

Strategic Clustering for Establishing a Restaurant in Mexico City

1. Introduction

1.1 Background

To have success in a restaurant, we need to consider multiple factors such as type of the restaurant, ratings, prices, locality, etc. But one of the most important is understanding the customers: Which places do they prefer? What type of food is their favorite? What type of restaurant do they prefer? All these questions can be helpful to locate the ideal place for a restaurant. However, finding the best location in a big city such as Mexico City could be very difficult. So, implementing a Data Science analysis and using a Machine Learning algorithm in order to classify some of the neighborhoods from Mexico City, based on their most popular restaurant, it will give some insight about the customers' preferences.

1.2 Problem

A hamburger restaurant is going to be established in Mexico City. The owner wants to locate it in a strategic place, in a neighborhood where the customers like to go to big restaurants and where the restaurant has the opportunity to grow despite the competition of other restaurants.

The objective of this capstone project is to find the optimal neighborhood in Mexico City for the restaurant. The Foursquare API would be used in order to get the most popular restaurants of each neighborhood and then classify them in order to know the preferences of the people around the location.

1.3 Interest

Restaurant analytics are really useful to restaurant owners. It delivers insights that help to understand what drives the profitability of the restaurant, saving time and winning money. The location of the restaurant could be one of the most important factors, as it could tell us a lot about what the customers like and what they are used to.