Finding the ideal location to open a pizzeria in Colombo, Sri Lanka

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Introduction

Background:

Colombo Sri Lanka has a bustling food culture with a demand for great fast casual and casual dining experiences for the hundreds of thousands who pour in and out of the city for activities ranging from shopping to its attractions and its vibrant night life. The city is also the commercial hub of Sri Lanka and as a result a considerable number of those living and working in different parts of the city possess a relatively high disposable income and are willing to spend on good quality authentic dining experiences with quick service due to the fast paced lifestyles in the city.

Business Problem:

Stakeholders looking to open an authentic pizzeria in the city of Colombo want to determine the optimum location, to maximize exposure to crowds of people looking for a relatively quick and good quality bite?

Deeper dive:

Parts of the city is undergoing and has undergone major development in the form of infrastructure with this increased urbanization, the number of attractions is also increasing rapidly which attracts even more individuals in from neighboring suburbs.

In suburbs with high activity from rapid development a strong and diverse food culture has immersed as a result of people with medium to high disposable income travelling to and from these suburbs for work and leisure activities such as shopping, theaters, parks and other entertainment centers.

In order to maximize stakeholder value from the proposed pizzeria it is important to find the busiest suburbs of the city in terms of spending. (Malls, shopping centers, parks, theaters etc), but also those where the barrier to entry for a new entrant is low.

Although some suburbs are optimal in terms of venues where people spend, or are optimal in terms of people passing by from a busy hub they are already saturated and therefore the optimal solution for the stakeholders here is a balance between busy areas with attractive venues in terms of expenditure but also not saturated especially in terms of casual dining.

Proposed Methodology:

- Use data freely available on Wikipedia to locate the different suburbs of Colombo geo code this data.

- Use the FourSquare API explore end point to identify the different types of venues within these suburbs.

- Cluster these suburbs based on the types of venues and pick favorable clusters based on the top types of locations within it.
- Explore the chosen clusters to identify neighborhoods with high expenditure venues with a moderate number of restaurants in comparison (to other localities in the cluster), with ideally a minimal presence of fast casual dining/casual dining restaurants.

- Repeat on favorable clusters and pick one location from the top pick of the favorable clusters.