Project 3

**Q1. What can you learn from the highest rated restaurants? Do consumer preferences have an effect on ratings?**

The analysis shows that while Mediterranean cuisine achieved the highest average rating (1.75), it is offered by only one restaurant with very limited consumer demand. By contrast, Mexican cuisine dominates the market with 28 restaurants and 97 consumer preferences, but its average rating (1.19) lags behind. This indicates a potential quality gap in highly demanded cuisines, whereas niche cuisines deliver higher satisfaction despite limited availability. Overall, consumer preferences don’t always align with satisfaction levels , suggesting opportunities for investors to raise quality standards in high-demand cuisines such as Mexican and Cafeteria.

**Q2. What are the consumer demographics? Does this indicate a bias in the data sample?**

“The consumer demographics reveal a significant skew in the dataset. Most respondents are aged 18–25, single, and medium-budget spenders. High-income consumers and older age groups (36+) are underrepresented, and married consumers are rare. This suggests the sample is biased toward younger, price-sensitive, urban singles — meaning insights may not fully reflect the broader dining population in Mexico.”

**Q3. Are there any demand & supply gaps that you can exploit in the market?**

The analysis of consumer preferences against the number of restaurants per cuisine reveals significant demand and supply imbalances.

* **Mexican cuisine** shows the **largest gap**, with over **2,600 unmet consumer demands** compared to just 28 available restaurants. This indicates a clear market opportunity for entrepreneurs to expand in this category.
* Other cuisines with high unmet demand include **American, Pizzeria, Fast Food, Japanese, Burgers, Italian, and Chinese**. These represent attractive opportunities for investment given their consistent consumer demand but relatively low restaurant availability.
* Some cuisines such as **Brewery, Mediterranean, International, and Vietnamese** demonstrate a balanced demand-supply relationship, suggesting little room for further immediate expansion.
* Additionally, niche cuisines (e.g., **Turkish, Sushi, Thai, Ethiopian**) show smaller but promising gaps. While overall demand is low, the absence of existing supply suggests that even a single restaurant could capture a loyal customer base.

**Conclusion:**  
The findings highlight strong opportunities in mainstream cuisines (e.g., Mexican, American, Fast Food) where demand significantly exceeds supply. At the same time, niche cuisines present unique entry points for entrepreneurs aiming to differentiate themselves in the market. So YES there are clear demand and supply gaps in the market that can be strategically exploited.

**Q4. If you were to invest in a restaurant, which characteristics would you be looking for?**

If I were to invest in a restaurant, I would look for a concept that targets high-demand cuisines with low customer satisfaction, such as Mexican or Fast Food, where there's clear opportunity to raise quality standards. I’d prioritize cuisines with significant demand-supply gaps, ensuring strong market potential and consumer interest. The ideal restaurant would offer affordable, high-quality food in a fast-casual format to appeal to the dominant demographic of young, single, medium-budget consumers. Scalability would be key, so I’d seek a model that’s easy to replicate across urban areas. While mainstream cuisines offer volume, I’d also consider niche options like Mediterranean or Vietnamese in under-served markets to capture loyal, underserved customer bases. Overall, I’d invest where demand is high, competition is weak, and quality can set the concept apart.