The Battle of Neighborhoods: A Family Business Moving to a New Location

Muhammad Faizan Siddiqui

1) Introduction

a) Background

A Huntsville, Alabama based family is mostly into the health-and-fitness business over the past many decades. Some family members have retail stores selling exercise machines and related equipment; others have gyms and medium-sized swimming pools. Some of the members sell maintenance services for the equipment sold by family-run as well as other retail stores.

Unfortunately, in the past couple of years, all segments of the business have seen a sharp decline in revenue. For them, people are no more investing in health and fitness that seems unlikely but valid for them. While the family is well off and can easily withhold a couple of more years like this but there seems to be no silver lining in the short term.

b) Problem

They are considering relocating to a different city, most probably in another state, which is lucrative for their family-run business. Moreover, rebuilding the business from scratch is a gigantic task, and in their business, real estate is very important; therefore, they are also looking for the city with relatively required low investment in real estate. Finally, as the whole family will be relocating along with the business, they would like to remain on the Eastside and are especially concerned about the changes in the weather.

2) Data

The first and foremost challenge is to identify lucrative cities for the family business. We will use the Foursquare API to construct a city-wise dataset focusing on the eastern states only. Then we have the requirement to find cities with low-cost real estate, and for that, we will look for real estate median home value dataset from Zillow via Opendatasoft: Data Network. Finally, as the family is concerned about the weather, we will also use US average weather data from Current Results: Weather and Science Facts to find the closest matching weather to Alabama.