The Battle of Neighborhoods: Best location for new Gym and Fitness center

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Introduction: Business Problem

The City of Riga, is the capital and most populous city of Latvia. Almost half population of Latvia live or work in Riga. Nowadays in most cases work requires seating for multiple hours a day, which brings very unhealthy static tension to the body. Therefore, various sport venues became more and more popular among student and young workers.

It is quite nice choice for new business but where will be better choice to start? Our goal to building a recommendation system for finding best suitable Gym/Fitness Center for "active-age" population (young people from 15- 49) based on certain criteria is valuable analytical problem that perfectly fits into Clustering type of Data Science problems which could be solved by unsupervised learning algorithms.

Target Audience: Group of activists and investors who want to start "gym/fitness business" in Riga.

Success Criteria: The success criteria of the project will be a good recommendation of Neighborhood in Riga based on possible lack of Gyms /Fitness Center.

Data

The data that will be required will be a combination of CSV files that have been downloaded for the purposes of the analysis from Central Statistical Bureau of Latvia , the Geographical location of the neighbourhoods (via Geocoder package) and Venue data pertaining to Gym/Fitness Centres in Riga (via Foursquare). The Venue data will help find which neighbourhood is best suitable to open new Gym/Fitness Center.

Riga City Neighborhood & Population.

Data source:

http://data1.csb.gov.lv/pxweb/en/iedz/iedz tautassk riga tsk2011/TSG11-R02.px/?rxid=0cebbc5d-dfba-43d1-903e-e18eb1de0eaf

Description: This data from Central Statistical Bureau of Latvia contains the required information. It is not very new, but still can give us some insights. And we will use this data set to explore various neighborhoods of Riga.

· GeoJSON file for Riga's Neighborhoods.

Data source: https://github.com/art-licis/riga-geojson-neighbourhoods

Description: By using this ison file we can create map of Riga with correct neighborhoods

borders.

Gyms/Fitness Center in each neighborhood of Riga.

Data source: Foursquare API

Description: By using this API we will get all the venues in each neighborhood.

Methodology

Collect Inspection Data

After importing the necessary libraries, we download the data from the website of *Central Statistical Bureau* of Latvia. Before using data, we will have to explore and understand it.

Explore and Understand Data

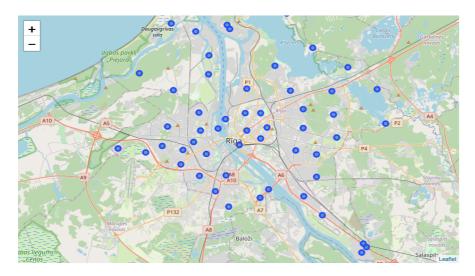
When getting the data from *Central Statistical Bureau*, we need to sum population of age 15-24 and 24-49 to get total of "active fitness age" population. As result we have a table with 58 Neighborhood in Riga, its total population and its "active age" population. First five row of this table looks like this:



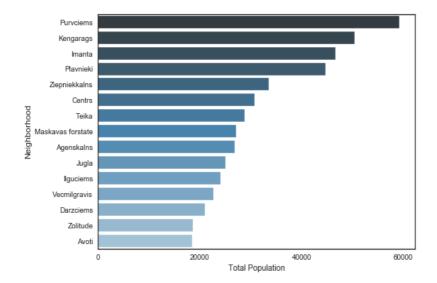
Then using Geocoder we get Latitude and Longitude for Riga and each of Neighborhood. And merge all these data into one data frame called "riga data".



Now after cleansing the data, we can visualize neighborhood centers on the map:



The next step was to analyze Neighborhood population. First of all, we look at total population.

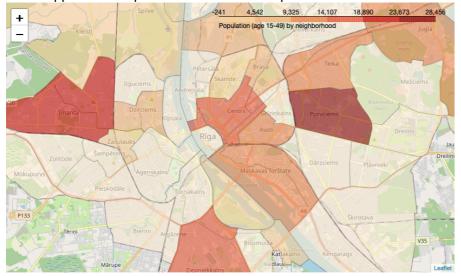


From our data we can see that Purvciems is the most populated neigborhood in Riga.

Then we look at population age 15-49. We created a map using Folium and choropleth each Neighborhood depending on "active fitness age (15-49) population".

```
# Creating map of Riga with population 15-49
riga_map = folium.Map(location=[riga_latitude, riga_longitude], zoom_start=12,tiles='openstreetmap')
riga_map.choropleth(
    geo_data='/Users/julija/IT/Coursera_Capstone/Apkaimes.json',
    data=riga_data,
    columns=['Neighborhood', 'Age 15-49'],
    key_on='feature.properties.apkaime',
    fill_color='OrRd',
    fill_opacity=0.6,
    line_opacity=0.2,
    legend_name = 'Population (age 15-49) by neighborhood'
}
riga_map
```





Modeling

Using Foursquare API, we can get database of nearby venues for each neighborhood in Riga. Here in this table, we are able to choose 100 popular locations maximum for each neighborhood within a 2 km radius. Totally we get 267 venue categories. We then merged the Foursquare Venue data with the Riga data which then gave us the nearest Venue for each of the Neighborhoods.

| | There are 267 unique venue categories. Some of them are as below: | | | | | | | | | | |
|--------|---|---------------|--------------------------|---------------------------|-------------------------------|--------------------------|-------------------|--------------------|-------------------|--|--|
| [100]: | | Neighborhood | Neighborhood Latitude | Neighborhood Longitude | Venue | Venue ID | Venue Latitude | Venue Longitude | Venue Category | | |
| | 0 | Sarkandaugava | 56.98857 | 24.12164 | MyFitness Sky&More | 4f1ec79be4b0454d62987680 | 56.986270 | 24.132861 | Gym | | |
| | 1 | Sarkandaugava | 56.98857 | 24.12164 | Boksa Klubs Latvijas Cimdi | 4f9eb6b7e4b0edc5630b92c6 | 56.990587 | 24.122617 | Boxing Gym | | |
| | 2 | Sarkandaugava | 56.98857 | 24.12164 | Nāc un ēd | 535631b6498eb2d3777d377e | 56.987213 | 24.121677 | Bistro | | |
| | 3 | Sarkandaugava | 56.98857 | 24.12164 | SKY lielveikals | 58668b6865e7c70a2f851761 | 56.986478 | 24.132768 | Grocery Store | | |
| | 4 | Sarkandaugava | 56.98857 | 24.12164 | Radio SWH | 4d67ea96052ea1cdee3da049 | 56.981202 | 24.117657 | Music Venue | | |

Getting this data was crucial to analyzing the number of Gyms /Fitness Center all over Riga. There was a total of 103 Gym/ Fitness Center in Riga.

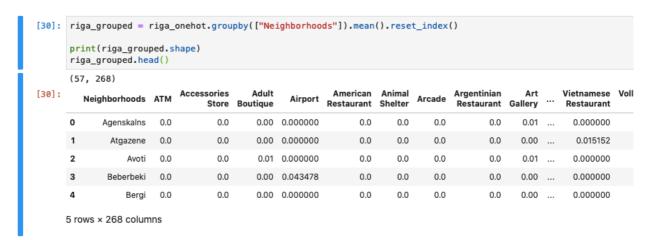
Are there any Gyms/Fitness Center in the venues?

```
[25]: "Gym / Fitness Center" in riga_venues['Venue Category'].unique()
[25]: True
[26]: riga_venues['Venue Category'].value_counts()['Gym / Fitness Center']
[26]: 103
```

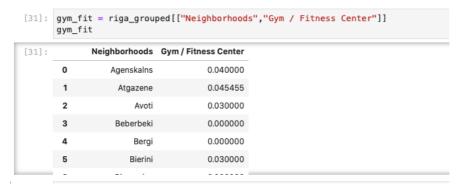
Next we performed a technique called **One hot encoding**. For each of the neighbourhoods, individual venues were turned into the frequency at how many of those Venues were located in each neighbourhood.



Then we grouped those rows by Neighborhood and by taking the **average** of the frequency of occurrence of each Venue Category.

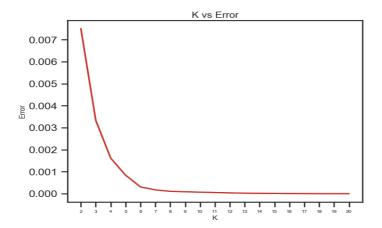


After, we created a new data frame that only stored the Neighborhood names as well as the mean frequency of Gyms/Fitness Center in that Neighborhood. This allowed the data to be summarized based on each individual Neighborhood and made the data much simpler to analyze.

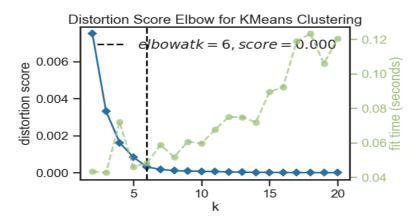


K-Means Clustering

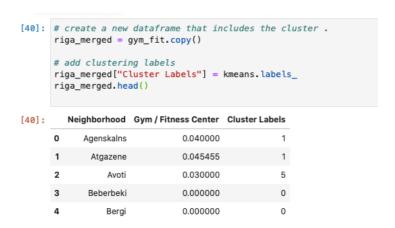
To make the analysis more interesting, we wanted to cluster the neighbourhoods based on the neighbourhoods that had similar averages of Gyms in that Neighborhood. To do this we used **K-Means** clustering. To get our optimum K value that was neither overfitting or underfitting the model, we used the **Elbow Point** Technique. In this technique, we ran a test with different number of K values and measured the accuracy and then chose the best K value. The best K value is chosen at the point in which the line has the sharpest turn. In our case, we had the Elbow Point at K = 6. That means we will have a total of 6 clusters.



Then we used a model that accurately pointed out the optimum K value. We imported '*KElbowVisualizer*' from the *Yellowbrick package*. Then we fit our K-Means model above to the Elbow visualizer. This gave the model below:



We just integrated a model that would fit the error and calculate the distortion score. From the dotted line, we see that the Elbow is at K=6. Moreover, in K-Means clustering, objects that are similar based on a certain variable are put into the same cluster. Neighbourhoods that had a similar mean frequency of Gyms/Fitness Center were divided into 6 clusters. Each of these clusters was labelled from 0 to 5 as the indexing of labels begins with 0.



After, we merged the venue data with the table above creating a new table which would be the basis for analyzing new opportunities for opening a new Gym/Fitness Center in Riga. Then we

created a map using the Folium package in Python and each neighbourhood was coloured based on the cluster label and population (age 15-49).

Cluster 1 — Red

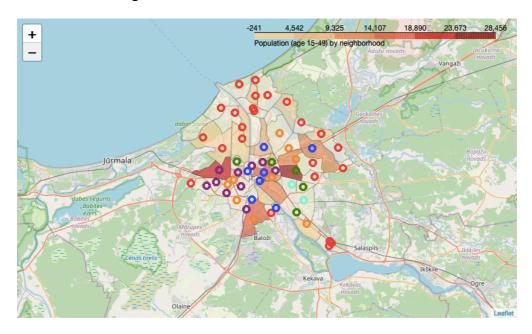
Cluster 2 — Purple

Cluster 3 — Turquoise/ aquamarine

Cluster 4 — Blue

Cluster 5 — Green

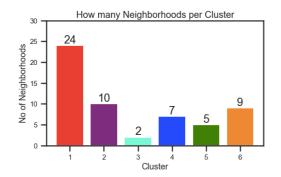
Cluster 6 — Orange

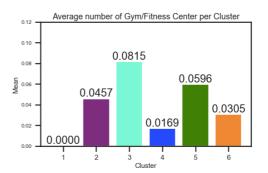


The map above shows Population (age 15-49) by Neighborhood and the different clusters that had a similar mean frequency of Gym/Fitness.

Analysis and Results

We have a total of 6 clusters (0,1,2,3,4,5). Before we analyze them one by one let's check the total amount of neighbourhoods in each cluster and the average Gym/Fitness Center in that cluster. From the bar graph that was made using Matplotlib, we can compare the number of Neighborhoods per Cluster. We see that Cluster 3 has the least neighbourhoods (2) while Cluster 1 has the most (24). Cluster 2 has 10 neighbourhoods, Cluster 6 has 9, Cluster 4 has 7 and Cluster 5 has only 5. Then we compared the average Gym/ Fitness Center per cluster.





Cluster Analysis

As we can see that even though there is only 2 neighbourhood in Cluster 3, it has the highest number of Gym/Fitness Center (0.08) while Cluster 1 has the most neighbourhoods but has the least average of Gym/Fitness Center = zero (0.0000). Also, from the map, we can see that neighbourhoods in Cluster 1 are the most sparsely populated. Now let's analyze the Clusters individually (Note: these are just snippets of the data).

Cluster 1(Red)

| [134]: | | Neighborhood | Gym / Fitness Center | Cluster Labels | Neighborhood Latitude | Neighborhood Longitude | Venue | Venue ID | Venue Latitude | Lon |
|--------|-----|--------------|----------------------------|-------------------|--------------------------|--------------------------------|---|--------------------------|-------------------|-----|
| | 0 | Vecmilgravis | 0.0 | 0 | 57.036120 | 24.096700 | Bérnu rotaļu Iaukums pie Daugavas | 51811e38498e034fb2fa5b2e | 57.028287 | 24 |
| | 351 | Spilve | 0.0 | 0 | 56.999170 | 24.072390 | Voleru Mols | 51f4ebb4498ee36a4104be19 | 56.992860 | 24. |
| | 365 | Voleri | 0.0 | 0 | 57.013320 | 24.073020 | Rīgas jūras osta "Voleri" | 4dd7a5a0c65bee535ab69f3f | 57.004158 | 24. |
| 45]: | | | | | | (len(df_clust e Category']. | | .unique()))) | | |

There was a most of neighbourhoods (24), 362 different venues and NO Gym/Fitness Center at all. May be because of Neighborhoods in Cluster 1 are the most sparsely populated in Riga, mainly located in Riga suburb, far from historical and office center.

Cluster 2 (Purple):

```
[112]: df_cluster2.sort_values(["Gym / Fitness Center"], ascending=False).head()
                            Gym /
                                  Cluster Neighborhood Neighborhood
                                                                                                              Venue
                                                                                                                         Venue
             Neighborhood
                                   Labels
                                               Latitude
                                                            Longitude
                                                                                                            Latitude
                                                                                                                     Longitude
                           Center
        245
                Pleskodale
                                               56.93146
                                                             24.03649
                                                                        Route88
                                                                                548b3608498e2d4a132f509a
                                                                                                           56.926791 24.040669
                 Petersala-
        619
                             0.05
                                               56.96556
                                                                                  4bbf8cff4cdfc9b608759121 56.954746
                                                             24.09472 Esplanade
                                                                                                                    24.114754
                 Andrejsala
                                                                        CrossFit
       608
                             0.05
                                               56.96556
                                                             24.09472
                                                                                 52ee91e1498eb46f763dcc78 56.974720 24.104693
                Andreisala
                                                                        Rīdzene
                 Petersala-
                                                                          Klubs
       609
                             0.05
                                               56.96556
                                                             24.09472
                                                                                  4fb81f58e4b0f914e0bc22f5 56.964770 24.078040
                Andrejsala
                                                                        "Nauda'
                 Petersala-
        610
                             0.05
                                               56.96556
                                                             24.09472
                                                                        Pagalms 559418f4498ebeb409dde02c 56.954616 24.104573
                Andrejsala
[244]: print('There are {} uniques venues.'.format(len(df_cluster2['Venue'].unique())))
        print("Gym / Fitness Center" in df_cluster2['Venue Category'].unique())
        print('There are {} Gym/Fitness Center.'.format(df_cluster2['Venue Category'].value_counts(ascending=False)[
        There are 543 uniques venues.
        There are 38 Gym/Fitness Center.
```

Second place by Neighborhood count (10) and 543 different venues. It also has most Gym/Fitness centers - 38. But the average amount of Gym/Fitness Centers that were 0.0457. In

the map, we can see that neighborhoods of Cluster 2 also sparsely populated clusters (except Imanta – third most populated Neighborhood in Riga).

Cluster 3 (Turquoise):

```
riga_merged['Cluster Labels'] == 2]
        df_cluster3 = pd.merge(df_new, cluster3, on='Neighborhood')
        df_cluster3.head()
[114]:
                          Gym /
                                Cluster Neighborhood Neighborhood
           Neighborhood Fitness
                                                                                                 Venue ID
                                                                         Venue
                                 Labels
                                             Latitude
                                                          Longitude
                                                                                                            Latitude
                                                                                                                     Longitude
        0
              Darzciems
                           0.08
                                             56.94213
                                                           24.18494
                                                                           Titan
                                                                                 4d00fedf4f56b60c67dea437 56.932124 24.207546
                                                                         Salons,
        1
              Darzciems
                           0.08
                                             56.94213
                                                           24.18494
                                                                                50afa79ce4b00d9395e9dd98 56.944470 24.170429
                                                                        frizētava
                                                                           Rimi
        2
               Darzciems
                           0.08
                                     2
                                             56.94213
                                                           24.18494 Hipermärkets
                                                                                 4c546eb96a4bb71326f43227 56.958416 24.185908
                                                                        [Stirnu]
              Darzciems
                           0.08
                                             56.94213
                                                           24.18494
                                                                       T/C Green 5752b619498e75528b0da79f 56.944964 24.173156
        3
        4
               Darzciems
                           0.08
                                     2
                                             56.94213
                                                           24.18494
                                                                     Sushi Shop 50d9c270e4b05cc5ef0bd9b8 56.945617 24.208752
        print('There are {} uniques venues.'.format(len(df_cluster3['Venue'].unique())))
        print("Gym / Fitness Center" in df_cluster3['Venue Category'].unique())
        print('There are {} Gym/Fitness Center.'.format(df_cluster3['Venue Category'].value_counts(ascending=False)[
        There are 103 uniques venues.
        True
        There are 11 Gym/Fitness Center.
```

Cluster 3 located in the east of Riga .There was a total of 103 unique venues and out of those 11 were Gym / Fitness Centers. It has the highest average of Gym / Fitness Centers (0.0815). The reason why the AVERAGE of Gym / Fitness Centers is the highest is that all these Gyms are in two neighbourhoods, Darzciems and Skirotava.

Cluster 4 (Blue):

Cluster 4 - BLUE [116]: cluster4 = riga_merged.loc[riga_merged['Cluster Labels'] == 3] df_cluster4 = pd.merge(df_new, cluster4, on='Neighborhood') df_cluster4.head() [116]: Gym / Cluster Neighborhood Neighborhood Venue Neighborhood Fitness Venue Venue ID Latitude Longitude Latvijas Finieris 0 Sarkandaugava 0.014286 56.98857 24.12164 4f7558bae4b06c81e0a07d65 56.981858 atgriezumi 1 Sarkandaugava 0.014286 3 56.98857 24.12164 Tik Tak 504902a8e4b06b90916c37c3 56.976028 24. LDz | Dzelzceļa stacija 2 Sarkandaugaya 0.014286 56.98857 24.12164 "Sarkandaugava" (SARKA... 502006bee4b09c1a7062b1c9 56.993061 24 Čarlstons 3 Sarkandaugava 0.014286 56.98857 24.12164 508906c3e4b0db195ec061a3 56.977782 24. Express Jūrnieks Hotel 4 Sarkandaugava 0.014286 3 56.98857 24.12164 4bc87c77dc55eee1917ee8ac 56.999351 24 [249]: 'There are {} uniques venues.'.format(len(df_cluster4['Venue'].unique()))) 'Gym / Fitness Center" in df_cluster4['Venue Category'].unique())
'There are {} Gym/Fitness Center.'.format(df_cluster4['Venue Category'].value_counts(ascending=False)['Gym There are 477 uniques venues. There are 10 Gym/Fitness Center.

Cluster 4 was mainly located in the historical & office center of Riga . There were a total of 477 unique Venues in Cluster 4 with 10 Gym/Fitness Center. But the average of Gym / Fitness Centers was rather low - 0.0169.

Cluster 5 (Green):

Cluster 5 - GREEN

```
[118]: cluster5 = riga_merged.loc[riga_merged['Cluster Labels'] == 4]
        df_cluster5 = pd.merge(df_new, cluster5, on='Neighborhood')
       df_cluster5.head()
[118]:
                           Gym /
                                  Cluster Neighborhood Neighborhood
                                                                                                             Venue
          Neighborhood
                          Fitness
                                                                        Venue
                                                                                                Venue ID
                                                                                                           Latitude
                                                                                                                   Longitude
                                  Labels
                                              Latitude
                                                           Lonaitude
                          Center
                                                                         Ziedu
       0
               Ilguciems 0.055556
                                       4
                                              56.97035
                                                            24.05994
                                                                                4d849c2b61676dcbe5a275e4 56.974705 24.040855
                                                                      Ekspresis
                                                                     Andrejsala
                                                            24.05994
                                                                                518130e8498e79c2cb6c9b8e 56.970926 24.092477
               Ilauciems 0.055556
                                       4
                                              56.97035
                                                                        / Siena
                                                                        Balasta
        2
               Ilguciems 0.055556
                                       4
                                              56.97035
                                                            24.05994
                                                                                4d7273ced976236a1b9a0679 56.958509 24.084736
                                                                        Dambis
                                                                        Nellijas
               Ilauciems 0.055556
                                                            24.05994
                                                                               5051b59ae4b06a9490cd4036 56.963427 24.061836
                                              56,97035
        3
                                                                         pirts
                                                                       Aviācijas
        4
               Ilguciems 0.055556
                                       4
                                              56.97035
                                                            24.05994
                                                                                 4ff2fd48e4b00cc51ba841b6 56.976149 24.072461
                                                                        Muzeis
[250]: print('There are {} uniques venues.'.format(len(df_cluster5['Venue'].unique())))
        print("Gym / Fitness Center" in df_cluster5['Venue Category'].unique())
       print('There are {} Gym/Fitness Center.'.format(df_cluster5['Venue Category'].value_counts(ascending=False)[
       There are 316 uniques venues.
       True
       There are 22 Gym/Fitness Center.
```

Neighborhoods of Cluster 5 are mainly residential sleeping areas. . 316 unique venues and 22 Gym/Fitness Center. There are 5 rather populated Neighborhoods including Purvciems (most populated Neighborhood in Riga) .Therefore second-highest average of Gym/ Fitness Centers in that cluster which was approximately 0.0596.

Cluster 6 (Orange):

Cluster 6 - ORANGE

```
[140]:
        cluster6 = riga_merged.loc[riga_merged['Cluster Labels'] == 5]
        df_cluster6 = pd.merge(df_new, cluster6, on='Neighborhood')
       df_cluster6.head()
[140]:
                        Gym /
Fitness
                                Cluster Neighborhood Neighborhood
                                                                                                             Venue
                                                                                                                        Venue
          Neighborhood
                                                                         Venue
                                                                                                 Venue ID
                                 Labels
                                             Latitude
                                                          Longitude
                                                                                                           Latitude Longitude
                                                                          VANS
           Ziepniekkalns 0.03125
                                             56.89951
                                                          24.09832
                                                                                4e34438db0fb59390e91dfe4 56.899562 24.084457
                                      5
                                                                       kafeinica
           Ziepniekkalns 0.03125
                                             56.89951
                                                          24.09832 Kolibri/47.vsk
                                                                                 528aeb0e11d2ed2fd8ae1379 56.915933 24.103235
                                                                     Sporta Zāle
                                                                       Pica Lulū
          Ziepniekkalns 0.03125
                                      5
                                             56.89951
                                                          24.09832
                                                                                4cdb1669c409b60c18a8d21a 56.907834 24.082500
                                                                         picērija
           Ziepniekkalns 0.03125
                                             56.89951
                                                          24.09832
                                                                     McDonald's
                                                                                 4f678d4e7b0cfc7ca4ba1059 56.907041 24.082914
                                                                    Turība | Café
                                                                                50446f06e4b072dc97417d9c 56.910085 24.081150
       4 Ziepniekkalns 0.03125
                                             56.89951
                                                          24.09832
                                                                        "Turība"
[251]: print('There are {} uniques venues.'.format(len(df_cluster6['Venue'].unique())))
        print("Gym / Fitness Center" in df_cluster6['Venue Category'].unique())
       print('There are {} Gym/Fitness Center.'.format(df_cluster6['Venue Category'].value_counts(ascending=False)[
       There are 503 uniques venues.
       There are 22 Gym/Fitness Center.
```

Cluster 6 located in not very expensive but extremely developing areas. Teika, Avoti, Ciekurkalns (in general 9 neighborhood per this cluster) there are many new office centers and young potential customers. Cluster 6 has 503 different venues and 22 Gym/Fitness Center. Average of Gyms 0.0305.

Therefore, the ordering of the average Gym / Fitness Centers in each cluster goes as follows:

- 1. Cluster 3 (≈ 0.0815)
- 2. Cluster 5 (\approx 0.0596)
- 3. Cluster 2 (≈ 0.0457)
- 4. Cluster 6 (≈ 0.0305)
- 5. Cluster 4 (\approx 0.0169)
- 6. Cluster 1 (\approx 0.0000)

Discussion

Most of the Gym/Fitness Center are in cluster 3 represented by the turquoise clusters. The Neighborhoods located in the 2 residential areas in Riga (but the not most populated) that have the highest average of Gym/Fitness Center. Even though there is a huge number of Neighborhoods in Cluster 1, there is no Gym/Fitness Centers. We see that in the most populated neighborhood Purvciems and rather populated (age 15-49) Brasa (cluster 5) has the second last average of Gym/Fitness Center.

Looking at the nearby venues, the optimum place to put a new Gym/Fitness Center in Cluster 4 as there are many news offices but little to no Gym/Fitness Center, therefore, eliminating any competition. The second-best Neighborhoods that have a great opportunity would be in areas such as Maskavas forstate. There is no Gym/Fitness Center at all, but it is rather populated and neighborhoods with many young people (potential clients) such as Avoti or Center are not far away. Having 24 neighbourhoods in the area with no Gym/Fitness Center gives a good opportunity for opening a new one. Some of the drawbacks of this analysis are — the clustering is completely based on data obtained from the Foursquare API. Also, the analysis does not take into consideration of the income level of population across neighbourhoods as this can play a huge factor while choosing which place to open a new Gym/ Fitness Center. This concludes the optimal findings for this project and recommends the entrepreneur to open an Gym/ Fitness Center in these locations with little to no competition.

Conclusion

In conclusion, to end off this project, we had an opportunity on a business problem, and it was tackled in a way that it was similar to how a genuine data scientist would do. We utilized numerous Python libraries to fetch the information, control the content and break down and visualize those datasets. We have utilized Foursquare API to investigate the settings in neighbourhoods of Riga. We also visualized utilizing different plots present in seaborn and Matplotlib libraries. Similarly, we applied AI strategy to anticipate the error given the information and utilized Folium to picture it on a map.

Places that have room for improvement or certain drawbacks give us that this project can be additionally improved with the assistance of more information and distinctive Machine Learning strategies. Additionally, we can utilize this venture to investigate any situation, for example, opening an Restaurant or Cafe and so forth. Ideally, this task acts as an initial direction to tackle more complex real-life problems using data science.