

# Finding the best location for a Specialty coffee shop in Santiago of Chile

July 2019

# ¿Where is the best location for a Specialty Coffee Shop in Santiago of Chile?

- ▶ Coffee is a fundamental part of food culture around the world and the specialty coffee is a growing market.
- ▶ There has been an increase of coffee consumption and the demanding of fair trade and higher quality coffee.
- ▶ According with this article: [cafeterias-especialidad-nuevo-mundo-sabores-experiencias](#), there are 941 coffee shops in the metropolitan area of Santiago and this number has been increasing in the last 10 years.
- ▶ The purpose of this project is to find the best location or locations to open a new Specialty Coffee Shop in Santiago



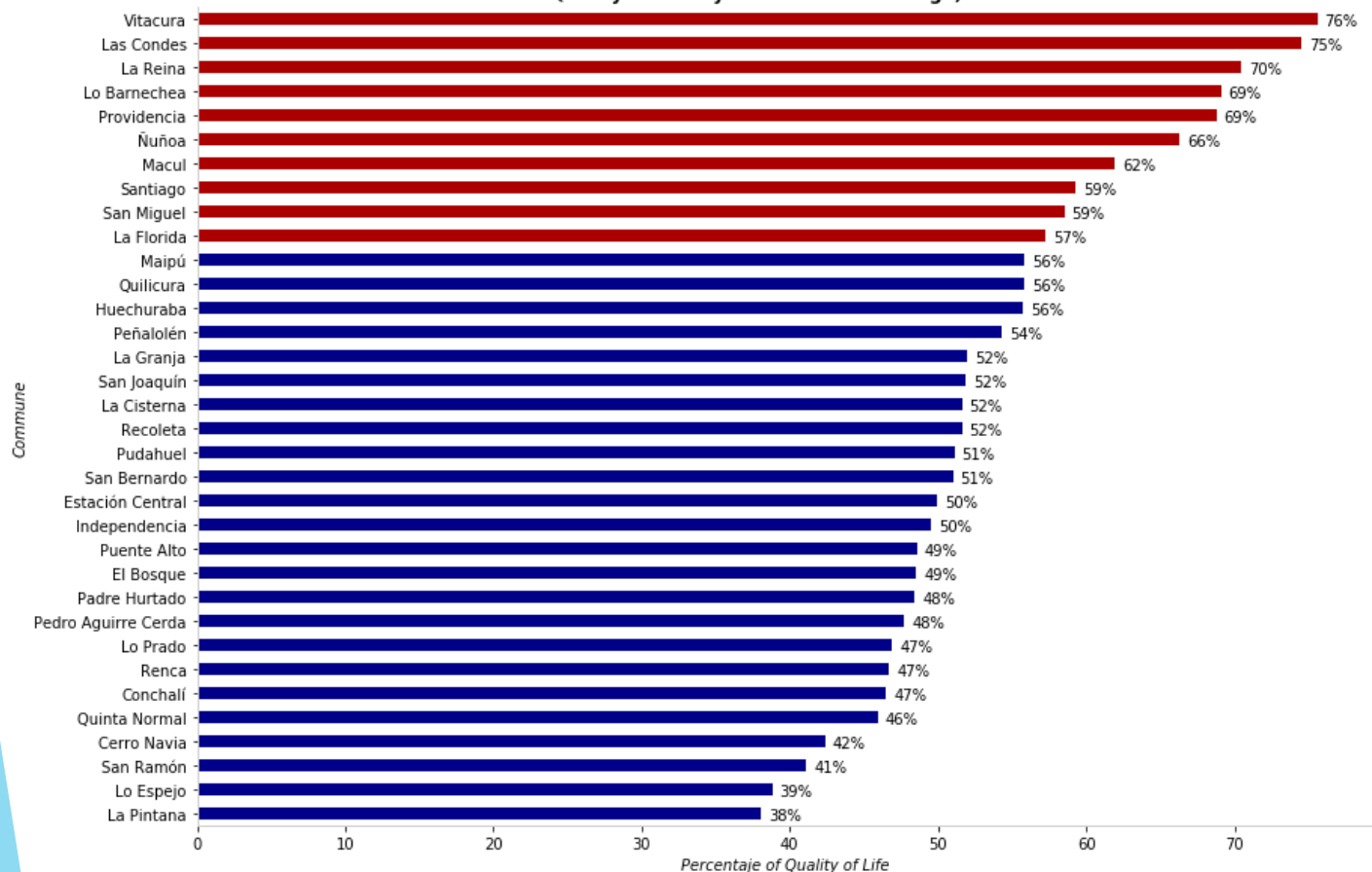
# Data acquisition and cleaning

- ▶ List of the Zones of Santiago using **wikipedia**  
[https://es.wikipedia.org/wiki/Anexo:Comunas\\_de\\_Santiago\\_de\\_Chile](https://es.wikipedia.org/wiki/Anexo:Comunas_de_Santiago_de_Chile)
- ▶ **HERE geocode** to obtain the latitude and longitude of the zones (communes) of Santiago
- ▶ number and location of coffee shops using **Foursquare API**  
(<https://developer.foursquare.com/docs/api/venues/explore>)
- ▶ venues by zone and their categories using **Foursquare API**  
(<https://developer.foursquare.com/docs/api/venues/explore>)
- ▶ With the data obtained by the Wikipedia, zones with a low quality of life and high poverty where discarded
- ▶ With the Foursquare API also where discarded the zones with a high number of coffee shops

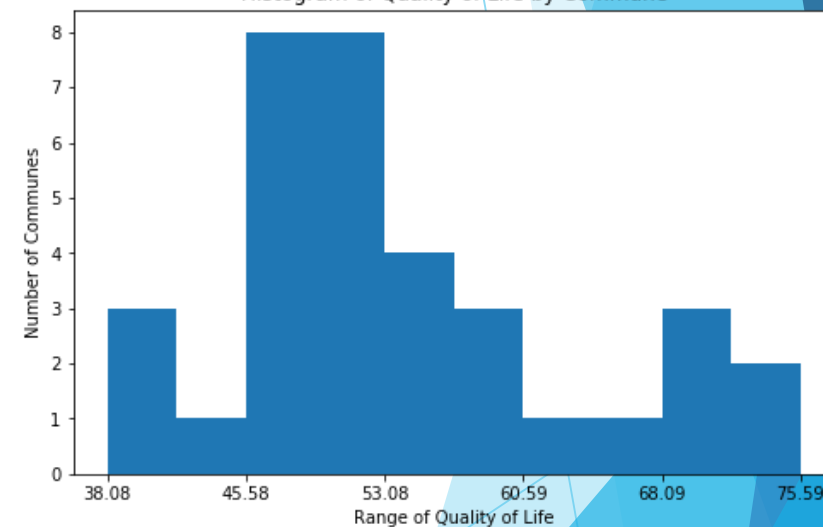


# Communes of Santiago with higher Quality of Life index

Quality of Life by Commune in Santiago, Chile

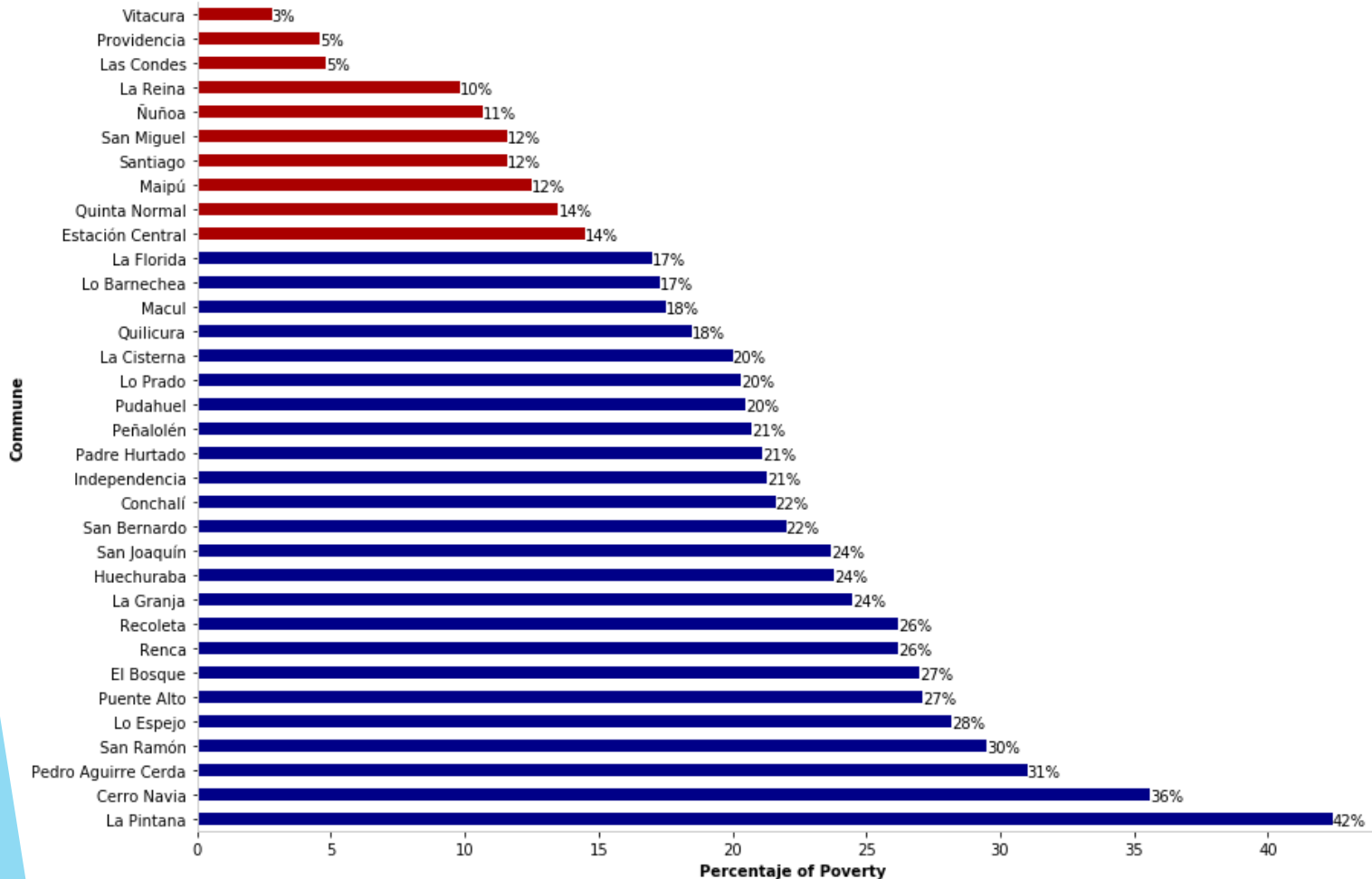


Histogram of Quality of Life by Commune

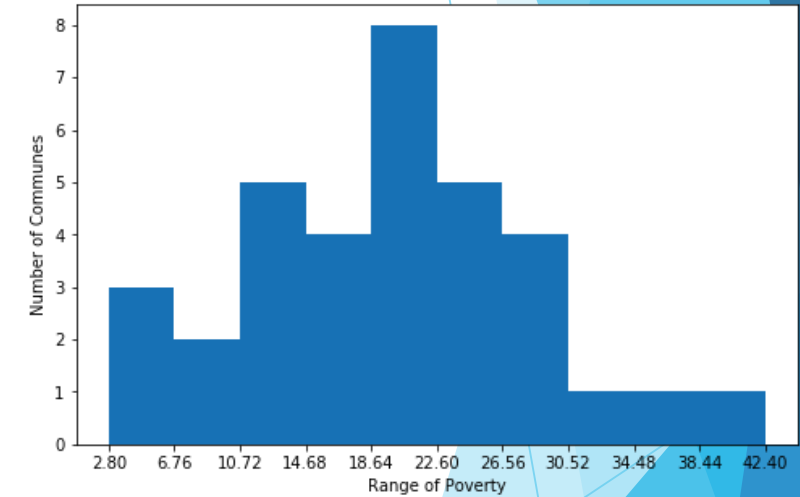


# Communes of Santiago with less Poverty

Poverty by Commune in Santiago, Chile

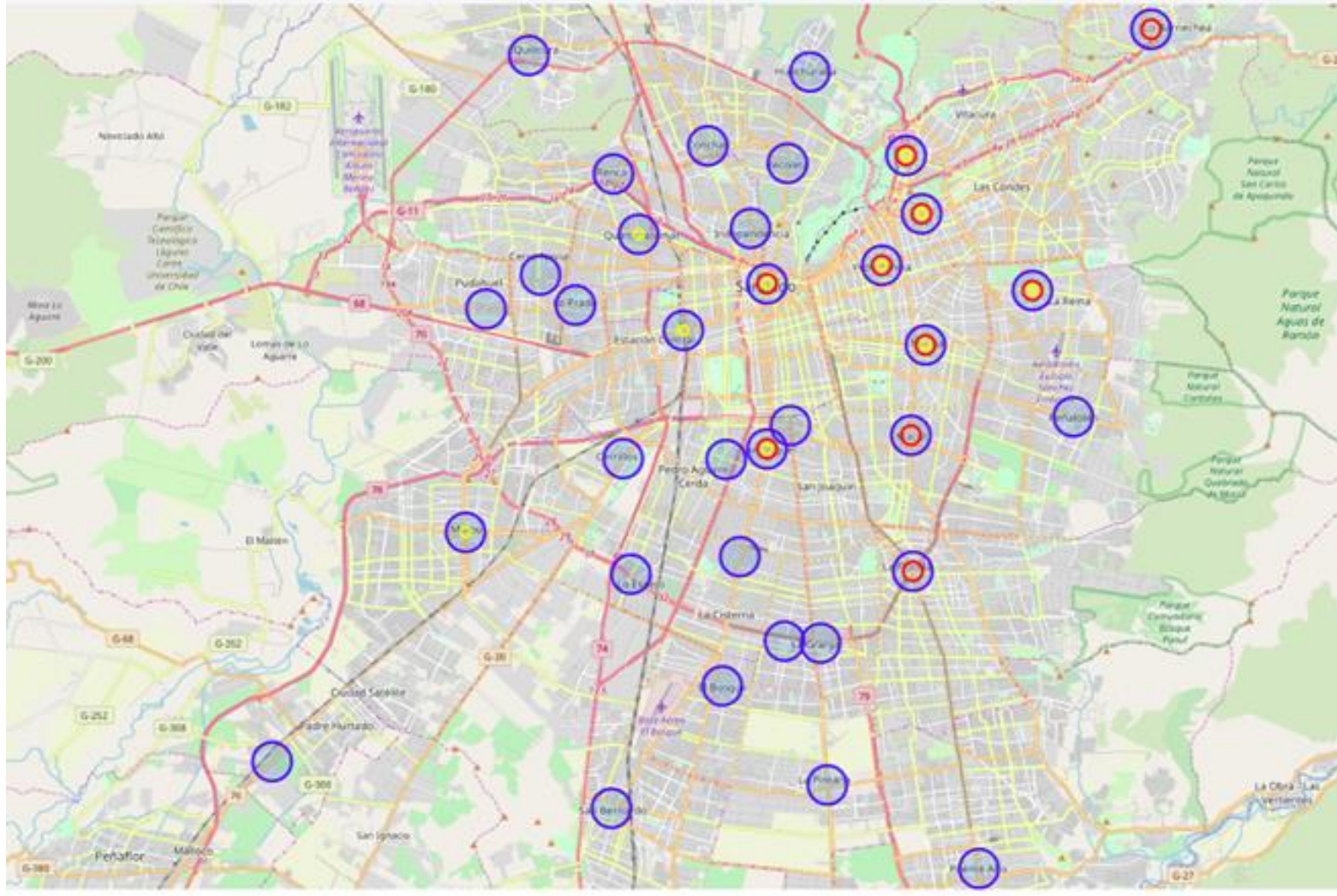


Histogram of Poverty by Commune





# Distribution of the Communes



- Blue Circle: Communes
- Red Circle: communes with a Quality of life higher than 57
- Yellow circle: communes with a Poverty index less than 15

# Top 10 venues by Commune

In color red are highlighted the categories like Coffee Shops and Cafés

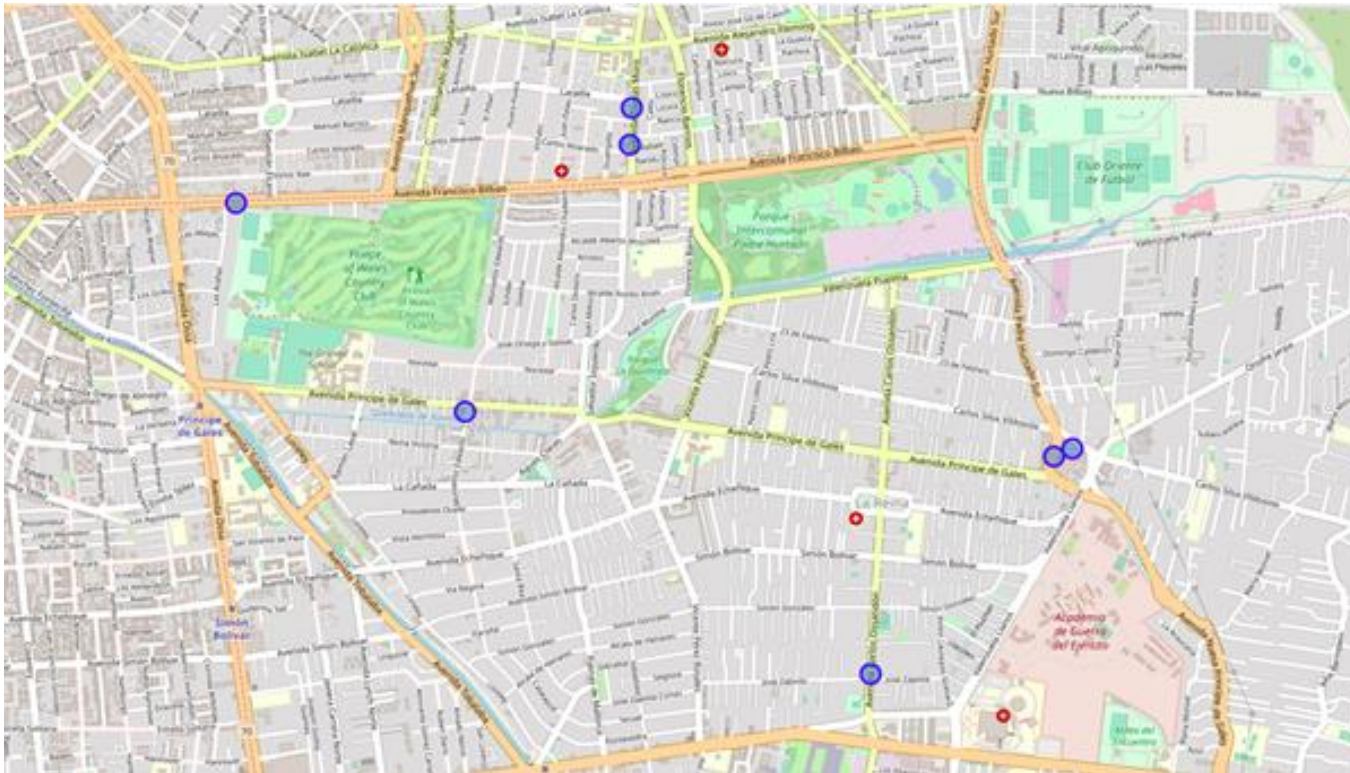
	Commune	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
0	La Florida	Sushi Restaurant	Ice Cream Shop	Chinese Restaurant	Sporting Goods Shop	Café	Sandwich Place	Cosmetics Shop	Pharmacy	Bookstore	Flea Market
1	La Reina	Pizza Place	Park	Chinese Restaurant	Peruvian Restaurant	Gym / Fitness Center	Bakery	Sushi Restaurant	Multiplex	Sandwich Place	Breakfast Spot
2	Las Condes	Hotel	Coffee Shop	Bakery	Pizza Place	Italian Restaurant	Plaza	Park	Burger Joint	Café	Indian Restaurant
3	La Barmecia	Gym	Restaurant	Coffee Shop	Shopping Mall	Burger Joint	Chinese Restaurant	Pharmacy	Historic Site	Sandwich Place	College Gym
4	Macul	Chinese Restaurant	Sandwich Place	Pharmacy	Restaurant	Bakery	Soccer Field	Pizza Place	Peruvian Restaurant	Sushi Restaurant	Flea Market
5	Providencia	Pizza Place	Sandwich Place	Restaurant	French Restaurant	Park	Coffee Shop	Café	Plaza	Burger Joint	Indian Restaurant
6	San Miguel	Restaurant	Sushi Restaurant	Sandwich Place	Peruvian Restaurant	Flea Market	Plaza	Pizza Place	Bakery	Latin American Restaurant	Seafood Restaurant
7	Santiago	Coffee Shop	Hotel	Café	Restaurant	Sandwich Place	Art Museum	Pizza Place	Bookstore	Peruvian Restaurant	Korean Restaurant
8	Vitacura	Hotel	Coffee Shop	Peruvian Restaurant	Restaurant	Ice Cream Shop	Steakhouse	Plaza	Pizza Place	Park	Seafood Restaurant
9	Ñuñoa	Bakery	Café	Restaurant	Coffee Shop	Pizza Place	Yoga Studio	Gym	Peruvian Restaurant	Plaza	Italian Restaurant

- The Communes without Coffee Shops or Cafes in their top 10 venues are:
  - La Reina
  - San Miguel
  - Macul

	Location	Population (2017)	Poverty	Quality of Life	Index Quality of Life	Latitude	Longitude
<b>La Reina</b>	nororient	92787	9.8	70.45	3	-33.4393	-70.5564
<b>Macul</b>	surorient	116534	17.5	61.92	8	-33.4818	-70.5992
<b>San Miguel</b>	sur	107954	11.6	58.53	17	-33.4858	-70.65

# Exploring "La Reina"

- The competitors (Coffee Shops, Cafés and Bakerys):

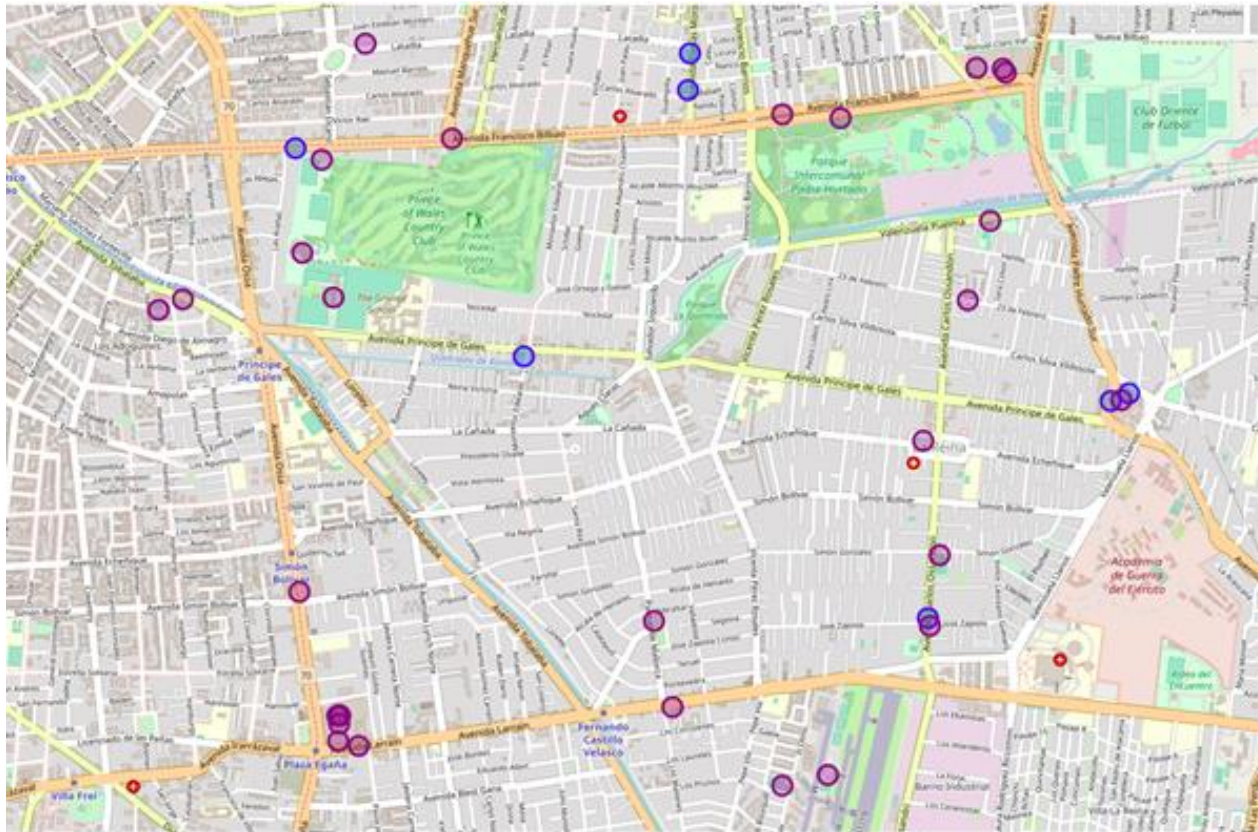


Venue	Venue Category
Starbucks	Coffee Shop
Wenger Haus	Bakery
Amasa Bakery	Bakery
Doña Cata	Bakery
Panificadora Rosemary	Bakery
Butterfly Coffee	Coffee Shop
Bogat Caffé	Café



# Exploring "La Reina"

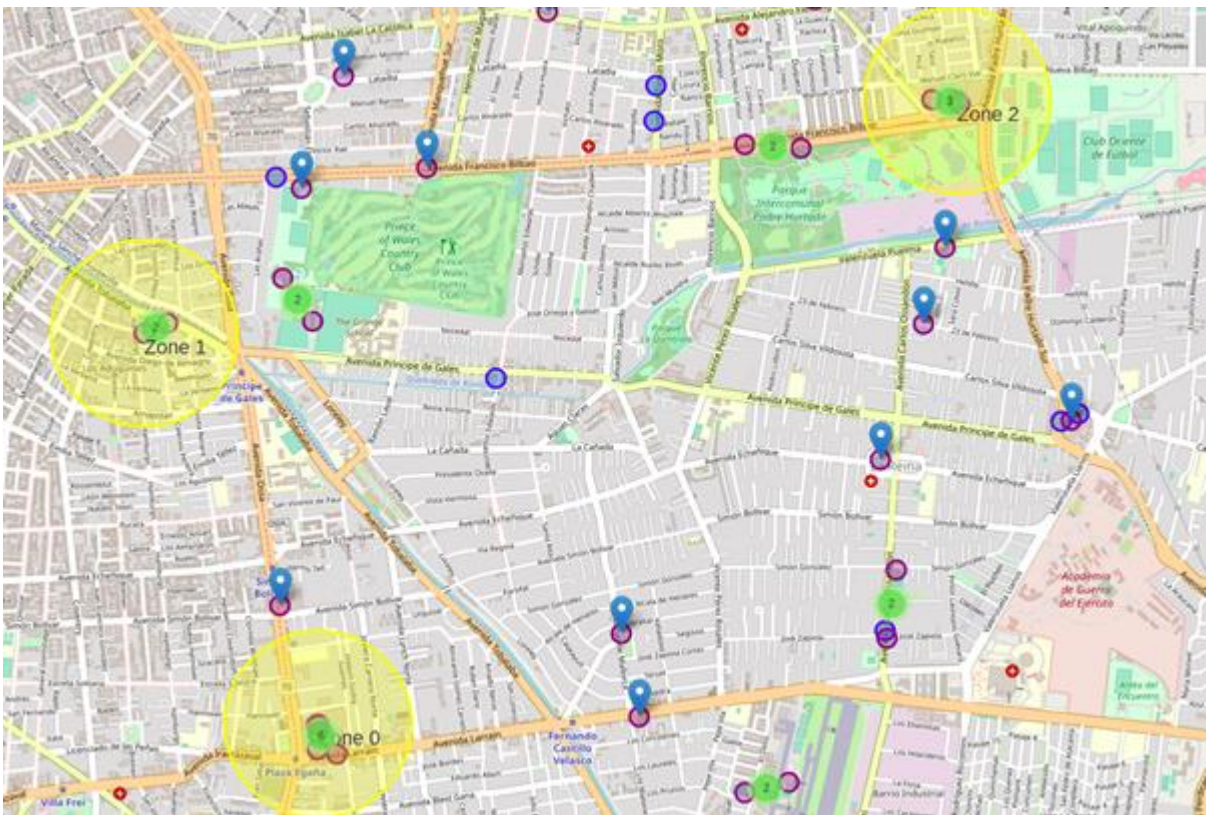
- Venues frequented by young adults



	Venue Category	Count
0	Amphitheater	1
1	Shopping Mall	1
2	Plane	1
3	Other Great Outdoors	1
4	Music Venue	1
5	Movie Theater	1
6	Hockey Field	1
7	Sporting Goods Shop	1
8	Golf Course	1
9	Farmers Market	1
10	Bookstore	1
11	Bike Rental / Bike Share	1
12	Athletics & Sports	1
13	Soccer Field	2
14	Outdoors & Recreation	2
15	Plaza	2
16	Multiplex	3
17	Gym / Fitness Center	4
18	Park	6

# Clustering

- Visually clustering the venues frequented by young adults and relatively far from the competitors, there are 3 zones viable to a new Specialty Coffee Shop



Venue	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
0 Zone 0	Bakery	Coffee Shop	Sushi Restaurant	Clothing Store	Multiplex	Frozen Yogurt Shop	Massage Studio	Latin American Restaurant	Italian Restaurant	Ice Cream Shop
1 Zone 1	Chinese Restaurant	Coffee Shop	Fast Food Restaurant	Plaza	Park	Pie Shop	Pizza Place	Gym / Fitness Center	Food & Drink Shop	Bus Station
2 Zone 2	Tourist Information Center	Pharmacy	Sporting Goods Shop	Soccer Field	Women's Store	Shopping Mall	Nail Salon	Candy Store	Furniture / Home Store	Ice Cream Shop

# Conclusions

- ▶ With the exploration of venues in all the city, gradually we could isolate a 3 zones viables for our purpose.
- ▶ Our target was determined by the socioeconomic indicators of the communes of Santiago and the density of Coffee Shops in the different zones of Santiago.
- ▶ This is an approximation for the best location, the final decision must be made by stakeholders After analyzing the recommended areas, a market study is needed and see if there are places to lease near these 3 locations.