness
- small size
- lower overhead costs
- easy to enter the market

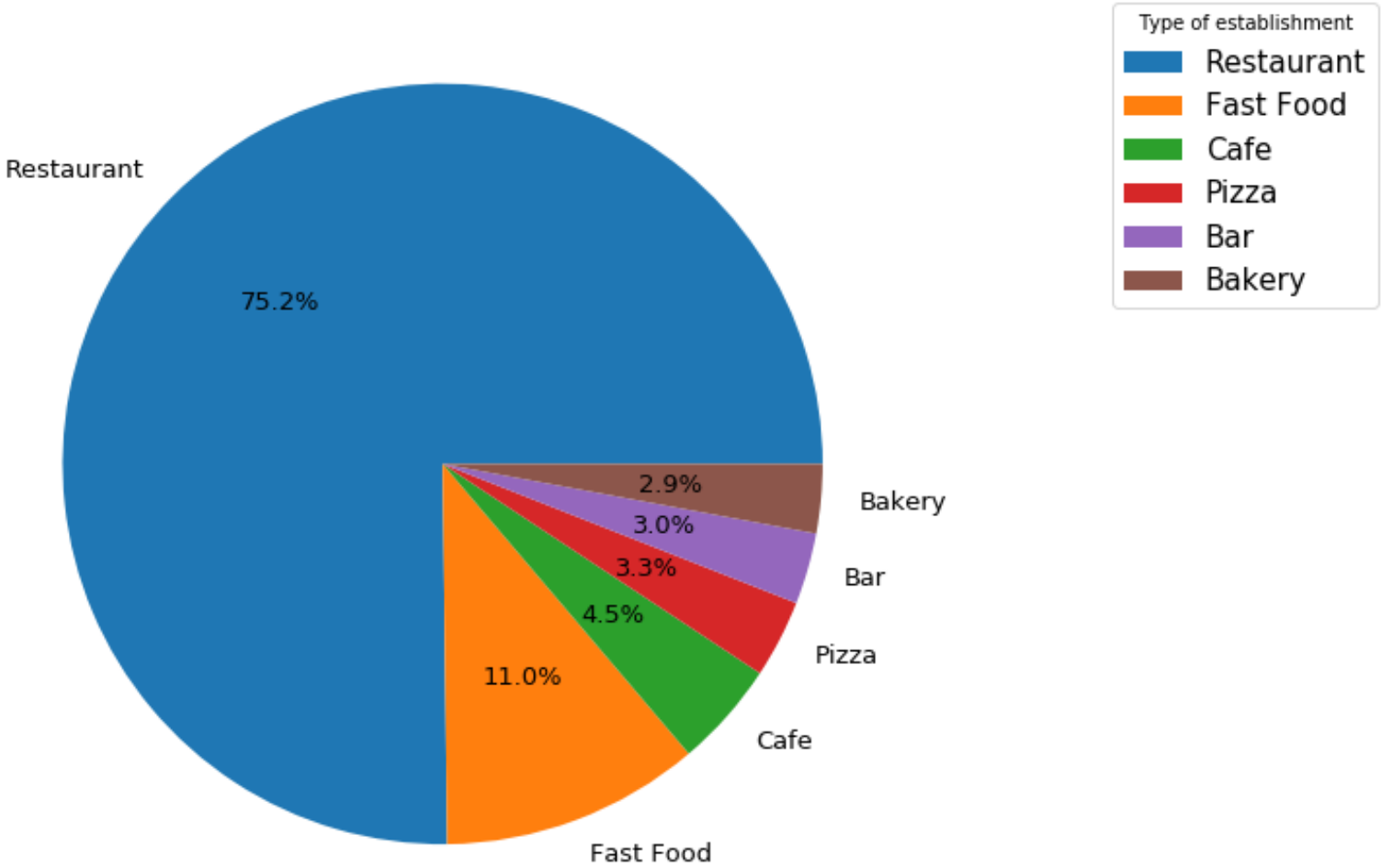
# STATISTICS ON MARKET SHARES



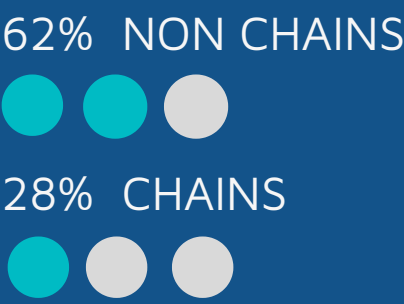
## PROPORTIONS OF ESTABLISHMENTS TYPES

pie chart featuring types of establishments distribution

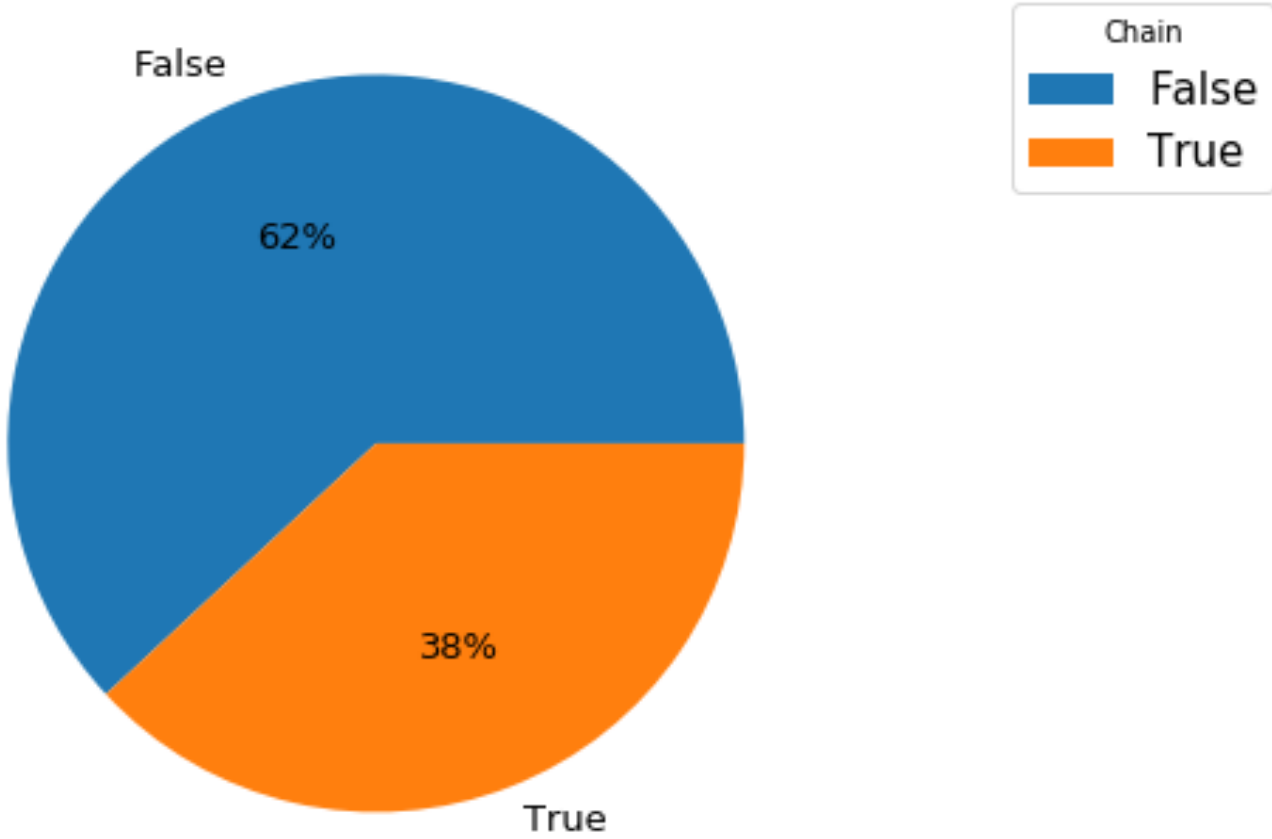
Proportions of the various types of establishments



## PROPORTION BY CHAIN TYPE



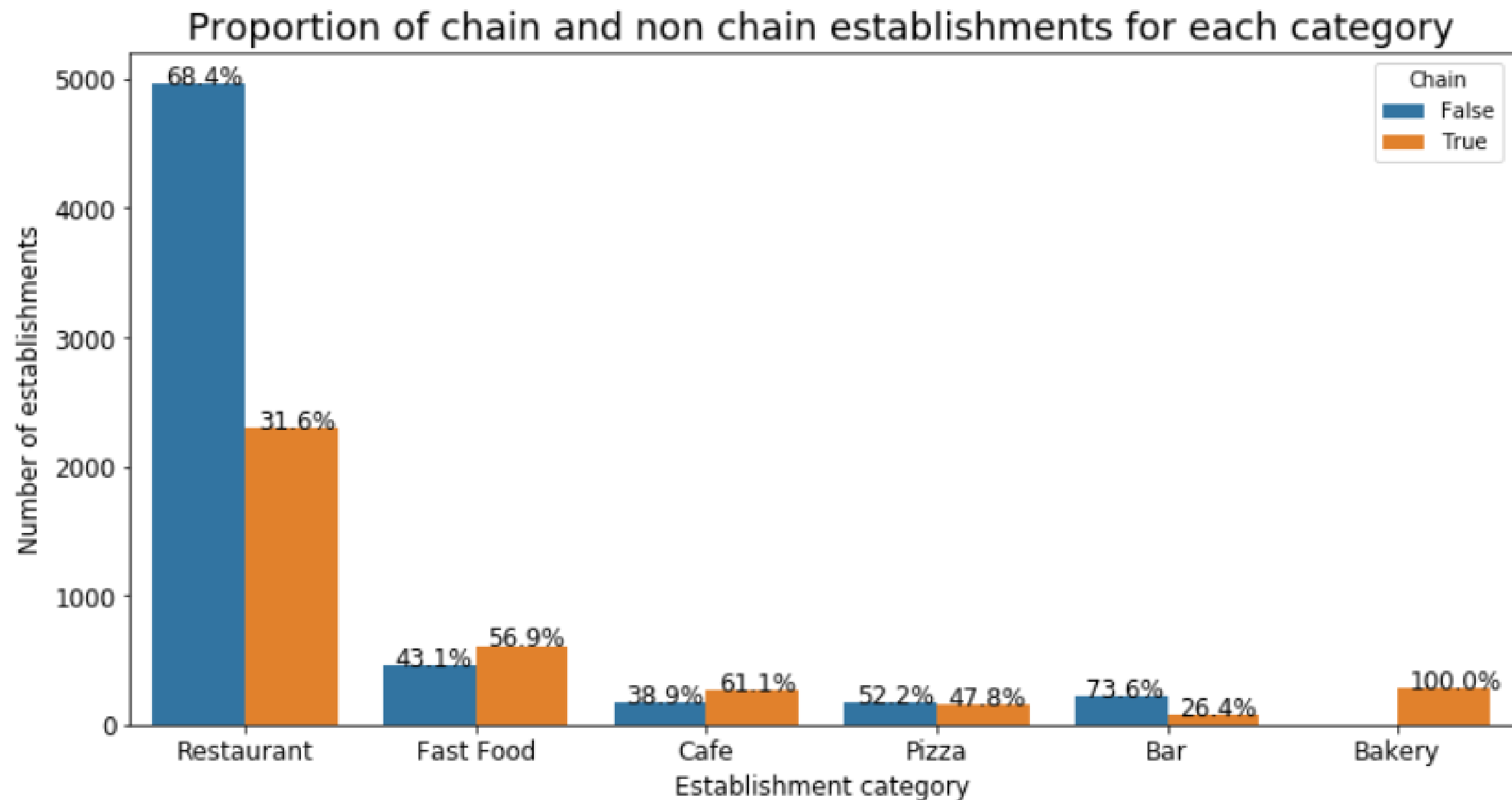
Proportion of chain and non-chain establishments



# Proportions of chains by restaurant category

	non_chain	chain	total
object_type			
Bakery	0	283	283
Bar	215	77	292
Cafe	169	266	435
Fast Food	459	605	1064
Pizza	167	153	320
Restaurant	4963	2292	7255
All	5973	3676	9649

A novelty robot-run cafe have a good chance to grow in a chain

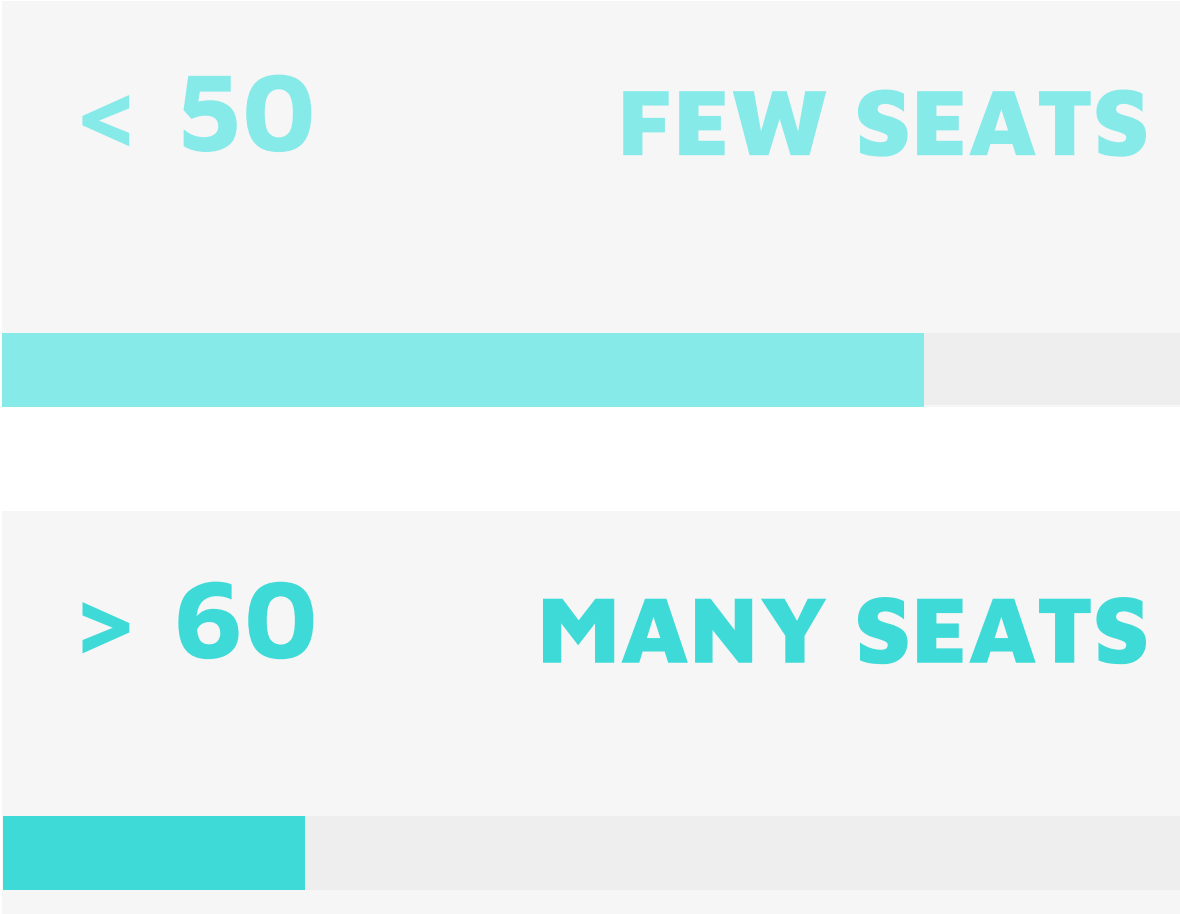


**68%**  
most of  
restaurants are  
non-chain type

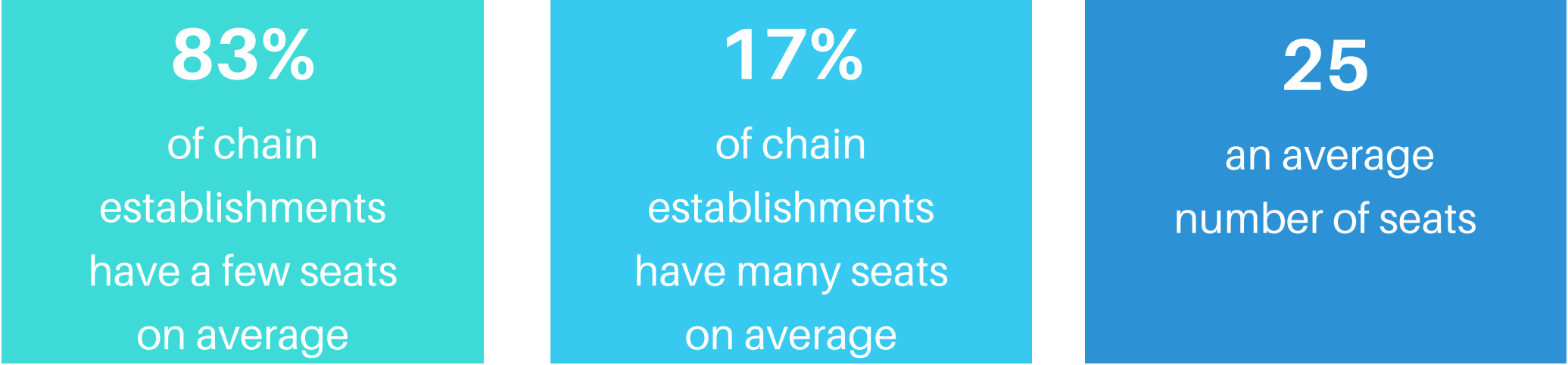
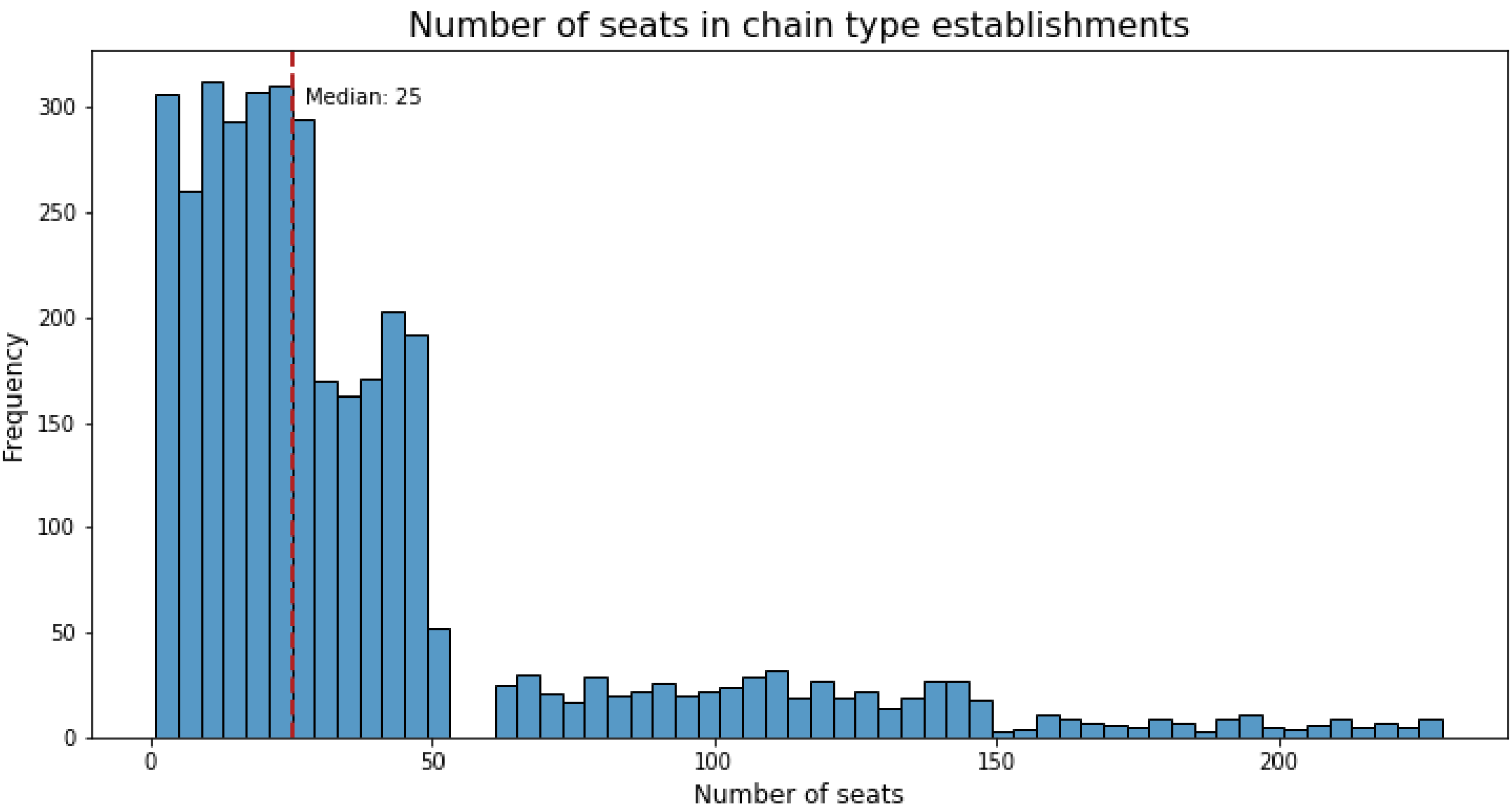
**61%**  
cafes have a  
trend to be a  
chain type

**100%**  
all bakeries are  
chain type

# STATISTICS ON CHAIN TYPE ESTABLISHMENTS SIZES



Chain type establishments are characterized by a few restaurants with a large number of seats. So the robot-run cafe should be launched as not chain with small number of seats.



# STATISTICS ON AVERAGE NUMBER OF SEATS BY CATEGORY

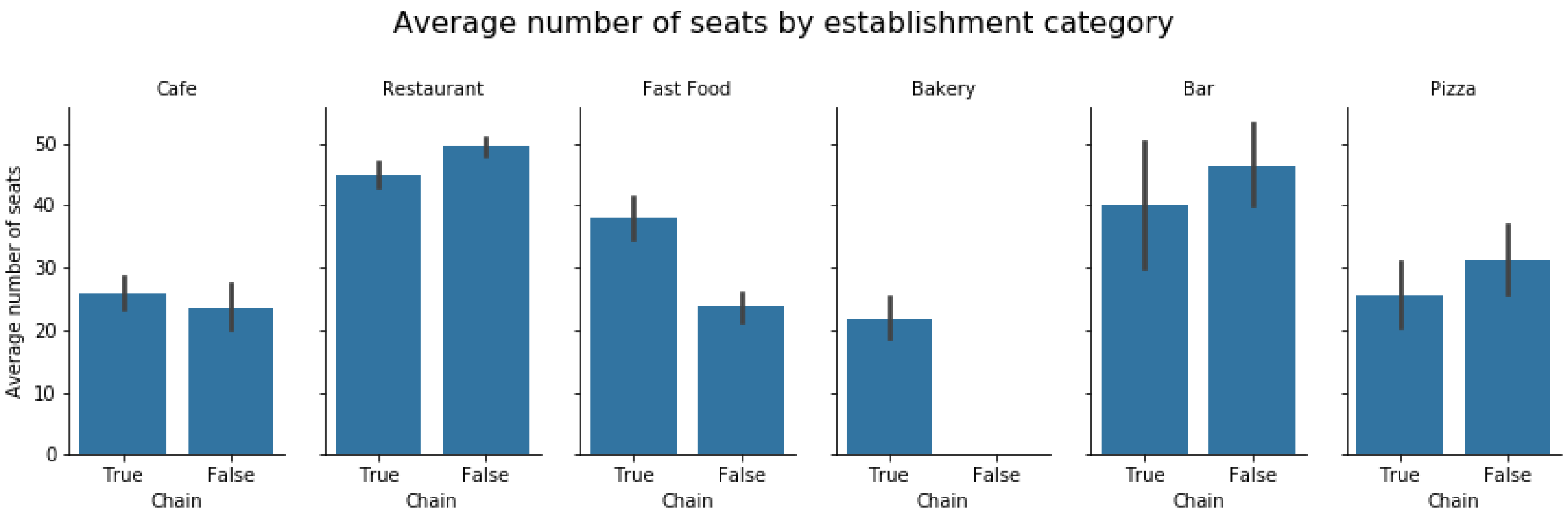
chain	False	True	All
object_type			
Restaurant	50.0	45.0	48.0
Bar	46.0	40.0	45.0
All	46.0	40.0	44.0
Fast Food	24.0	38.0	32.0
Pizza	31.0	26.0	28.0
Cafe	24.0	26.0	25.0
Bakery	0.0	22.0	22.0

50

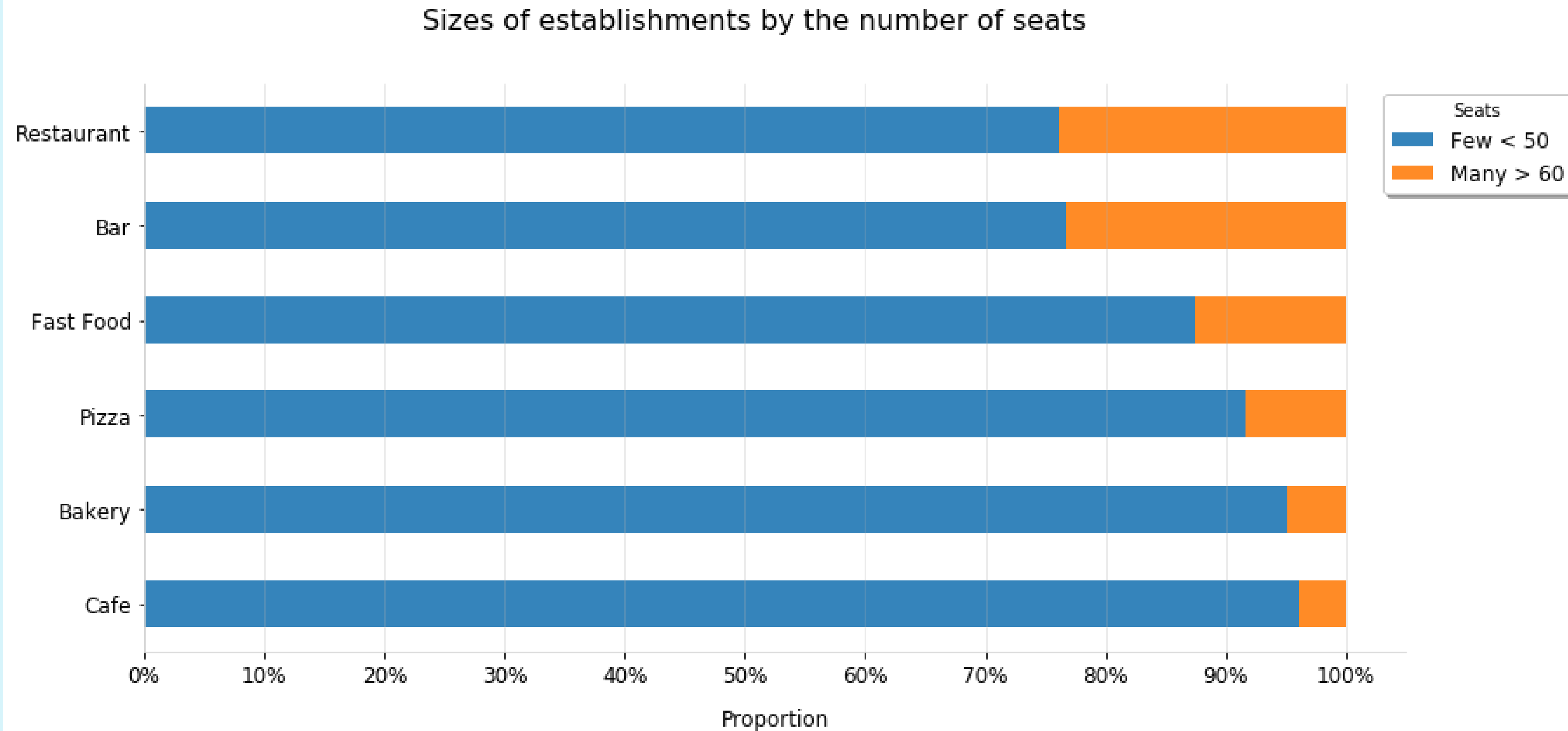
The greatest number of seats have  
Restaurants of non-chain type

25

an average number of seats in Cafes  
both chain and non-chain types



## Proportion of restaurants sizes



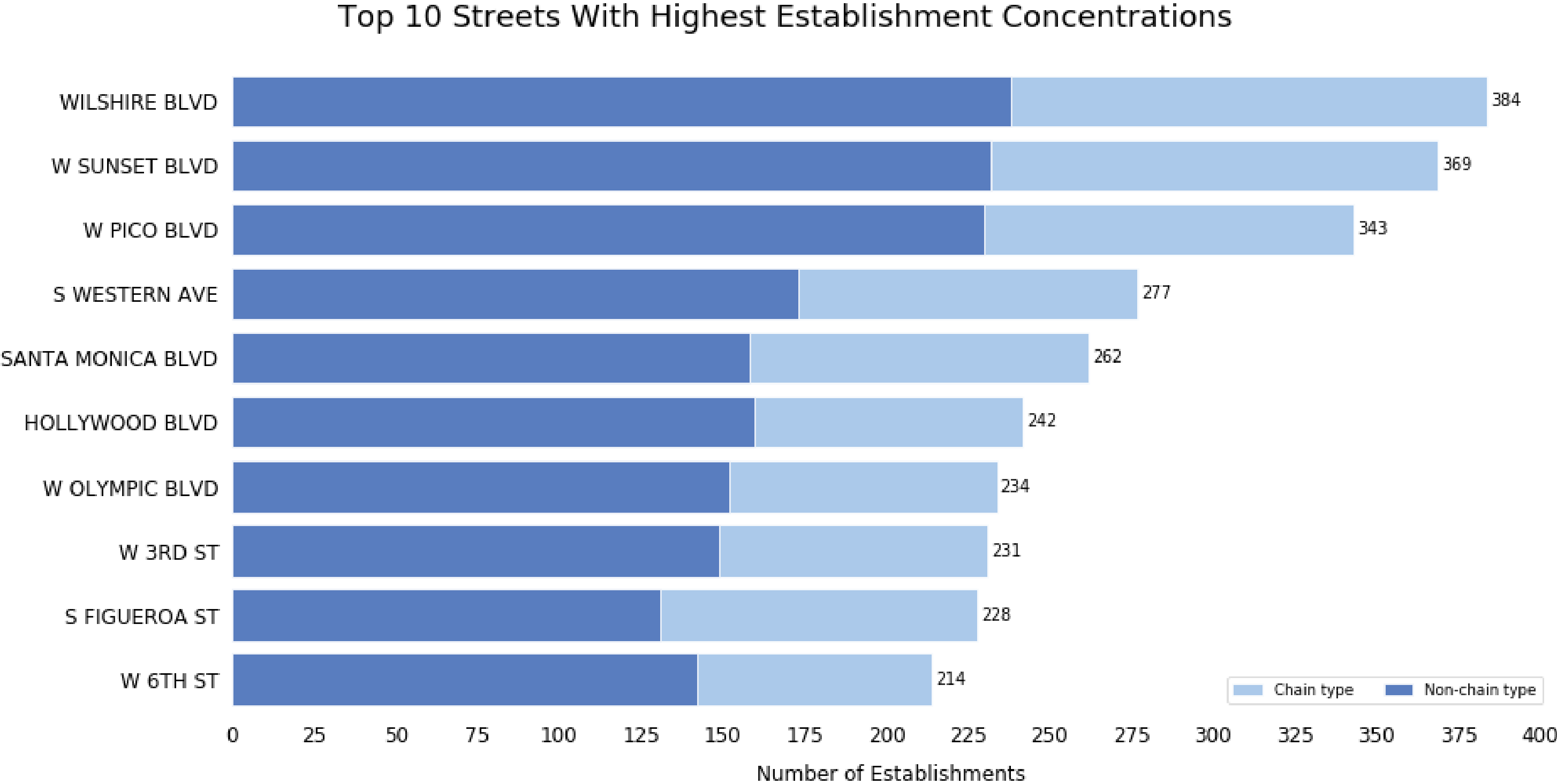
Opportunity to launch the cafe while keeping low overhead costs due to the small size

small number of seats are prevalent in each category of establishments

**<25%**  
of Restaurants and Bars have many seats

**4%**  
of Cafes have many seats

Highly competitive streets



Streets with the largest number of establishments

20%  
of streets have more than 10 establishments

200  
up to 400 establishments on each street

*Bonus*  
high traffic of customers



Launching a new business worth paying attention to :

- choosing type of establishment
- attractiveness of the service
- analysing competitiveness
- determine the size of future establishment
- choosing location
- opportunities for growth

# Recommendations

1

## MARKET ANALYSIS

The company should pivot towards establishing a Cafe as this is easy to enter the market, due to low number of this type of establishments in the current market.

2

## COMPETITION

Despite the large number of establishments in LA overall, especially considering their high % of non-chain establishments make it relatively easier to compete and thrive given the unique service it will provide. And there are a free niche amonge cafes environment: a lot of highly competitive streets with low number of cafes.

3

## COSTS

Launch a Cafe as a non-chain type with small number of seats - about 25 to save on overhead costs. Establish cafe on the highly competitive streets to ensure high customer traffic.

4

## GROWTH

The company have a great opportunity for grow and establish a chain thereafter given the novelty of service provided.