

MARKET ANALYSIS FOR OPENING A FOOD BUSINESS

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1. DESCRIPTION OF THE PROBLEM AND A DISCUSSION OF THE BACKGROUND

City of La Paz is the seat of government and the administrative capital of Bolivia. It is the second most populated department, with 25.2% of the population. It is located in the northeast of the country. According to projections for 2020, the department of La Paz has 2,927,000 inhabitants, with women making up 50.4% and men 49.6%.

The two departments with the largest number of economic units are the city of Santa Cruz and the city of La Paz. The largest number of economic units are dedicated to commerce and services.

When someone wants to start a new business it is necessary to know the growth of the economic activity of the area, also he needs to know the competition in order to evaluate the place and type of business to undertake.

This project will focus on finding information that can be useful for an investor, who will be able to evaluate where to open a food business in the city of La Paz.

2. DESCRIPTION OF THE DATA AND HOW IT WILL BE USED TO SOLVE THE PROBLEM.

The necessary data to be used are the following:

- Population of the city of La Paz divided by districts
- Data on economic activity in the Restaurant and Food Service sector
- Growth in the sector
- GPS location of established businesses

This data is important because it will guide us through understanding the market and give us a global vision with data support of the businesses currently working in the sector. We will be able to understand the relationship between different demographics and business data.

First the data will be cleaned, to prevent missing or invalid data from affecting the results later on. The information collected will be used for an exploratory analysis to evaluate the growth that has occurred in the past, and the proportion of the sector's impact compared to other economic activities will also be presented. A combination of data will be made to obtain new characteristics that can be useful in the project.

After that, we will proceed to perform relationship analysis between the data in search of new information that can help us make a good model. The results will be evaluated in order to know if we will need additional data or if the model needs to be modified.

The source of the required information is the following:

- Statistical summary of the Business Base, September 2020 - Ministry of Productive Development and Plural Economy

https://miempresa.gob.bo/docs/estadisticas/RESUMEN_BE_SEPTIEMBRE_2020_miemp.pdf

- Macrodistrict cards, services

http://sitservicios.lapaz.bo/cartillas/descargas/cartillas_macrodistitales.xlsx

- La Paz in figures 2020, INE (National Institute of Statistics)

<http://inecloud.ine.gob.bo/owncloud/index.php/s/EHUEqSsYukkuyaA/download>

- Public Accountability 2019

<https://www.economiayfinanzas.gob.bo/rendicion-publica-de-cuentas-2019.html>

https://repositorio.economiayfinanzas.gob.bo/documentos/2020/Comunicaci%C3%B3n_Presentaciones/rendicio%C81n_p%C81blica_cuentas_2019.pdf