

Recognizing the Top Starbucks in St. Louis

A Coursera Capstone Proposed Project - Applied Data Science Capstone

My vision for applying Foursquare data to a real business need

Starbucks and Foursquare have teamed up in major metropolitan areas to recognize the Top Starbucks stores by customer ratings.

Description of the problem:

- CFO Patrick Grismer said COVID-19's estimated impact on Starbucks' revenue to date, due to temporary closures, restricted sales channels, shortened operating hours, and "severely reduced customer traffic," has been about \$915 million.

Background

- Well on its way in reopening stores and working to recover its business, Starbucks today introduced a summer-inspired menu and began a multi-faceted advertising campaign designed to help customers find a store near them, check store hours, order ahead and use contactless payment. May 21, 2020
- **Foursquare is ideally situated to assist Starbucks in bringing customers & stores together. While Starbucks has a very capable app of its own to allow loyal customers to order ahead and prepay at their favorite locations, Foursquare can bring in new customers by making valuable recommendations.**
- In a clever and very visible first step down this marketing path, designed to build support of store employees, Foursquare will identify the Top 10-12 Starbucks in large metropolitan areas. They will be using their Places API - Search Recommendations and Venue Details endpoint. Representatives of both companies will go to the top stores (aided by the Foursquare app's map of course) and present an award plaque to be prominently displayed. Recognize the valuable Baristas and Managers that make satisfied customers and reinforce the message to all employees at all stores

that they are the ones responsible for making loyal Starbucks customers who take time to give a 'Liked' feedback on Foursquare.

- According to Foursquare - "Dozens of signals go into our venue ratings, but the most important ones are generated by our users. Our strongest signals include explicit feedback, quick tips, and verified check-ins. We also use passive location data generated by our flagship apps, Foursquare City Guide and Foursquare Swarm, as well as through our partner data, which rely on our proprietary Pilgrim technology.....The Foursquare City Guide app encourages users to rate the places they visit. There are three ways to leave feedback: a user can say they "liked" it, a user can say they "disliked" like it, or a user can say they thought it was "okay." To date, Foursquare has collected 175 million of these explicit ratings.

Our Proposal:

Tap into this valuable data using Foursquare's Developer Resources:

"The Places API offers real-time access to Foursquare's global database of rich venue data and user content ..."

- The Beta test for this project will be in the St. Louis MO metropolitan area. I am familiar with most of the locations and can validate the results.
- The next test will be the huge Toronto CA market to see if the methods used here will scale to a city the size of Toronto.
- There will also be a friendly competition between cities to see which has the larger percentage of stores in the recommended list of all coffee venues and which has the highest customer rating for those top locations.

Specifics on data usage:

The Foursquare Developer API Endpoints: venues/search, search/recommendations & Premium Endpoint venues/details will used to search for all coffee venues based on latitude and longitude GPS coordinates, get recommendations for coffee venues also using latitude and longitude and then looking at a specific location's customer ratings using their unique Foursquare ID.

Since this is a proposal without a budget for higher tier services, we will be using multiple search/recommendations to cover an entire metropolitan area, filtering out the

top group of those recommendations and then running the Premium Endpoint venues/details to find the highest customer rated stores.

How looking at the data solves a problem:

Foursquare data on Customer Ratings can validate the actions by individual store management and baristas to achieve higher customer satisfaction. Their efforts are noticed, rewarded and become visible to all levels of management and then become best practices for neighboring stores and regions, building better ratings. Higher Customer Ratings for more stores makes those Starbucks stores appear in the Foursquare City Guide App recommendations when a new customer is searching for a coffee venue. A new customer “likes” their Starbucks choice and the loyal customer base grows.