

Opening a new Japanese restaurant in Los Angeles county

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1. Introduction/Business problem

- a. My boss is planning to open a Japanese restaurant. He thinks that there are so many Japanese restaurants in Los Angeles and competitive. So he wants his restaurant to be unique New-Japanese style concept and trying to reach non-Japanese. Since He wants to have one somewhere in Los Angeles county, and have certain distance from existing Japanese restaurants.

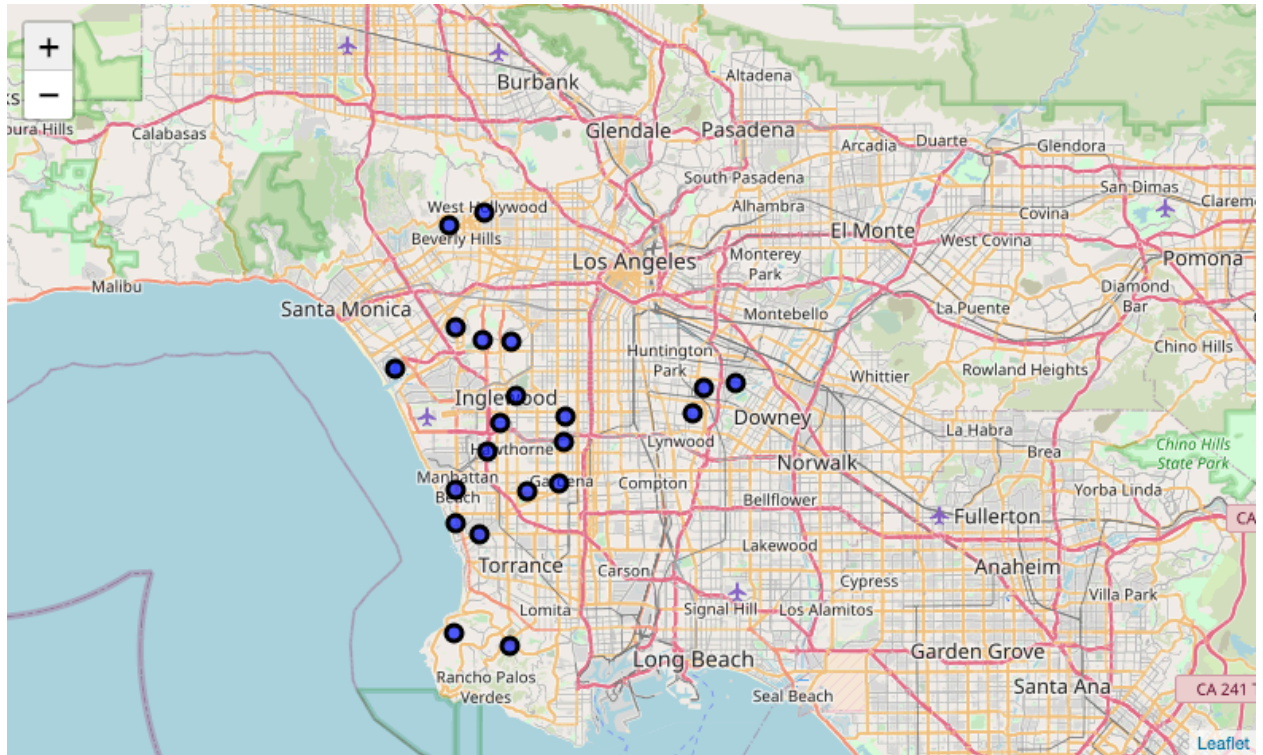
2. Data sources and solution

- a. The problem will be addressed using two datasets: The first dataset is a collection of latitude/longitude coordinates for each cities in California (obtained from: <https://simplemaps.com/data/us-cities>).
 - i. It requires us to download the data rather than scraping. So it's imported to the IBM Watson studio.
- b. The second dataset is the Foursquare data. This will be used to obtain information about each location, including restaurants in each area. The data will be used to calculate:
 - i. the Euclidean distance from each suburb to the nearest Japanese restaurant,
 - ii. the number of restaurants in each district,
 - iii. the diversity of restaurants in each area (using the Simpson-Gini coefficient).
- c. Data cleaning
 - i. The data above is consisted with 1504 rows.
 - ii. To clean the data, I removed the all unnecessary zip codes, and combined with existing ones.
 - iii. Narrowed it down to Los Angeles county which starts from 90001 to 90559, and drop the rest.

3. Data Science Methodology

- a. Foursquare API was imported and used to scrape the all Japanese restaurant in Los Angeles county, and got the latitude, longitudes, and zip code to create a map later. In total, there are 541 restaurants in the Los Angeles county.
- b. Calculate the distance to each Japanese restaurant, and also distance from the city using the KMeans Machine Learning algorithm.
- c. Calculate the total number of restaurants within a 3km radius.
 - i. Note: there is some overlap; a venue may be counted more than once for adjacent suburbs
- d. Calculates the Gini-Simpson diversity index from a list of categories (cat_list) provided.https://en.wikipedia.org/wiki/Diversity_index#Gini%E2%80%93Simpson_index
 - i. Higher values indicate greater diversity.
- e. Map the top 20 recommended location using folium.

4. Results



5. Observation and discussion

- a. There are many fusion restaurants in Beverly Hills and West Hollywood, but there is still opportunities for Japanese restaurant.
- b. Near the beach sounds good place, but it will be difficult to park.
- c. Downey area sounds good idea to open since rent would be affordable and spacious enough to park. Not competitive as well.

6. Conclusion

- a. Top 20 recommended places are plotted on the map.
- b. From the map, opening Japanese restaurant in East side sounds good idea.