

# Food Trucks in Riyadh

IBM Data Science Capstone Project

# Riyadh

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- Riyadh (or Alriyadh) is the capital and largest city of Saudi Arabia.
- Populations: 8 million
- Annual visitors: >5 million.
- It is the forty-ninth most visited city in the world and the 6th in the Middle East, and it is the most-populous city in Saudi Arabia, 3rd most populous in the Middle East, and 38th most populous in Asia. ([Wikipedia](#)).



[Image source](#)

# Zones of Riyadh

- Where the new expansion is happening.
- The location of the Financial District.
- Host most of the events and activities throughout the year.
- Has a good quality of infrastructure and services.

- This is the business district of Riyadh.
- Most Ministries, International Embassies, local and global businesses are located.
- It is the most crowded district.

New  
Riyadh

Eastern  
Riyadh

Riyadh  
CBD

Old Riyadh

- It is eastern gate of Riyadh, and located near the city airport and Althumama Park.
- This is the tourists district where most of the hotels and apartment hotels are located.
- During the cool months of the year, Althumama desert comes to life. When a lot of Riyadh people and visitors go there for camping or exploring the desert.

- The oldest part of Riyadh.
- Located near the old industrial and the main warehouses zones.
- The majority of the residents are labor workers.
- It is known for having a lower quality of infrastructure.
- There are several plans to revive this zone but nothing has been announced at the moment.

# Food Trucks in Riyadh

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Emergence of food trucks businesses:

1. Riyadh is a large city and people rely heavily on commuting. In the morning to get to work and in the evening for entertainment.
2. Riyadh's population is young with an average of 33 years. Many of these youngsters prefer to start their business, or make an extra income.
3. Setting up a business is expensive and might take months for it to start. Food truck business is considered under the Saudi commercial regulations a freelancer business, thus the cost of setting and running the business is close to none.



[Image source](#)

# The Business Problem

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Khalid is thinking about starting a food truck business. He is looking for answers the following questions:

- What are the popular food truck sites?
- What does the current market look like?
- What are the available/recommended locations?

# Data

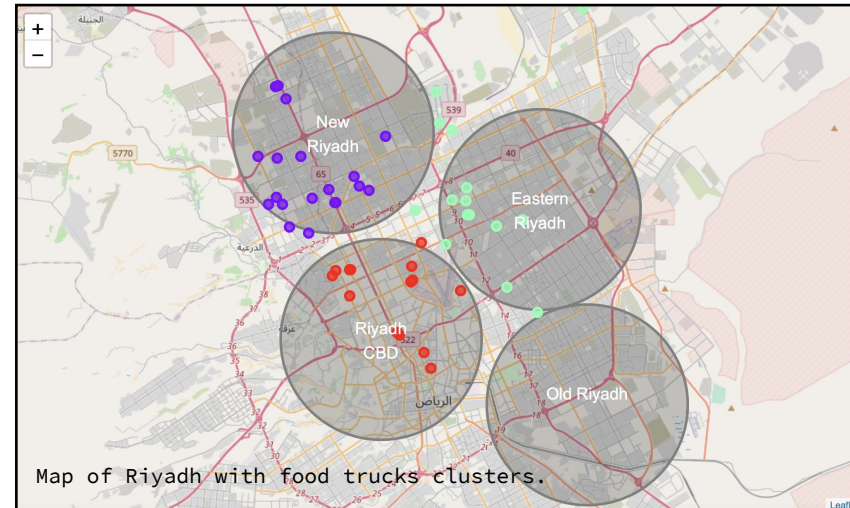
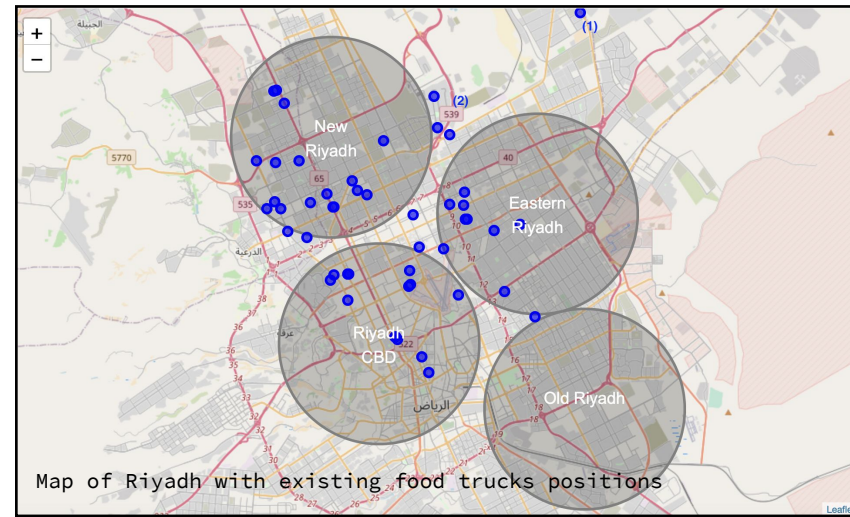
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To be able to answer the previous questions, I will use the following data sources:

- The Saudi Ministry of Municipal, Rural Affairs and Housing. The regulator of food trucks in Saudi: [balady](#) to get data about the number of licensed trucks and their locations.
- [Foursquare developer API](#), I will select the food truck category and plot their latitude and longitude.

# Food Trucks (FourSquare API)

- Most food trucks are positioned within New Riyadh and Riyadh CBD.
- There are some food trucks located in Eastern Riyadh. However it is noticeable that they are opened in the boundaries of the zone, closer to the other zones.
- There are outlier food trucks which are positioned outside of zones:
  - Marker (1): Althumama Desert.
  - Marker (2): Prince Noura University and King Abdullah University Hospital. Both are closed campuses.
- When clustering Riyadh food trucks it is clear that there are three main clusters. New Riyadh Cluster, Riyadh CBD and Eastern and outliers clusters.



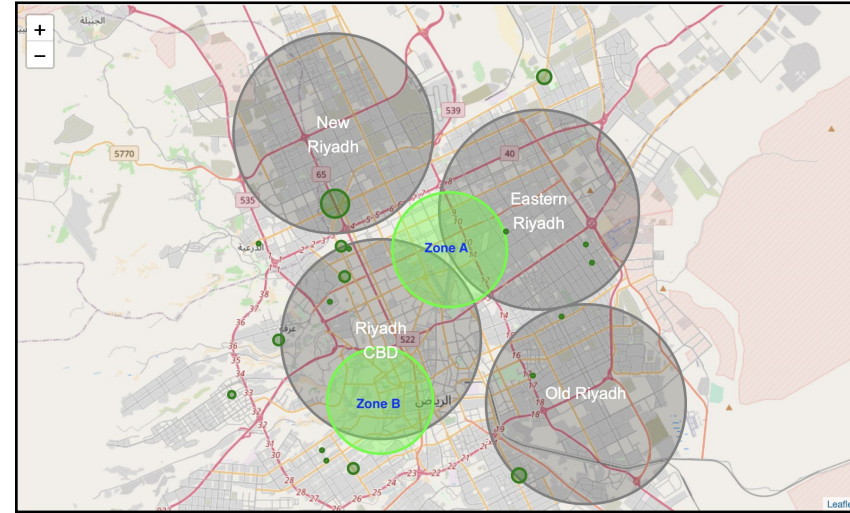


# Food Trucks (Balady Data)

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To have a better understanding of the current scene, Balady data will be plotted on the map to see the location of current licensed food trucks.

- It was noted that according to the Ministry of Municipal, Rural Affairs and Housing, there are two categories of food trucks licenses:
  - a. Stationed food trucks that get a license in a static position (dark green markers).
  - b. Moving food trucks that get a license to roam around a zone (light green markers: Zone A and B).

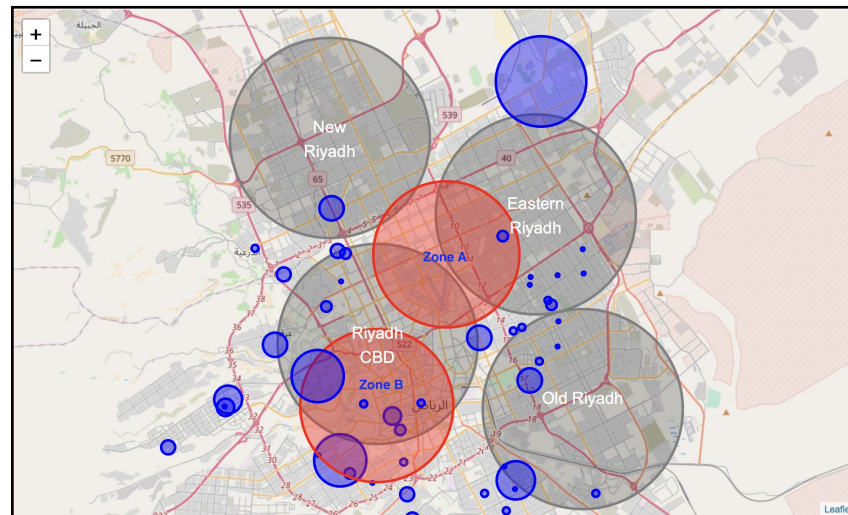


Map of Riyadh with licensed food trucks



# Food Trucks - Available Zones

- The categories of food trucks licenses are also marked:
  - a. Stationed food trucks (Blue markers).
  - b. Moving food trucks (light green markers: Zone A and B).
- Note the large stationed food trucks in the right top corner, these are the licences covering the whole Althumama Park.



Map of Riyadh with Available licenses for food trucks.

License type	Number of Licenses		
	Cap	Issued	Available
Zone A	250	110	140
Zone B	250	102	148
Others	249	49	200
Total	749	261	488

Summary of food truck licenses status in Riyadh.

# Recommendations

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## Static or Roaming Food Truck?

- It is clear that most of the food trucks in Riyadh are of the roaming type (80%). Also, out of the 488 available licenses around 60% are roaming.
- The decision to choose a static food truck is more difficult and will required further analysis of the position selected. It will be similar to opening a fixed restaurant.
- It is recommended that if the business wants to open in a fixed location, a more detailed study to be conducted with evaluation of surrounding demographic and competitors that includes other food trucks and restaurants.

# Recommendations

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Which location to choose?

- **All of Old Riyadh:** As highlighted earlier, Old Riyadh is currently not a valid option because of its demography. However, we recommend exploring and waiting for announcements for the new plans for this zone, as it might revive the market.
- **Left bottom corner of Riyadh CBD:** This is the most lucrative zone to start a food truck business. It has a decent number of available licenses in multiple locations and types. It is the location where most of the businesses are located.
- **Althumama (to the North East of Eastn Riyadh):** This is the second best option, but as highlighted in the report the number of customers here will depend heavily on the weather conditions.