

Analysis and Recommendations for Investors who want to start their Business in Hamburg (Germany)

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Introduction and Problem Statement

Hamburg, the largest city in Germany after the capital of Berlin, its location makes it an important link between the sea and Germany's network of inland waterways and numerous islands. The city is best known for its famous harbor area, the Port of Hamburg. In addition to being a major transportation hub, Hamburg has become one of Europe's most important cultural and commercial centers, as well as a major tourist destination.

Hamburg is an excellent location for nascent entrepreneurs with clever ideas. More than 700 startup businesses are based here, with almost half of their total staff coming from abroad. Founders can benefit from Hamburg's cosmopolitan flair, high quality of life, and optimum conditions for setting up a business.

Business Problem

Every international business starting in an unknown area especially in a new country is facing several problems:

- Where to find suitable offices and commercial spaces?
- What neighborhoods are best for it?

The business location plays a very important role and makes a great contribution to business success.

On the one hand, every business type has its optimal location, eg. restaurants succeed more in areas, that are visited by tourists, and a company office is better situated in a business district.

On the other hand, the crime rate of the neighborhood is also an important factor, that has an impact on business success.

International research has long shown evidence that crime makes communities decline (e.g. Skogan, 1990; Wilson & Kelling, 1982). This decline can be seen in the presence of crime in public places as well as in minor signs of physical and social disorder.

Shoplifting is the biggest concern, and biggest problem, for most small-business owners. When the business is closed, burglary and breaking and entering become another concern in this criminal category.

Most businesses are sensitive to crime in their neighborhoods, especially jewelry shops, liquor stores, banks, hotels, etc.

The audience, who is interested in the information to the problems mentioned above are international companies or startups from foreign cities or countries intending to start or expand their business to Hamburg.

Data Collection

The list of boroughs and neighborhoods can be found on Wikipedia (article “List of Districts and Neighborhoods of Hamburg”).

https://de.wikipedia.org/wiki/Liste_der_Bezirke_und_Stadtteile_Hamburgs

We can retrieve the crime data from Hamburg Police Crime Statistics (PDF file, pages 16-19).

<https://www.polizei.hamburg/contentblob/12289868/49b59e72073b7c5e82c8800d36df8734/data/pks-2018-jahrbuch-do.pdf>

To plot the boundaries of the neighborhoods of Hamburg with Choropleth maps we need a GEOJSON file. It can be downloaded from this source:

https://rolbednarz.carto.com/tables/stadtteile_hamburg/public

We will use the neighborhood data, specifically the longitude and latitude to explore the venues in each neighborhood using the Foursquare API.

<https://developer.foursquare.com/>

Then we will use machine learning to group the venues into a certain amount of clusters and plot them on the map.

We also will plot the police statistics to show the crime rate of each district.

Based on this information stakeholders can make a decision choosing the optimal location for their new business.