# CAPSTONE PROJECT THE BATTLE OF NEIGHBORHOODS

Locating the most appropriate location in Manhattan to open a sushi restaurant

## Introduction

- The famous sin city of Gotham have a population of 19.5 million people as of July 1, 2019 (U.S.A Census Bureau). It's the 4th largest city in the United States with 65.1 million visitors in 2018. New York is the financial capital of U.S.A and one of the most diverse states in the country. Its utterly diverse and host many different type of ethnicity therefore it provides lot of business oppourtunities and have a natural business friendly environment. From ages ago, the city of sin has attracted many different competitors into the market. New York is a global hub of business and commerce. The city is a major center for banking and finance, retailing, world trade, transportation, tourism, real estate, new media, traditional media, advertising, legal services, accountancy, insurance, theater, fashion, and the arts in the United States.
- This also means that the market is highly competitive. As it is highly developed city so cost of doing business is also one of the highest. Therefore, it is essential to analysis the market and data carefully and throughly. The insights derived from analysis will give good understanding of the business environment which help in strategically targeting the market. This will help in reduction of risk. And the return on Investment will be reasonable.
- The truth is that as much as there are many fine restaurants in New York Asian, Middle Eastern, Latin and American restaurants, you can struggle to find an authentic Japanese restaurant that is only speclize in serving sushi.

#### **Business Problem**

My client- Sushi Dai, a famous restaurant chain in Japan is looking to expand operation into the U.S. through New York. They want to create a high-end restaurant that serve fresh raw fishes catched from the pacific ocean. To them every customer counts and everyone is a VIP when you dine at their chain.

Since the New York's demography is scattered, my client needs deep insight from available data in other to decide where to establish it's first restaurant.

Our company is an expert in data analytics and spends a lot of resources on research and provides customers with data insight.

#### Data Selection

- First, we use foursquare to find out the number of sushi restaurant in Manhattan
- Currently, there are 1096 sushi restaurant in business.

```
newyork_venues_sushi.shape
(1096, 7)
```

## Data Selection

■ We then shortlist five areas that are more appropriate for the opening of a sushi restaurant

|   | Neighborhood | Neighborhood Latitude | Neighborhood Longitude | Venue                 | Venue Latitude | Venue Longitude | Venue Category      |
|---|--------------|-----------------------|------------------------|-----------------------|----------------|-----------------|---------------------|
| 0 | Marble Hill  | 40.876551             | -73.910660             | Planet Tokyo          | 40.886233      | -73.909479      | Sushi Restaurant    |
| 1 | Chinatown    | 40.715618             | -73.994279             | Nakaji                | 40.715791      | -73.996855      | Sushi Restaurant    |
| 2 | Chinatown    | 40.715618             | -73.994279             | Shinsen               | 40.715608      | -73.996611      | Japanese Restaurant |
| 3 | Chinatown    | 40.715618             | -73.994279             | Whole Foods Sushi Bar | 40.724000      | -73.992277      | Sushi Restaurant    |
| 4 | Chinatown    | 40.715618             | -73.994279             | Douzo                 | 40.719069      | -73.990781      | Japanese Restaurant |

# 01

Addresses are converted into their equivalent latitude and longitude values.

02

Foursquare API is used to explore neighborhoods in Manhattan, New York.

03

After that, explore function to get sushi restaurant categories in each neighborhood.

# Methodology



## Methodology

■ We group the neighborhoods into clusters K-means clustering algorithm will be use to complete this task. And also, the Folium library to visualize the neighborhoods in Manhattan and its emerging clusters.

| Neighborhood         | 1st Most<br>Common<br>Venue | 2nd Most<br>Common Venue            | 3rd Most<br>Common Venue            | 4th Most<br>Common Venue            | 5th Most<br>Common Venue            | 6th Most<br>Common<br>Venue | 7th Most<br>Common<br>Venue | 8th Most<br>Common<br>Venue | 9th Most<br>Common<br>Venue | 10th Most<br>Common<br>Venue |
|----------------------|-----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Battery Park<br>City | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Noodle House                        | Theme<br>Restaurant                 | Vegetarian /<br>Vegan<br>Restaurant | Bakery                      | Chinese<br>Restaurant       | Cocktail Bar                | Deli /<br>Bodega            | Grocery<br>Store             |
| Carnegie Hill        | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Asian<br>Restaurant                 | Chinese<br>Restaurant               | Noodle House                        | Bakery                      | Cocktail Bar                | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant       |
| Central<br>Harlem    | Sushi<br>Restaurant         | Vegetarian /<br>Vegan<br>Restaurant | Noodle House                        | Bakery                              | Chinese<br>Restaurant               | Cocktail Bar                | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant      | Japanese<br>Restaurant       |
| Chelsea              | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Asian<br>Restaurant                 | Vegetarian /<br>Vegan<br>Restaurant | Smoothie Shop                       | Seafood<br>Restaurant       | Sandwich<br>Place           | Sake Bar                    | Restaurant                  | Ramen<br>Restaurant          |
| Chinatown            | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Vegetarian /<br>Vegan<br>Restaurant | Noodle House                        | Bakery                              | Chinese<br>Restaurant       | Cocktail Bar                | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant       |

Using K-mean to clustering data area with less number of sushi bars

#### Cluster 0

|   | Borough   | Neighborhood          | Latitude  | Longitude  | Cluster<br>Labels | 1st Most<br>Common<br>Venue | 2nd Most<br>Common<br>Venue         | 3rd Most<br>Common<br>Venue         | 4th Most<br>Common<br>Venue | 5th Most<br>Common<br>Venue | 6th Most<br>Common<br>Venue | 7th Most<br>Common<br>Venue | 8th Most<br>Common<br>Venue | 9th Most<br>Common<br>Venue | c |
|---|-----------|-----------------------|-----------|------------|-------------------|-----------------------------|-------------------------------------|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---|
| 0 | Manhattan | Marble Hill           | 40.876551 | -73.910660 | 0                 | Sushi<br>Restaurant         | Vegetarian<br>/ Vegan<br>Restaurant | Korean<br>Restaurant                | Bakery                      | Bubble<br>Tea Shop          | Burger<br>Joint             | Café                        | Chinese<br>Restaurant       | Cocktail<br>Bar             |   |
| 1 | Manhattan | Chinatown             | 40.715618 | -73.994279 | 0                 | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Vegetarian<br>/ Vegan<br>Restaurant | Korean<br>Restaurant        | Bakery                      | Bubble<br>Tea Shop          | Burger<br>Joint             | Café                        | Chinese<br>Restaurant       |   |
| 2 | Manhattan | Washington<br>Heights | 40.851903 | -73.936900 | 0                 | Sushi<br>Restaurant         | Vegetarian<br>/ Vegan<br>Restaurant | Korean<br>Restaurant                | Bakery                      | Bubble<br>Tea Shop          | Burger<br>Joint             | Café                        | Chinese<br>Restaurant       | Cocktail<br>Bar             |   |
| 3 | Manhattan | Inwood                | 40.867684 | -73.921210 | 0                 | Sushi<br>Restaurant         | Vegetarian<br>/ Vegan<br>Restaurant | Korean<br>Restaurant                | Bakery                      | Bubble<br>Tea Shop          | Burger<br>Joint             | Café                        | Chinese<br>Restaurant       | Cocktail<br>Bar             |   |
| 4 | Manhattan | Hamilton<br>Heights   | 40.823604 | -73.949688 | 0                 | Sushi<br>Restaurant         | Vegetarian<br>/ Vegan<br>Restaurant | Korean<br>Restaurant                | Bakery                      | Bubble<br>Tea Shop          | Burger<br>Joint             | Café                        | Chinese<br>Restaurant       | Cocktail<br>Bar             |   |

#### ■ Cluster 1

|   | Borough   | Neighborhood          | Latitude  | Longitude  | Cluster<br>Labels | 1st Most<br>Common<br>Venue | 2nd Most<br>Common<br>Venue         | 3rd Most<br>Common<br>Venue         | 4th Most<br>Common<br>Venue | 5th Most<br>Common<br>Venue | 6th Most<br>Common<br>Venue | 7th Most<br>Common<br>Venue | 8th Most<br>Common<br>Venue | 9th Most<br>Common<br>Venue | 10th Most<br>Common<br>Venue |
|---|-----------|-----------------------|-----------|------------|-------------------|-----------------------------|-------------------------------------|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| 0 | Manhattan | Marble Hill           | 40.876551 | -73.910660 | 1                 | Sushi<br>Restaurant         | Vegetarian /<br>Vegan<br>Restaurant | Noodle<br>House                     | Bakery                      | Chinese<br>Restaurant       | Cocktail<br>Bar             | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant      | Japanese<br>Restaurant       |
| 1 | Manhattan | Chinatown             | 40.715618 | -73.994279 | 2                 | Sushi<br>Restaurant         | Japanese<br>Restaurant              | Vegetarian /<br>Vegan<br>Restaurant | Noodle<br>House             | Bakery                      | Chinese<br>Restaurant       | Cocktail<br>Bar             | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant       |
| 2 | Manhattan | Washington<br>Heights | 40.851903 | -73.936900 | 1                 | Sushi<br>Restaurant         | Vegetarian /<br>Vegan<br>Restaurant | Noodle<br>House                     | Bakery                      | Chinese<br>Restaurant       | Cocktail<br>Bar             | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant      | Japanese<br>Restaurant       |
| 3 | Manhattan | Inwood                | 40.867684 | -73.921210 | 1                 | Sushi<br>Restaurant         | Vegetarian /<br>Vegan<br>Restaurant | Noodle<br>House                     | Bakery                      | Chinese<br>Restaurant       | Cocktail<br>Bar             | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant      | Japanese<br>Restaurant       |
| 4 | Manhattan | Hamilton<br>Heights   | 40.823604 | -73.949688 | 1                 | Sushi<br>Restaurant         | Vegetarian /<br>Vegan<br>Restaurant | Noodle<br>House                     | Bakery                      | Chinese<br>Restaurant       | Cocktail<br>Bar             | Deli /<br>Bodega            | Grocery<br>Store            | Hawaiian<br>Restaurant      | Japanese<br>Restaurant       |

#### ■ Cluster 2

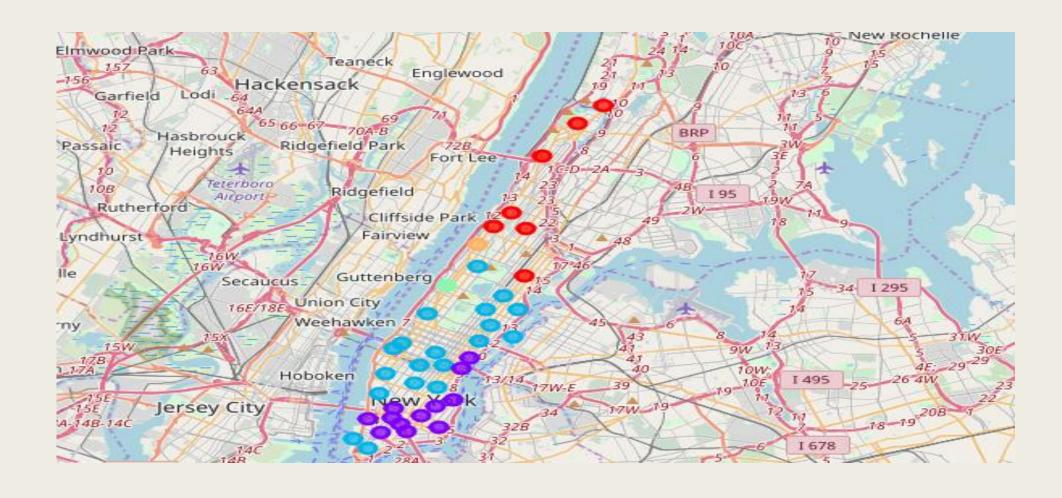
|   | Neighborhood          | 1st Most<br>Common Venue | 2nd Most Common<br>Venue         | 3rd Most<br>Common Venue | 4th Most<br>Common Venue | 5th Most<br>Common Venue | 6th Most<br>Common Venue | 7th Most<br>Common Venue | 8th Most<br>Common Venue | 9th Most<br>Common Venue | 10th Most<br>Common Venue |
|---|-----------------------|--------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| 0 | Marble Hill           | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 2 | Washington<br>Heights | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 3 | Inwood                | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 4 | Hamilton<br>Heights   | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 5 | Manhattanville        | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 6 | Central<br>Harlem     | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |
| 7 | East Harlem           | Sushi<br>Restaurant      | Vegetarian / Vegan<br>Restaurant | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Grocery Store            | Hawaiian<br>Restaurant   | Japanese<br>Restaurant    |

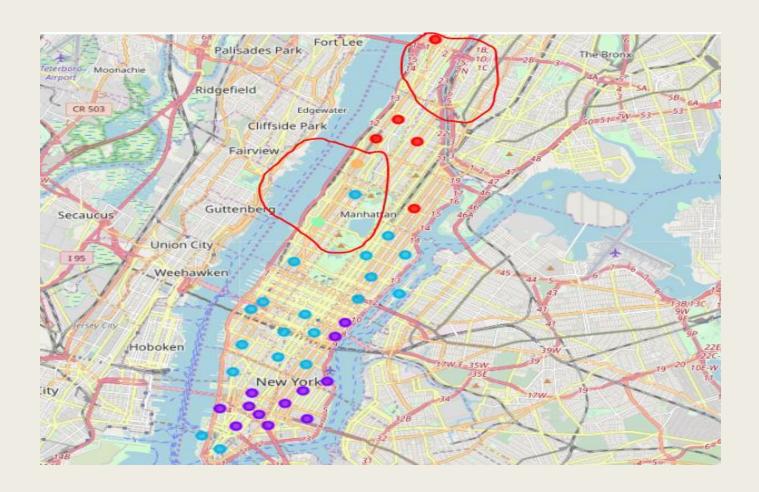
#### Cluster 3

| manh | manhattan_merged.loc[manhattan_merged['Cluster Labels'] == 3, manhattan_merged.columns[[1] + list(range(5, manhattan_merged.shape[1]))]] |                             |                          |                          |               |                          |                          |                          |                          |                          |                           |  |
|------|--|-----------------------------|--------------------------|--------------------------|---------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|--|
|      | Neighborhood   | 1st Most<br>Common<br>Venue | 2nd Most<br>Common Venue | 3rd Most<br>Common Venue |               | 5th Most<br>Common Venue | 6th Most<br>Common Venue | 7th Most<br>Common Venue | 8th Most<br>Common Venue | 9th Most<br>Common Venue | 10th Most<br>Common Venue |  |
| 12   | Upper West<br>Side   | Sushi Restaurant            | Japanese<br>Restaurant   | Asian Restaurant         | Grocery Store | Noodle House             | Bakery                   | Chinese<br>Restaurant    | Cocktail Bar             | Deli / Bodega            | Hawaiian<br>Restaurant    |  |

#### Cluster 4

| man | manhattan_merged.loc[manhattan_merged['Cluster Labels'] == 4, manhattan_merged.columns[[1] + list(range(5, manhattan_merged.shape[1]))]] |                             |                          |                                  |                             |                             |                             |                             |                             |                             |                           |  |
|-----|--|-----------------------------|--------------------------|----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|--|
|     | Neighborhood   | 1st Most<br>Common<br>Venue | 2nd Most<br>Common Venue | 3rd Most<br>Common Venue         | 4th Most<br>Common<br>Venue | 5th Most<br>Common<br>Venue | 6th Most<br>Common<br>Venue | 7th Most<br>Common<br>Venue | 8th Most<br>Common<br>Venue | 9th Most<br>Common<br>Venue | 10th Most<br>Common Venue |  |
| 26  | Morningside<br>Heights   | Sushi Restaurant            | Hawaiian<br>Restaurant   | Vegetarian /<br>Vegan Restaurant | Noodle House                | Bakery                      | Chinese<br>Restaurant       | Cocktail Bar                | Deli / Bodega               | Grocery Store               | Japanese<br>Restaurant    |  |





Based on dataframe analysis above Cluster 3 (Upper West Side ) and Cluster 4 (Morningside Heights) areas are the best places to open a new sushi bar business.

#### Discussion

If more data is readily available, a more accurate analysis could be done. And potentially more time is needed to perform more indepth analysis.

High competition in Midtown and Soho making it very risky to open business in these areas. Central Harlem has also potential where closes to Morningside Heights area.

More in deep analysis could be done by adding other factors such as transportation, demographics of inhabitants.

# Conclusion

There is room for improvement for this project is more data is readily available. This could easily be developed into a fully pledged application that could support Sushi- Dai to open its first location in NYC.