

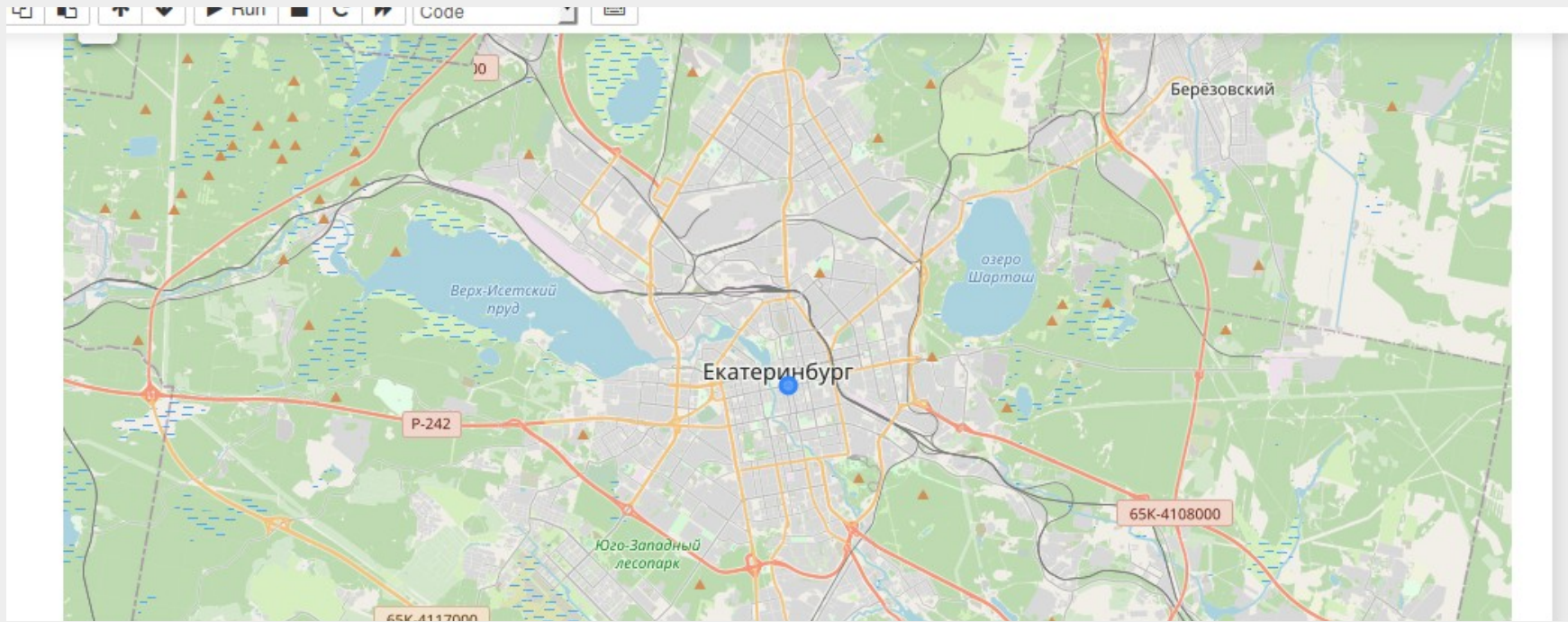
Selection of a Location for New Tourist-Oriented Bakery in Yekaterinburg, Russia

BY EDUARD

Background

- Yekaterinburg is the largest city of Ural Federal District, Russia and is the administrative center of Sverdlovsk Region. The city is located on the Iset River between the Volga-Ural region and Siberia.
- According to Wikipedia, the population of Yekaterinburg is roughly 1.5 million residents. Yekaterinburg is the fourth-largest city in Russia.

Map of Yekaterinburg



Business Problem

- Select a Location for New Tourist-Oriented Bakery in Yekaterinburg, Russia

Data Sources

- <https://www.gogototour.com/ru/city/yekaterinburg/>,
- <https://tophotels.ru/>
- API of Foursquare
- Wikipedia

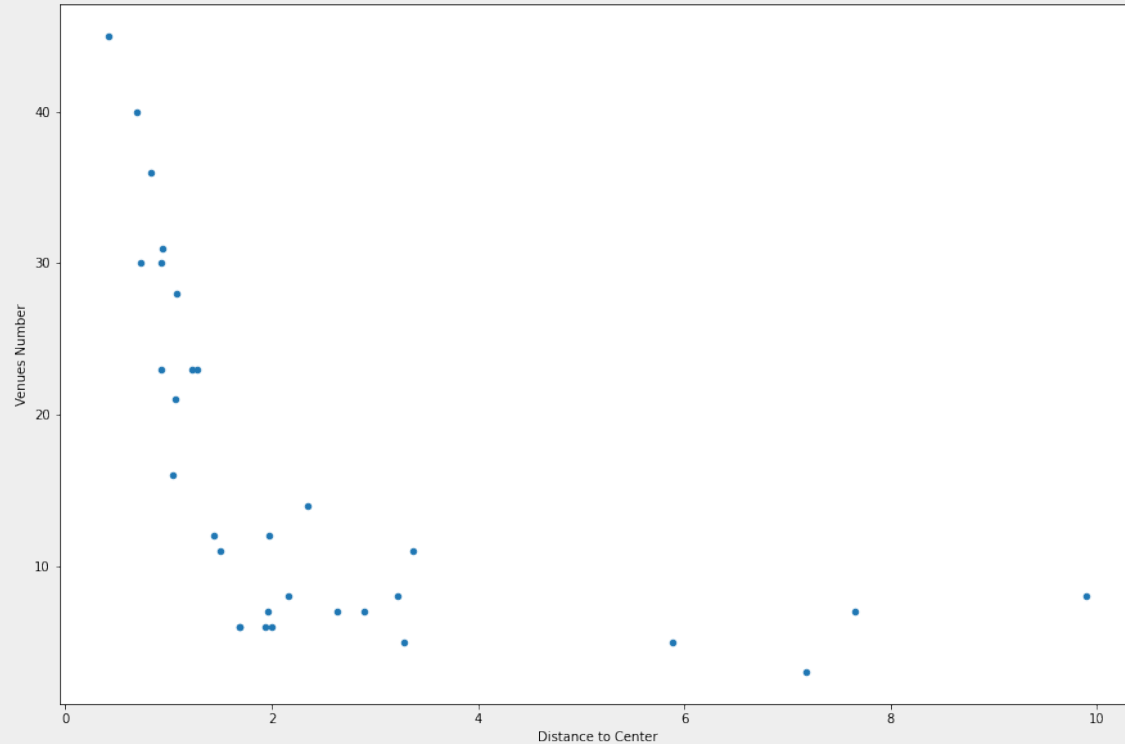
Main dataset features

- Hotel Name
- Coordinates of a Hotel (latitude, longitude)
- Stars of a Hotel (*, **, ***, ****, *****)
- Distance to the city center has been calculated for each hotel

Distance from a hotel to the city center

- Correlation between a distance from a hotel to the city center, m (X-axis) and the number of venues nearby a hotel (Y-axis)
(See figure on the next slide)

Distance from a hotel to the city center



Clustering

Cluster: 0

- Gym / Fitness Center 6.20%
- Gym 5.42%
- Furniture / Home Store 5.16%
- Karaoke Bar 5.16%
- Theme Park Ride / Attraction 5.16%
- Spa 4.17%
- Pharmacy 3.33%

Clustering

Cluster: 1

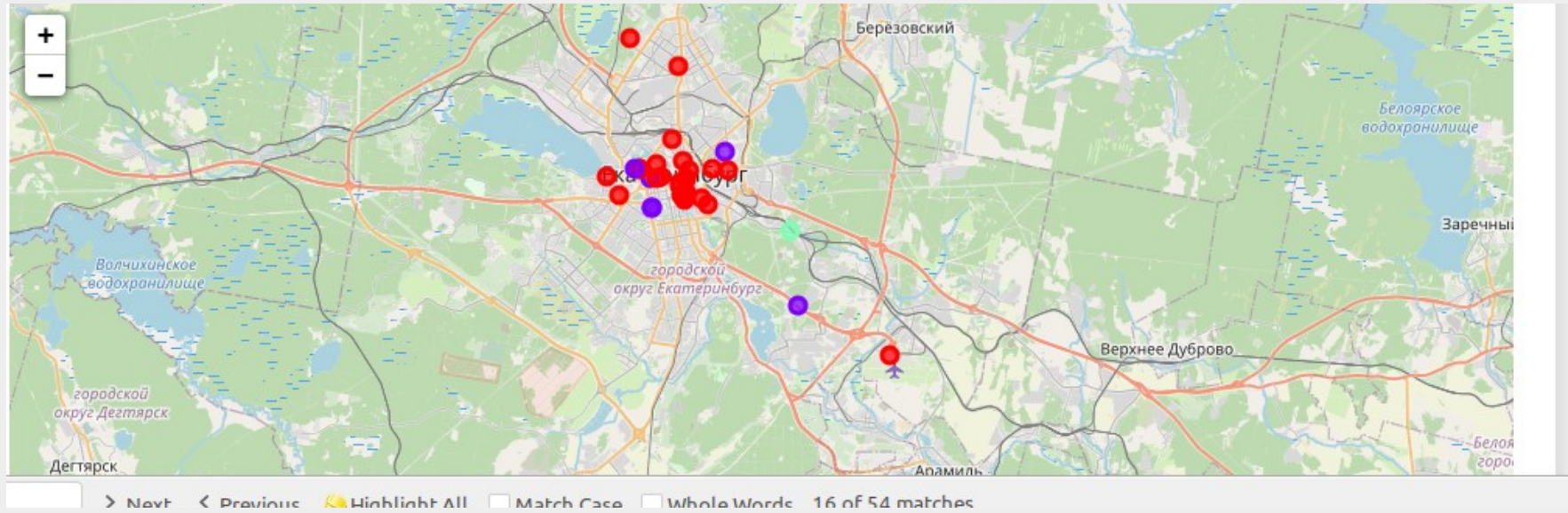
- Grocery Store 33.33%
- Palace 33.33%
- Garden 33.33%

Clustering

Cluster: 2

- Café 5.71%
- Coffee Shop 5.13%
- Gym / Fitness Center 4.59%
- Restaurant 3.79%
- Park 3.05%
- Nightclub 2.55%
- Spa 2.37%

Clustering hotels



Results

- 1. Venues of 130 unique categories are located nearby hotels in Yekaterinburg, Russia.
- 2. There are more venues near hotels which are located closer to the city center.
- 3. The hotels in Yekaterinburg may be divided into three clusters. Cafes and coffee shops are located nearby hotels of one cluster; spa, sport venues are characteristic for another cluster; the third cluster includes only one hotel which has a specific location.

Recommendations

- The good idea is to select a location for the bakery near a hotel belonging to the cluster 2 (the most common venues near hotels of this cluster are cafes and coffee shops), but to choose a hotel nearby which there is no bakery. There are few hotels which are met these conditions.
- The closer a location to the center of Yekaterinburg, the higher capacity of market niches is. Locations that are further than 2,5 km from the city center have approximately equal density of venues. Taking into account that rental rate, we can consider to place new bakery on a location 1,8-2,5 km of the city center.