Finding the best location for opening a Burger Joint

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1. Introduction

1.1 Background

In the last 10 years, there has been a huge growth in the food market in Peru. Because of the variety, combinations and delicious flavor of the Peruvian food, the market has experimented a huge hype in sales, competitions, and variety.

In these 10 years, we can affirm that the market has doubled its sales, even tripled. This has made that many people have decided to start their own food business. Hamburgers, Peruvian, Japanese, Italian, Indian and so many others, and it stills space for more and new offers to enter this market.

1.2 Problem

There are too many places in the capital of Peru, Lima, where a restaurant can be opened but too little information about what place would be the best for an specific type of food. This project aims to suggest the best District to open a Burger Joint based on the type of public around.

1.3 Interest

Obviously, there is a good opportunity to make business in the restaurants market. So, we would try to find the best location to start a new venture.

2. Data acquisition and cleaning

2.1 Data sources

The list of Lima Districts can be found from many sources, but in order to apply the topics learned in this course, we will scrap from Wikipedia in this link. Also, we will get the geolocalization of some category venues from the Foursquare API that we think it relates with a Burger Joint.

2.2 Data cleaning

The data srapped from Wikipedia had some errors and some useless information within the cells. We are not sure why Wikipedia handles this way the data, but we needed to do some cleaning in the population. Then, we drop some columns that were useless for this project.

Then, the data from Foursquare was pretty clear. It was not necessary to do any cleaning to the data.

3. Exploratory Data Analysis

3.1 Calculation of target variable

The Foursquare API provided data that was just a step before the target variable. We got the raw quantity of the Categories Venues and it's raw information. We just needed to do some counts based in the Categories Venues and, then, assigned to the Districts

3.2 Relationship between the categories venues and burger joints
We do not have consumer insights or a questionnaire about what type of food they buy at different times of the day and before/during/after doing an specific activity. For this project, we will assume that the people that assist in the following places are customers with more affinity to buy in a Burger Joint:

Category Venue	Relation	Explanation
High School Students	1	School students are very good customers, but don't have too much purchase power.
University Students	1.5	University students dont have too much puchase power, but a big part of them, already have a job that the purchase power increased a lot
Employees	1.75	Employees have a lot of purchase power and after 6 pm they must be hungry. But, also tired, so they want to go home as soon as possible.
Nightlifers	2	Nightlifers have the highest probability to buy in the burger joint, because they will need a vast amount of calories to resist the night, or after an exciting night, they need to recover those calories.

4. Conclusions

In this study, I had to answer a question for a possible investor and client who would like to invest in our country with his new concept of Burger Joints. I analyzed each district and some principal factors that can make his new location a business success.

I found that Jesus Maria is the best district to open a Burger Joint thanks to the volume of universities, schools, and offices that can be found along the district. There is some competition, but I can understand that maybe there is enough market for all of them.

5. Future directions

There is a lot of informal burger streetcars selling around the district. It will be needed to localize those locations and found if Foursquare shows it through the API.