IBM DATA SCIENCE COURSE APPLIED DATA SCIENCE CAPSTONE FINAL REPORT

Topic: Using K-mean Clustering to Support decision making for finding the best place for living and opening a coffee shop.

Author: Huu-Son Nguyen

Email: huusonbkhcm@gmail.com

Github: https://github.com/huusonbkhcm

I. INTRODUCTION

1.1 Background:

Ho Chi Minh City, Vietnam also commonly referred to as Saigon is the largest city of Vietnam. According to the 2019 census, Ho Chi Minh City has a population of over 8.9 million within city proper and over 21 million within the metropolitan area. Ho Chi Minh City is the economic and financial Centre of Vietnam, and plays an important role in the country's culture and scientific developments. Ho Chi Minh City is an emerging international tourist destination, with popular landmarks related to the remnants of its colonial past showcased through colonial architecture [wikipedia]. With the advantage of geography location as well as the development of economic and travelling, Ho Chi Minh city is one of the best place for foreigners for living and investments.

1.2 Problem

Tom is one of my best foreigner friend who wants to move to Ho Chi Minh City for living the retired life and also want to open a Café shop in Ho Chi Minh to earn the living cost. Because he just came to Vietnam several times, so he does not know much about Ho Chi Minh City life and environment. He knocks my door to ask about Ho Chi Minh City and help him to buy house which has the same convenient place around as his current house in his country. He also asked me to collect the data of existing coffee shop in Ho Chi Minh city which can help him to prevent opening the coffee shop at which has many coffee shop nearby to reduce the competition.

The business problem:

- [1] Find the best place which has the same convenient place as his current house in his country to buy a house
- [2] collect the data of existing coffee shop in Ho Chi Minh city which can help him to prevent opening the coffee shop at which has many coffee shop nearby.

II. DATA PREPROCESSING

2.1 Import necessary libraries

```
1. Importing necessary Libraries
In [1]: import numpy as np # library to handle data in a vectorized manner
         import pandas as pd # library for data analsysis
pd.set_option('display.max_columns', None)
pd.set_option('display.max_rows', None)
         import ison # library to handle JSON files
         #!conda install -c conda-forge geopy --yes # uncomment this line if you haven't completed the Foursquare API lab
         from geopy geocoders import Nominatim # convert an address into latitude and longitude values
         import requests # library to handle requests
         from pandas.io.json import json_normalize # tranform JSON file into a pandas dataframe
         # Matplotlib and associated plotting modules
         import matplotlib.cm as cm
         import matplotlib.colors as colors
         # import k-means from clustering stage
         from sklearn.cluster import KMeans
         #!conda install -c conda-forge folium=0.5.0 --yes # uncomment this line if you haven't completed the Foursquare API lab
         import folium # map rendering Library
         from geopy geocoders import Nominatim # convert an address into latitude and longitude values
         print('Libraries imported.')
         Libraries imported.
```

2.2 Data Acquisition

The data is collected at an open source in Github which has the information of the ward and district of Ho Chi Minh City.

Download and	d Explore Dataset		
= pd.read_ .head()	excel ('/content/driv	ve/My D	rive/ST/DS/[1] PROJECT/[3]
Unnamed: 0	ward	district	area
9214	Phường Tân Định	Quận 1	Phường Tân Định, Quận 1
9215	Phường Đa Kao	Quận 1	Phường Đa Kao, Quận 1
9216	Phường Bến Nghé	Quận 1	Phường Bến Nghé, Quận 1
9217	Phường Bến Thành	Quận 1	Phường Bến Thành, Quận 1
0210	Phiròng Nguyễn Thái Bình	Ouân 1	Phyrong Nguyễn Thái Bình, Quân 1
	= pd.read_head() Unnamed: 0 9214 9215 9216 9217	head() ward Unnamed: 0 ward 9214 Phường Tân Định 9215 Phường Đa Kao 9216 Phường Bến Nghệ 9217 Phường Bến Thành	= pd.read_excel ('/content/drive/My Dhead() Unnamed: 0 ward district 9214 Phường Tân Định Quân 1 9215 Phường Đá Kao Quân 1 9216 Phường Bến Nghé Quân 1

2.3 Adding The Latitude and Longitude by call Google Geocode API

In this section, I would like to use some supported code for data processing such as Adding the Latitude and Longitude by call Google Geocode API.

a. Find the geographical coordinate of Ho Chi Minh city

Find the geograpical coordinate of Ho Chi Minh city

```
In [2]: address = 'Ho Chi Minh, VN'
geolocator = Nominatim(user_agent="HCM")
location = geolocator.geocode(address)
latitude = location.latitude
longitude = location.longitude
print('The geograpical coordinate of Ho Chi Minh are {}, {}.'.format(latitude, longitude))
HCMlat = latitude
HCMlong = longitude
```

The geograpical coordinate of Ho Chi Minh are 10.7758439, 106.7017555.

b. Find the geographical coordinate of each ward in Ho Chi Minh city

```
In [4]: lat = []
lon = []
for i in range(len(df)) :
    s = df.iloc[i, 2] + ", Hō Chí Minh"
    address = s
    geolocator = Nominatim(user_agent="HCM")
    location = geolocator.geocode(address)
    latitude = location.latitude
    longitude = location.longitude
    lat.append(latitude)
    lon.append(longitude)

df['Lat'] = lat
df['lon'] = lon
```

2.4 Use the Foursquare API to explore the neighborhoods

a. Define Foursquare Credentials and Version

```
In [7]: CLIENT_ID = '4UFDWNUONKDOUURIIQVJDH2FJBOQKVS1YSFSUT4KKU1XKXDS' # your Foursquare ID
CLIENT_SECRET = '3UKE1TKWPRSD1LHPQ@CLFRZ@MS3C14KXOZ@QQGRO1NCH@EHA' # your Foursquare Secret
VERSION = '20180605' # Foursquare API version

print('Your credentails:')
print('CLIENT_ID: ' + CLIENT_ID)
print('CLIENT_SECRET:' + CLIENT_SECRET)

Your credentails:
CLIENT_ID: 4UFDWNUONKDOUURIIQVJDH2FJBOQKVS1YSFSUT4KKU1XKXDS
CLIENT_SECRET:3UKE1TKWPRSD1LHPQ@CLFRZ@MS3C14KXOZ@QQGRO1NCH@EHA
```

b. Now, let's get the top 100 venues that are in Ho Chi Minh City within a radius of 500 meters.

```
In [8]: # defining radius and limit of venues to get
In [9]: def getNearbyVenues(names, latitudes, longitudes, radius=500):
            venues_list=[]
            for name, lat, lng in zip(names, latitudes, longitudes):
                # create the API request URL
               url = 'https://api.foursquare.com/v2/venues/explore?&client_id={}&client_secret={}&v={}&l={},{}&radius={}&limit={}'.form
                    CLIENT_ID,
                    CLIENT_SECRET,
                    VERSION,
                    lat,
                    lng,
                    radius,
                    LIMIT)
               # make the GET request
               results = requests.get(url).json()["response"]['groups'][0]['items']
                # return only relevant information for each nearby venue
               venues_list.append([(
                    name,
                    lat,
                    lng,
                   v['venue']['name'],
v['venue']['location']['lat'],
v['venue']['location']['lng'],
v['venue']['categories'][0]['name']) for v in results])
```

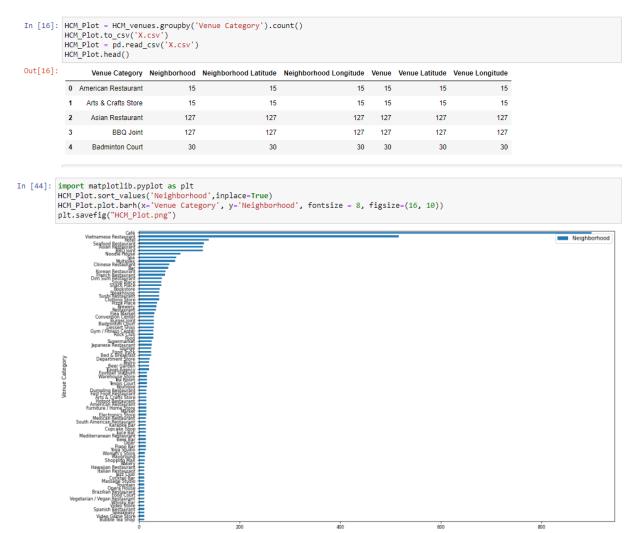
2.5 See the top 5 venues nearby HCM

```
In [13]: # one hot encoding
HCM_onehot = pd.get_dummies(HCM_venues[['Venue Category']], prefix="", prefix_sep="")

# add neighborhood column back to dataframe
HCM_onehot['Neighborhood'] = HCM_venues['Neighborhood']

# move neighborhood column to the first column
fixed_columns = [HCM_onehot.columns[-1]] + list(HCM_onehot.columns[:-1])
HCM_onehot = HCM_onehot[fixed_columns]
HCM_onehot.head()
```

2.6 Exploratory Data Analysis: Find the most Venue Category in HoCHiMinh City



III. METHODOLOGY

3.1 Clustering the venue in HCM city

a. Creating the new dataframe and display the top 10 venues for each neighborhood

```
In [ ]: num_top_venues = 10
         indicators = ['st', 'nd', 'rd']
         # create columns according to number of top venues
         columns = ['Neighborhood']
for ind in np.arange(num_top_venues):
                  columns.append('{}{} Most Common Venue'.format(ind+1, indicators[ind]))
                  columns.append('{}th Most Common Venue'.format(ind+1))
         # create a new dataframe
         neighborhoods_venues_sorted = pd.DataFrame(columns=columns)
         neighborhoods_venues_sorted['Neighborhood'] = HCM_grouped['Neighborhood']
          \begin{tabular}{ll} \textbf{for} ind & \textbf{in} & np.arange(HCM\_grouped.shape[0]): \\ \end{tabular} 
             neighborhoods_venues_sorted.iloc[ind, 1:] = return_most_common_venues(HCM_grouped.iloc[ind, :], num_top_venues)
         neighborhoods venues sorted.head()
                           1st Most
                                        2nd Most
                                                     3rd Most
                                                                   4th Most
                                                                                5th Most
                                                                                             6th Most
                                                                                                          7th Most
                                                                                                                        8th Most
                                                                                                                                     9th Most
                                                                                                                                                   10th Most
            Neighborhood Common
                                        Common
                                                     Common
                                                                   Common
                                                                                Common
                                                                                             Common
                                                                                                           Common
                                                                                                                                     Common
                                                                                                                                                   Common
                                                                                                                        Common
                           Venue
                                        Venue
                                                      Venue
                                                                   Venue
                                                                                              Venue
                                                                                                           Venue
                                                                                                                        Venue
                                                                                                                                      Venue
                                                                                                                                                   Venue
                                                                                Venue
                                        Vietnamese
           Phường 1,
                                                      Sushi
                                                                   Korean
                                                                                Dessert
                                                                                                                                                   Hotpot
                           Café
                                                                                             Multiplex
                                                                                                                        Bookstore
                                                                                                                                      Steakhouse
                                                                                                           Spa
            Quận 10
                                        Restaurant
                                                                   Restaurant
                                                                                Shop
          1 Phường 1,
                                                                   Fast Food
                                                                                Department
                                                                                             Dessert
                                                                                                           Dim Sum
                                                                                                                                      Dumpling
                                                                                                                                                   Electronics
                           Café
                                        Pizza Place
                                                      Yoga Studio
                                                                                                                        Diner
            Quận 11
                                                                   Restaurant
                                                                                Store
                                                                                                           Restaurant
                                                                                                                                      Restaurant
                                                                                                                                                   Store
                                                                                              Shop
           Phường 1,
                                        Vietnamese
                                                                   French
                                                                                              Korean
                                                                                                           Seafood
                                                                                 Asian
                           Café
                                                      BBQ Joint
                                                                                                                         Rock Club
                                                                                                                                                   Noodle House
            Quân 3
                                        Restaurant
                                                                   Restaurant
                                                                                Restaurant
                                                                                             Restaurant
                                                                                                           Restaurant
         3 Phường 1,
                           Seafood
                                                      Vietnamese
                                                                   Japanese
                                                                                Furniture /
                                                                                                           Fast Food
                                                                                                                        Cupcake
                                                                                                                                      Department
                                        Snack Place
                                                                                             BBQ Joint
                                                                                                                                                   Dessert Shop
            Quân 4
                           Restaurant
                                                      Restaurant
                                                                   Restaurant
                                                                                Home Store
                                                                                                           Restaurant
                                                                                                                         Shop
                                                                                                                                      Store
```

b. Cluster Neighborhoods

Phường 1,

Quận 5

Chinese

Restaurant

Vietnamese

Restaurant

Noodle

House

Set k_clusters = 5, using Scikitlearn Library to solve Clustering problems

Dim Sum

Restaurant

Café

Dessert

Shop

Asian

Restaurant

BBQ Joint

Hotel

Brewerv

```
In []: # set number of clusters
kclusters = 5

HCM_grouped_clustering = HCM_grouped.drop('Neighborhood', 1)

# run k-means clustering
kmeans = KMeans(n_clusters=kclusters, random_state=0).fit(HCM_grouped_clustering)

# check cluster labels generated for each row in the dataframe
kmeans.labels_[0:10]
Out[]: array([1, 1, 2, 0, 2, 2, 2, 3, 4, 1], dtype=int32)
```

c. Let's create a new dataframe that includes the cluster as well as the top 10 venues for each neighborhood.

Let's create a new dataframe that includes the cluster as well as the top 10 venues for each neighborhood

```
In []: # add clustering labels
    neighborhoods_venues_sorted.insert(0, 'Cluster Labels', kmeans.labels_)

HCM_merged = df

# merge toronto_grouped with toronto_data to add latitude/longitude for each neighborhood
    HCM_merged = HCM_merged.join(neighborhoods_venues_sorted.set_index('Neighborhood'), on='area')

HCM_merged.head() # check the Last columns!
```

d. Finally, let's visualize the resulting clusters

Finally, let's visualize the resulting clusters

```
In []: # create map
map_clusters = folium.Map(location=[HCMlat, HCMlong], zoom_start=11)

# set color scheme for the clusters
x = np.arange(kclusters)
ys = [i + x + (i*x)**2* for i in range(kclusters)]
colors_array = cm.rainbow(np.linspace(0, 1, len(ys)))
rainbow = [colors.rgb2hex(i) for i in colors_array]

# add markers to the map
markers_colors = []
for lat, lon, poi, cluster in zip(HCM_merged['Lat'], HCM_merged['lon'], HCM_merged['area'], HCM_merged['Cluster']):
    label = folium.Popup(str(poi) + 'Cluster' + str(cluster), parse_html=True)
    folium.circleMarker(
        [lat, lon],
        radius=5,
        popup=label,
        color=rainbow[cluster-1],
        fill_True,
        fill_color=rainbow[cluster-1],
        fill_color=rainbow[cluster-1],
        fill_opacity=0.7).add_to(map_clusters)
map_clusters
```

e. Explore the Cafe shop in HCM City

Make the report which area has the most café shop in HCM city

Creating the map which illustrate the existing Café shop in Ho Chi Minh City

Creating the map which illustrate the existing Café shop in Ho Chi Minh City

```
In []: # create map of Toronto using Latitude and Longitude values
map_HCM = folium.Map(location=[HCMlat, HCMlong], zoom_start=12)

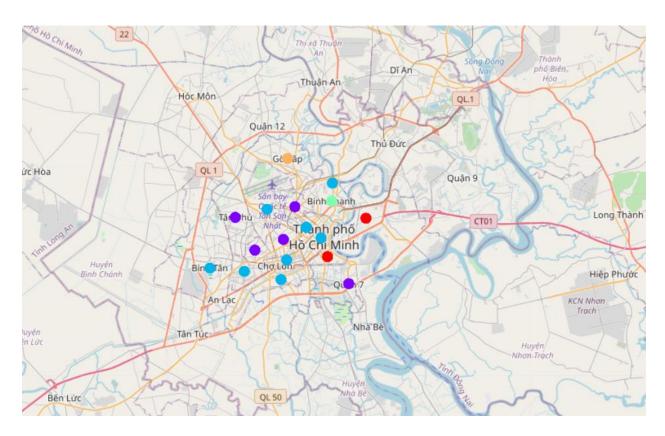
# add markers to map
for Lat, lon, Neighborhood in zip(HCM_cafe['Venue Latitude'], HCM_cafe['Venue Longitude'], HCM_cafe['Neighborhood']):
    label = '{}'. format(Neighborhood)
    label = folium.Popup(label, parse_html=True)
    folium.CircleMarker(
        [Lat, lon],
        radius=5,
        popup="0 Day Roi!",
        color='blue',
        fill=True,
        fill_color='#3186cc',
        fill_opacity=0.7,
        parse_html=False).add_to(map_HCM)
```

Out[]: Make this Notebook Trusted to load map: File -> Trust Notebook

IV. RESULTS

4.1 Top 10 venues for each neighborhood.

4.2 Visualization of the resulting clusters



Examine Cluster 1:

] MCluster_1 Cluster_1 = HCM_merged.loc[HCM_merged['Cluster'] == 0,HCM_merged.columns[[1] + list(range(3, HCM_merged.shape[1]))]] Cluster_1.head()															
D		ward	area	Lat	lon	Cluster	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
	123	Phường Thảo Điền	Phường Thảo Điền, Quận 2	10.791116	106.736729	0	Seafood Restaurant	Bookstore	Department Store	Flea Market	French Restaurant	Electronics Store	Cupcake Shop	Gym / Fitness Center	Dessert Shop	Dim Sum Restaurant
	124	Phường An Phú	Phường An Phú, Quận 2	10.791116	106.736729	0	Seafood Restaurant	Bookstore	Department Store	Flea Market	French Restaurant	Electronics Store	Cupcake Shop	Gym / Fitness Center	Dessert Shop	Dim Sum Restaurant
	125	Phường Bình An	Phường Bình An, Quận 2	10.791116	106.736729	0	Seafood Restaurant	Bookstore	Department Store	Flea Market	French Restaurant	Electronics Store	Cupcake Shop	Gym / Fitness Center	Dessert Shop	Dim Sum Restaurant
	126	Phường Bình Trưng Đông	Phường Bình Trưng Đông, Quận 2	10.791116	106.736729	0	Seafood Restaurant	Bookstore	Department Store	Flea Market	French Restaurant	Electronics Store	Cupcake Shop	Gym / Fitness Center	Dessert Shop	Dim Sum Restaurant
	127	Phường Bình Trưng Tây	Phường Bình Trưng Tây, Quận 2	10.791116	106.736729	0	Seafood Restaurant	Bookstore	Department Store	Flea Market	French Restaurant	Electronics Store	Cupcake Shop	Gym / Fitness Center	Dessert Shop	Dim Sum Restaurant

Examine Cluster 2:

[]	<pre>#Cluster_2 Cluster_2 = HCM_merged.loc[HCM_merged['Cluster'] == 1,HCM_merged.columns[[1] + list(range(3, HCM_merged.shape[1]))]] Cluster_2.head()</pre>															
C·		ward	area	Lat	lon	Cluster	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
	97	Phường Tân Sơn Nhì	Phường Tân Sơn Nhì, Quận Tân Phú	10.79164	106.627302	1	Café	Vietnamese Restaurant	BBQ Joint	Yoga Studio	Flea Market	Department Store	Dessert Shop	Dim Sum Restaurant	Diner	Dumpling Restaurant
	98	Phường Tây Thạnh	Phường Tây Thạnh, Quận Tân Phú	10.79164	106.627302	1	Café	Vietnamese Restaurant	BBQ Joint	Yoga Studio	Flea Market	Department Store	Dessert Shop	Dim Sum Restaurant	Diner	Dumpling Restaurant
	99	Phường Sơn Kỳ	Phường Sơn Kỳ, Quận Tân Phú	10.79164	106.627302	1	Café	Vietnamese Restaurant	BBQ Joint	Yoga Studio	Flea Market	Department Store	Dessert Shop	Dim Sum Restaurant	Diner	Dumpling Restaurant
	100	Phường Tân Quý	Phường Tân Quý, Quận Tân Phú	10.79164	106.627302	1	Café	Vietnamese Restaurant	BBQ Joint	Yoga Studio	Flea Market	Department Store	Dessert Shop	Dim Sum Restaurant	Diner	Dumpling Restaurant
	101	Phường Tân Thành	Phường Tân Thành, Quận Tân Phú	10.79164	106.627302	1	Café	Vietnamese Restaurant	BBQ Joint	Yoga Studio	Flea Market	Department Store	Dessert Shop	Dim Sum Restaurant	Diner	Dumpling Restaurant

Examine Cluster 3:

c	<pre>#Cluster_3 Cluster_3 = HCM_merged.loc(HCM_merged['Cluster'] == 2,HCM_merged.columns[[1] + list(range(3, HCM_merged.shape[1]))]] Cluster_3.head()</pre>														
D+	ward	area	Lat	lon	Cluster	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
(Phường Tân Định	Phường Tân Định, Quận 1	10.77454	106.699184	2	Café	Vietnamese Restaurant	Hotel	Clothing Store	Spa	Asian Restaurant	Burger Joint	BBQ Joint	Multiplex	Bar
	Phường Đa Kao	Phường Đa Kao, Quận 1	10.77454	106.699184	2	Café	Vietnamese Restaurant	Hotel	Clothing Store	Spa	Asian Restaurant	Burger Joint	BBQ Joint	Multiplex	Bar
:	Phường Bển Nghé	Phường Bến Nghé, Quận 1	10.77454	106.699184	2	Café	Vietnamese Restaurant	Hotel	Clothing Store	Spa	Asian Restaurant	Burger Joint	BBQ Joint	Multiplex	Bar
	Phường Bến Thành	Phường Bến Thành, Quận 1	10.77454	106.699184	2	Café	Vietnamese Restaurant	Hotel	Clothing Store	Spa	Asian Restaurant	Burger Joint	BBQ Joint	Multiplex	Bar
	Phường Nguyễn Thái Bình	Phường Nguyễn Thái Bình, Quận 1	10.77454	106.699184	2	Café	Vietnamese Restaurant	Hotel	Clothing Store	Spa	Asian Restaurant	Burger Joint	BBQ Joint	Multiplex	Bar

Examine Cluster 4:

#Cluster_4 Cluster_4 Cluster_4 HCM_merged.loc[HCM_merged['Cluster'] == 3,HCM_merged.columns[[1] + list(range(3, HCM_merged.shape[1]))]] Cluster_4.head()															
	ward	area	Lat	lon	Cluster	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
62	Phường 13	Phường 13, Quận Bình Thạnh	10.804659	106.707848	3	Soup Place	Travel Agency	Yoga Studio	Electronics Store	Convention Center	Cupcake Shop	Department Store	Dessert Shop	Dim Sum Restaurant	Diner
63	Phường 11	Phường 11, Quận Bình Thạnh	10.804659	106.707848	3	Soup Place	Travel Agency	Yoga Studio	Electronics Store	Convention Center	Cupcake Shop	Department Store	Dessert Shop	Dim Sum Restaurant	Diner
64	Phường 27	Phường 27, Quận Bình Thạnh	10.804659	106.707848	3	Soup Place	Travel Agency	Yoga Studio	Electronics Store	Convention Center	Cupcake Shop	Department Store	Dessert Shop	Dim Sum Restaurant	Diner
65	Phường 26	Phường 26, Quận Bình Thạnh	10.804659	106.707848	3	Soup Place	Travel Agency	Yoga Studio	Electronics Store	Convention Center	Cupcake Shop	Department Store	Dessert Shop	Dim Sum Restaurant	Diner
66	Phường 12	Phường 12, Quận Bình Thạnh	10.804659	106.707848	3	Soup Place	Travel Agency	Yoga Studio	Electronics Store	Convention Center	Cupcake Shop	Department Store	Dessert Shop	Dim Sum Restaurant	Diner
#Cl	uster 5														

Examine Cluster 5:

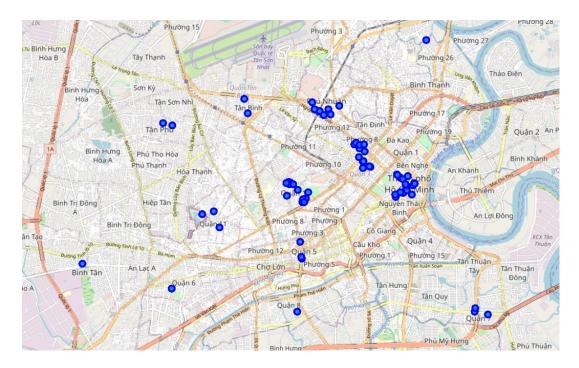


4.3 Explore the Cafe shop in HCM City

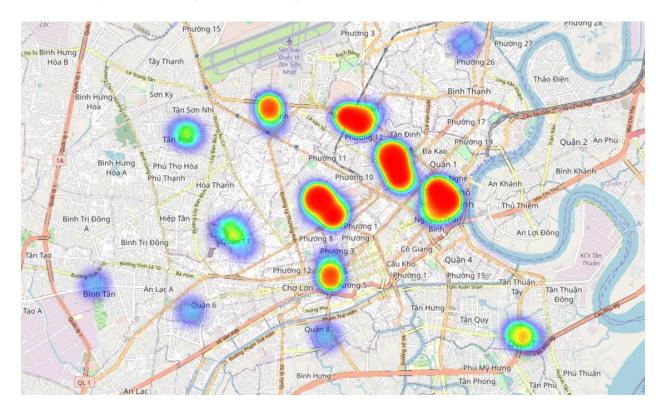
a. Make the report which area has the most café shop in HCM city



b. The map which illustrate the existing Café shop in Ho Chi Minh City



c. Creating the heat map of Café shop



This is some valuable information that Tom can make references for choosing the best place for living and opening the Café shop.

V. CONCLUSION

In this Project, I already helped Tom to solve his problems such as using K-mean Clustering to find some similar place as his current house for Tom to buy a new house in Ho Chi Minh City. I also used the EDA to explore which is the most venue in Ho Chi Minh city. I tried to find the best place for Tom to open the Coffee Shop in Ho Chi Minh City. The results are valuable references for Tom to consider. I hope that based on found insights, Tom will make a bestter decision in the near future.

REFERENCE:

- [1] Capstone Project The Battle of Neighborhoods
- https://dev.to/chijade/capstone-project-the-battle-of-neighborhoods-4ha3
- [2] Capstone Project Battle of Neighborhoods in Dong Da District, Ha Noi https://medium.com/@nguynvnc_45259/capstone-project-battle-of-neighborhoods-in-dong-da-district-ha-noi-66892ec0c9d1
- [3] Battle of Neighborhoods in Ho Chi Minh City

https://medium.com/@thanhttrn/battle-of-neighborhoods-in-hochiminh-city-ae85173e61