

The Battle of Neighborhoods

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Introduction

Background. Melbourne is a diverse, multicultural city that has been growing quickly. The demographics are changing with population growth. There is a strong food and entertainment culture including a great café and bar scene. There are many opportunities available for hardworking entrepreneurs who are savvy investors, particularly taking into account location when starting up a new hospitality venture. Melbourne has historically had working class and middle class suburbs. The working class suburbs had many pubs and bars, while the middle class had fewer.

Problem. Over the past 30 years, inner working class suburbs have become gentrified. Therefore, the assumptions about suburbs and behaviours are less easily predicted. This project aims to see if data science can provide suggestions of suburbs that would be good candidates for new bars by clustering postcodes based on demographic data and then comparing the number of bars in like clusters.

Interest. The client wants to open a bar in the inner suburbs of Melbourne and would like to know which suburbs have fewer bars, and also demographic data that suggests bars are well frequented with the people who reside there.