

The Battle of the Neighbourhood - Week 1

1. Introduction & Background Problem

Restaurants are a notoriously difficult business to own or operate. Not only is it a relatively capital and employee-intensive business, restaurants are also highly regulated, low margin and in most cases have a plethora of competition to deal with. There are more dining establishments and more diners now than during any other time in history; the National Restaurant Association reports over 1 million restaurant locations in the U.S. alone, a particular boon considering more than half the American population visits at least one of them each week. To fill a niche and remain relevant, prospective, as well as established, restaurants have to hedge their bets with well-rounded and well-directed dataset. Data science provides valuable insights regarding market trends and evolving consumer lifestyles so that restaurants of all types can better address and meet public demand.

1.1 Business Problem

No single restaurant is ever going to appeal to everyone. Some people like quiet, intimate settings; others prefer boisterous ones. Some people want to bring their kids along; others want to dine alone. The preferences are as varied as the possible offerings, with specific generational cohorts preferring one thing, “people who like dogs” preferring another and everyone else liking a million other things in between.

My client, a successful restaurant chain in Malaysia is looking to expand operation into North America through New York. Before opening a new restaurant in NYC, the data science team will provide data and insight to:-

2. New York Population & Demographic characteristics
3. Ingredients availability so that the restaurant can always be stocked with fresh ingredients so to maintain food quality and consistency (i.e. Greenmarkets and farmers markets, Shopping clubs such BJ’s Wholesale Club, Sam’s Club, Costco etc
4. High density population area
5. Who are the competitors in that location?
6. Cuisine served / Menu of the competitors
7. Segmentation of the Borough
8. Untapped / Fragmented markets etc

1.1.1 Problem Statement

The objective is to locate and recommend to the client which neighbourhood in New York City will be best choice to start a restaurant.