

# ITALIAN RESTAURANT LOCATION IN PORTO ALEGRE, BRAZIL

## 1. INTRODUCTION AND BUSINESS PROBLEM

Porto Alegre is the largest city in the south of Brazil. Porto Alegre is home of more than 1.5 million people. In addition to its population, there are more 3 million people who live in its metropolitan area. Economically, Porto Alegre is also a very important city of Brazil as its GDP is the eight highest among all cities of Brazil.

Determining the location of a business is a crucial decision that business owners must make. In the case of restaurants, this decision is very critical. A bad location might be the reason for a good restaurant to close permanently. In this context, the objective of this project is to study what are the most promising areas to start a new Italian restaurant in the city of Porto Alegre so that the business has better chances of being successful. The present project will attempt to answer this question supported by data.

## 2. DATA

The data sources are listed below:

- Wikipedia list of Porto Alegre boroughs, their population and average income.
- Foursquare data on restaurants locations.
- Coordinates for each boroughs of Porto Alegre retrieved geocoder.

After gathering all data, data will be treated and cleaned. As the list of boroughs and their coordinates are in two separate datasets, both datasets will be merged. Additionally, the average income in the Wikipedia dataset is provided in terms of “Minimum monthly salary per household”. Therefore, it will be converted to Brazilian Reais (BRL), utilizing the value of the current minimum monthly salary.

The following criteria will be used to analyze the boroughs in Porto Alegre

1. Overall customer rating
2. Average income
3. Total population
4. Number of restaurants