

# Strategies for Zomato's Restaurant Expansion

Data-Driven Insights and Suggestions

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# Introduction

## Overview of Zomato's Expansion Needs

### Zomato's Growth:

- Zomato is a leading online restaurant discovery and food delivery platform.
- The company aims to expand its presence by opening new restaurants in key markets, particularly those with high customer demand and untapped potential.

### Expansion Challenges:

- While Zomato has a strong online platform, determining where to open new restaurants is a complex task.
- Factors like competition, customer preferences, local demographics, and demand for specific cuisines need to be carefully analyzed to ensure successful expansion.

# Objective

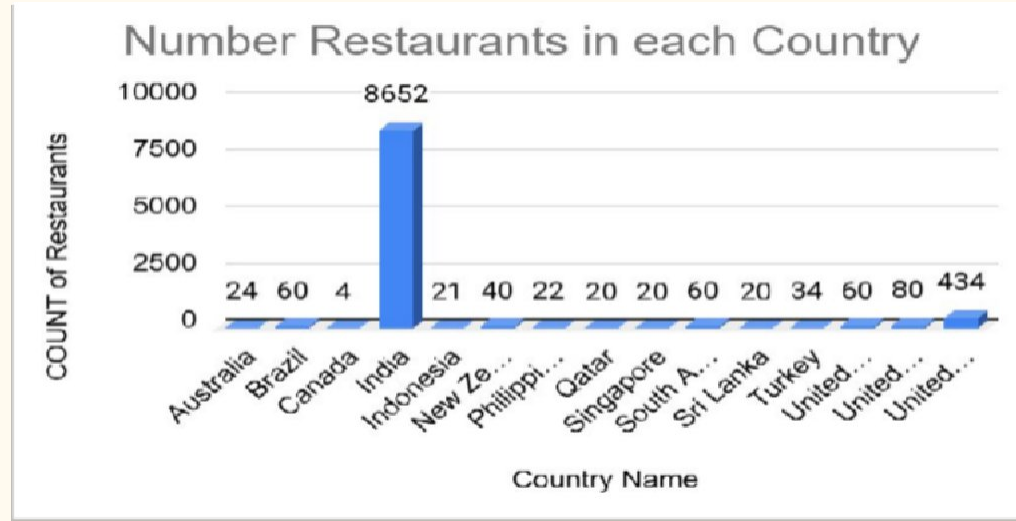
The main objective is to **analyze key data points** and **provide strategic recommendations** to Zomato for opening new restaurants in high-potential areas.

Focus will be on using **data-driven insights** to understand:

- **Customer Preferences:** What types of food and cuisines are most sought after by consumers?
- **Market Gaps:** Which regions have high demand but fewer restaurant options?
- **Data-Driven Decisions:** In the restaurant industry, making decisions based on data is crucial. By understanding patterns in customer behavior, competition, and market trends, Zomato can strategically place new restaurants where they will succeed.
- **Maximizing ROI:** Identifying the right location, cuisine type, and restaurant concept helps Zomato maximize returns on investment and minimize risk. The success of a restaurant often depends on its ability to match the right type of food with the right customers in the right location.



# Identifying High-Demand Areas



## Global Expansion Priority:

- **India** has the highest number of restaurants (8652), indicating a strong presence. However, there could still be potential for further expansion, especially in emerging urban areas.
- **United States** (434) and **United Kingdom** (80) also show significant restaurant counts, making them important markets for maintaining or expanding Zomato's footprint.

## Countries with Potential for Growth:

- Countries like **Canada** (4), **Singapore** (20), **Sri Lanka** (20), and **Qatar** (20) have relatively few restaurants. These countries may present opportunities for expansion to meet growing demand for restaurant services.
- **Australia** (24) and **New Zealand** (40) might also present opportunities to increase Zomato's market share, especially if Zomato can introduce unique restaurant categories or innovative dining experiences

## Developing and Emerging Markets:

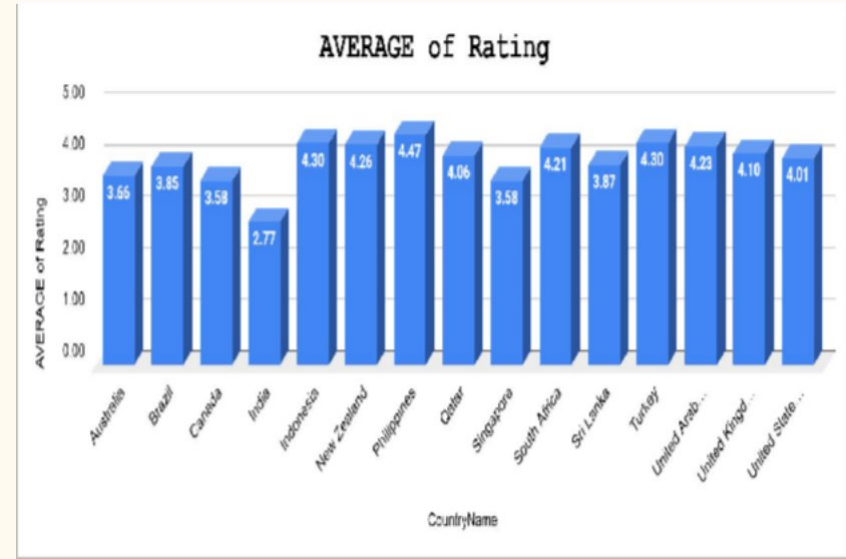
- **Brazil** (60), **South Africa** (60), and **Turkey** (34) have moderate numbers of restaurants but may still offer opportunities for growth in urban areas or through specific cuisine offerings.
- **Indonesia** (21) and **Philippines** (22) have potential for future growth due to their increasing middle class and appetite for varied dining experiences.

## Market Saturation:

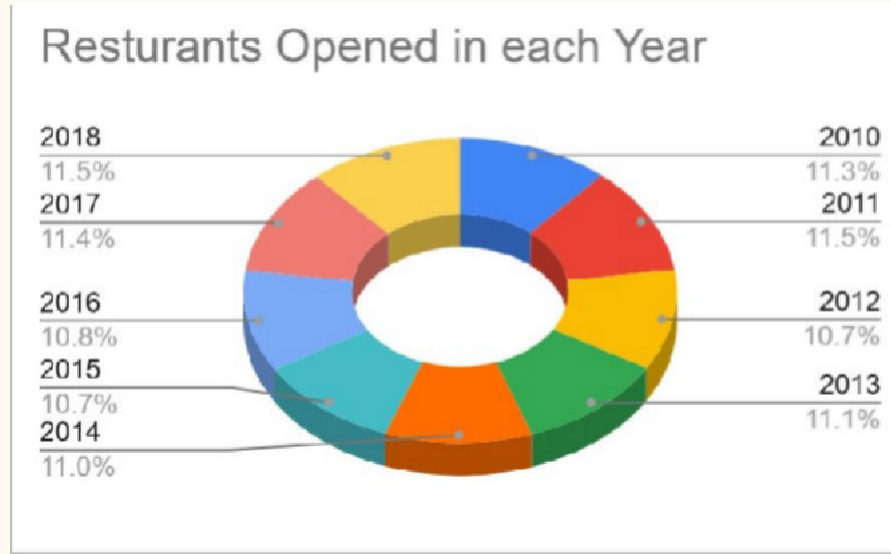
- Countries like **India**, **United States**, and **United Kingdom** are likely nearing or at market saturation, so Zomato might focus on improving its operational efficiencies, customer experience, and exploring underserved niches in these countries.

# Country-wise Restaurant Ratings

- **Philippines** (4.47), **Indonesia** (4.30), **Turkey** (4.30), and **New Zealand** (4.26) stand out as the countries with the highest **average ratings**.
- Countries like **Australia** (3.66), **Brazil** (3.85), **Qatar** (4.06), and **United Kingdom** (4.10) have ratings in the **3.5 - 4.1 range**, suggesting a moderate level of customer satisfaction.
- **Canada** and **Singapore** are also on the **lower end** of the scale with ratings of 3.58



# Yearly Restaurant Trend Analysis

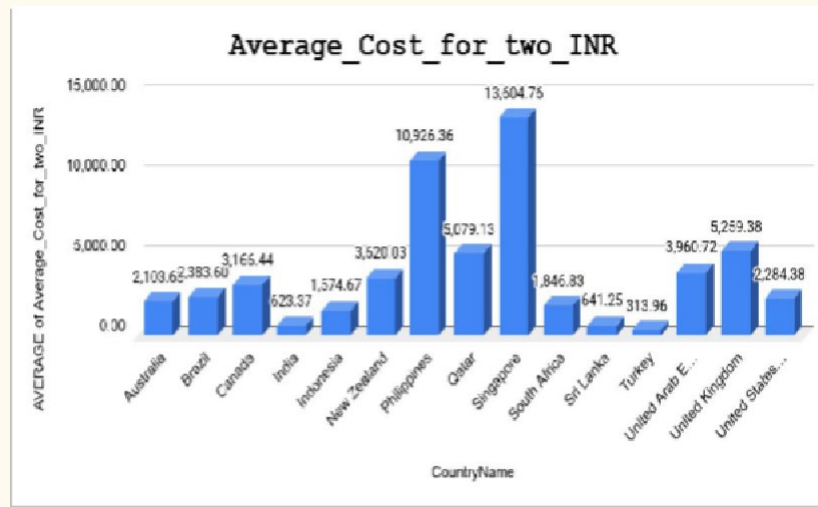


- Over the **9-year span (2010-2018)**, the total number of restaurants has seen steady growth.
- The **highest growth** was observed between **2011 and 2012**, where the number of restaurants went from **1,098 to 1,022**, followed by a **slight drop** in numbers.
- Overall, Zomato has successfully maintained a **steady number of restaurant openings** with slight fluctuations, indicating a **stable growth pattern**.

# Cost Comparison: Dining for Two by Country

## Average Cost for Two (INR):

- **India** has the lowest average cost for two, at **₹623.37**, which indicates a more affordable dining experience.
- **Singapore** has the highest average cost for two, at **₹13,604.76**, suggesting a premium dining market with higher spending.
- **Philippines** and **Sri Lanka** have relatively higher costs for two, at **₹10,926.36** and **₹641.25**, respectively, in contrast to their other regional counterparts.



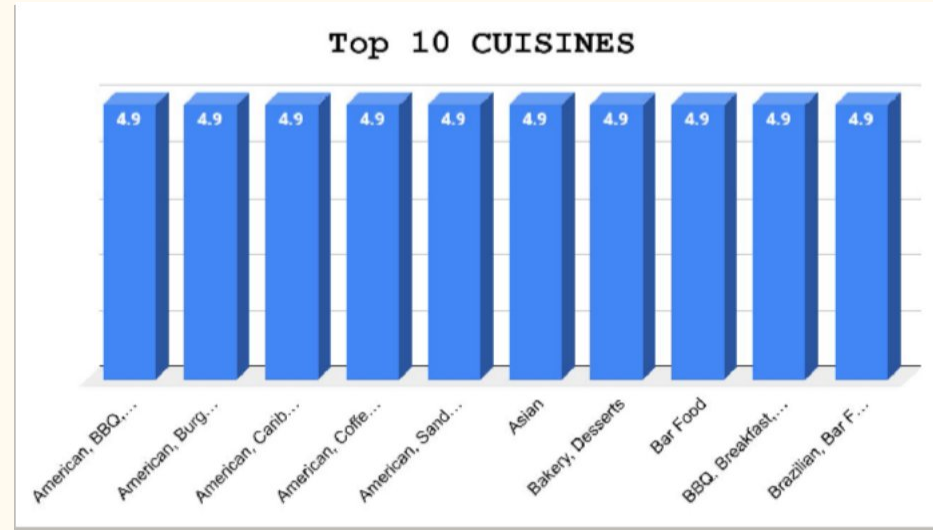
## General Pattern:

- **Western countries** like the **United States**, **United Kingdom**, **Canada**, and **Australia** tend to have a **higher average cost for two**.
- **Asian countries** like **India**, **Indonesia**, and **Sri Lanka** have **lower costs**, making them more **affordable markets** for customers.
- **Middle Eastern countries** like **Qatar**, **United Arab Emirates**, and **Turkey** have **moderate to high average costs**, reflecting the varied economic conditions.



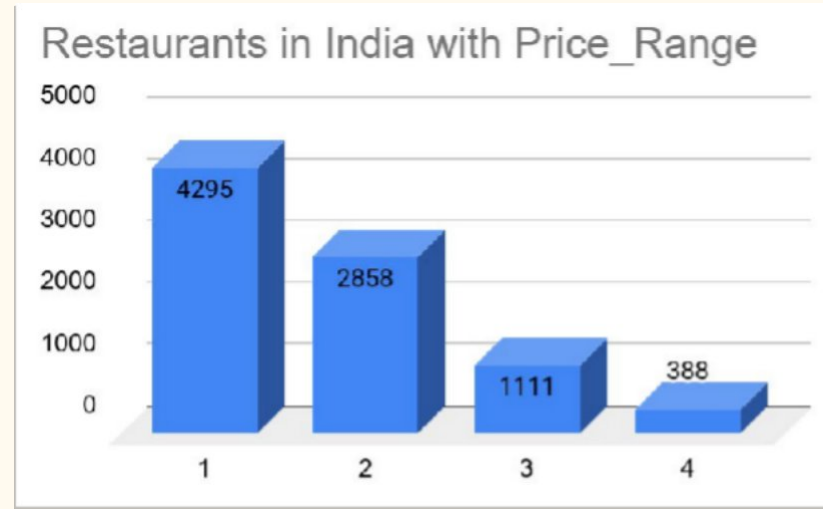
# Top 10 Cuisines with Highest Ratings

- **Dominance of American and Asian Cuisines:** A clear trend shows that American-themed cuisines (BBQ, Sandwich, Burger, etc.) dominate the highest ratings. These can be popular themes to consider for further restaurant concepts.
- **International Influence:** Cuisines like **Brazilian, Mexican, and Filipino** highlight a blend of diverse and international tastes. This opens up opportunities for introducing culturally diverse food experiences.
- **Variety of Categories:** The cuisines cover a range of categories such as BBQ, Seafood, Desserts, Bakery, and more. It suggests that customers appreciate variety, and there's potential for fusion restaurant concepts.

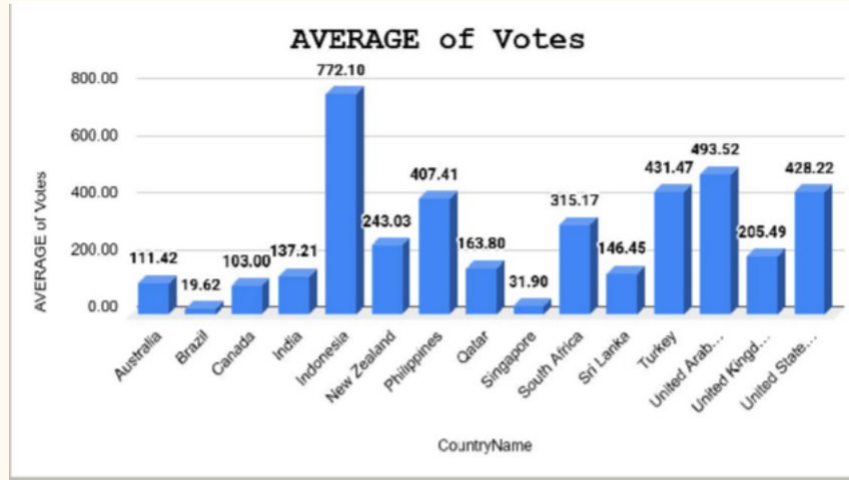


# Price Range Analysis of Indian Restaurants

- **Dominance of Price Range 1:** The majority of the restaurants in India (approximately **50%**) fall within the **Price Range 1** category, which indicates affordability and value-oriented dining. This price range likely targets middle-income customers or those looking for budget-friendly options.
- **Price Range 2 & 3:** A significant portion of restaurants also falls into **Price Range 2** (around **33%**), showing that there is a substantial market for mid-range restaurants offering moderate pricing for a more diverse dining experience.
- **Price Range 4 (Premium Restaurants):** Only about **4.5%** of the restaurants are in **Price Range 4**, indicating that the premium market in India is relatively smaller compared to affordable and mid-range options. However, this also represents a lucrative segment for high-end dining experiences.



# Restaurant Voting across Countries

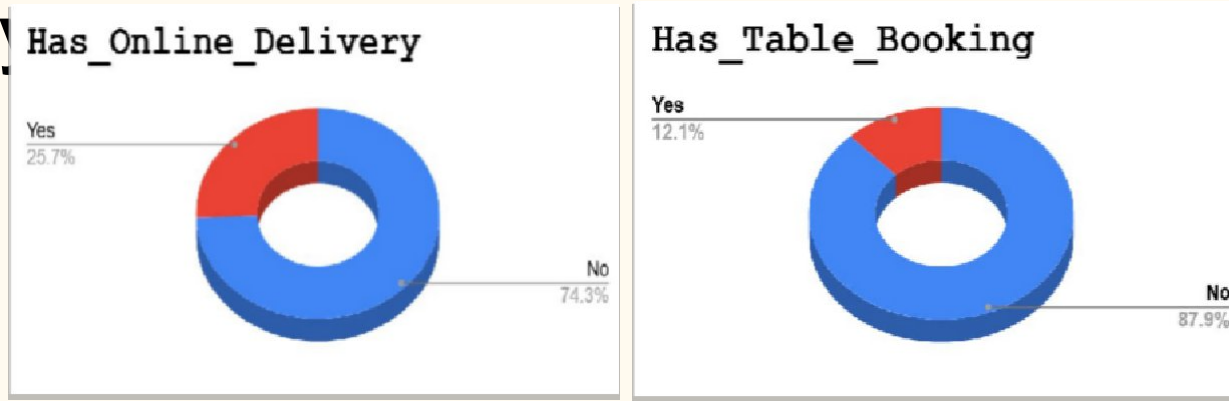


**Top Performers:** **United Arab Emirates (493.52)** and **Turkey (431.47)** have the highest average votes, indicating significant customer interaction and popularity. **Philippines (407.41)** and **United States of America (428.22)** also have high customer engagement.

**Countries with Lower Engagement:** **Brazil (19.62)**, **Singapore (31.90)**, and **Canada (103.00)** have relatively lower average votes, potentially indicating a smaller or less engaged customer base.

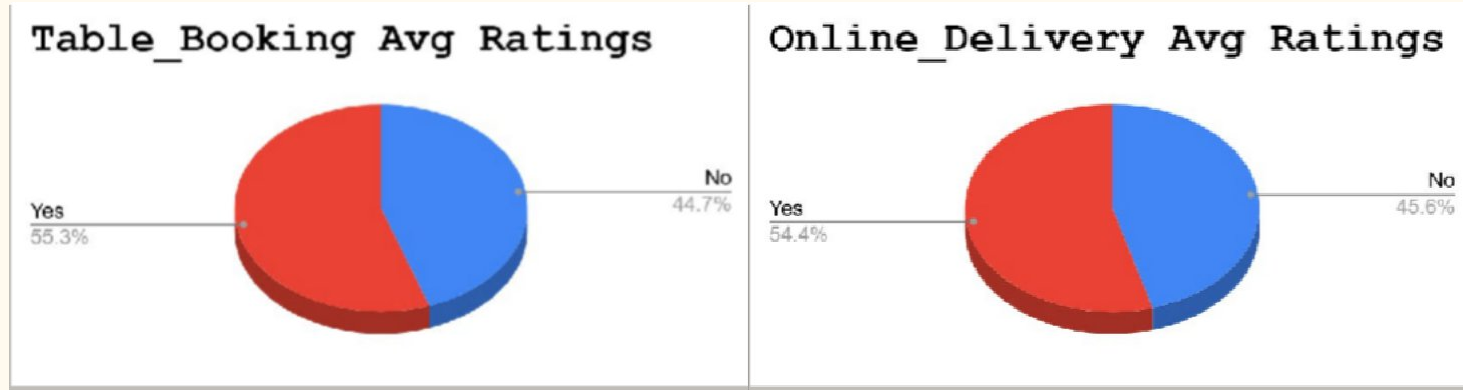
**Noteworthy Trends:** **India (137.21)**, with a larger restaurant base, shows moderate engagement levels. This could be a strategic insight into targeting higher engagement in the future through marketing or promotions. **Indonesia (772.10)** has a very high average, which might reflect a strong local food culture or a particularly popular cuisine in this region.

# Restaurants with Table Booking & Online Delivery



- A total of **8,393** restaurants do not offer table booking, while **1,158** restaurants provide this service.
- Offering table booking may be a key differentiator in terms of customer experience and satisfaction, particularly in high-traffic or upscale markets.
- A total of **2,451** restaurants offer online delivery, whereas **7,100** do not.
- Offering online delivery can boost customer satisfaction and ratings. As demand for delivery services continues to rise globally, restaurants with delivery options are likely to attract more customers, especially in fast-paced environments or during peak dining times.

# Rating: Online Delivery & Table Booking



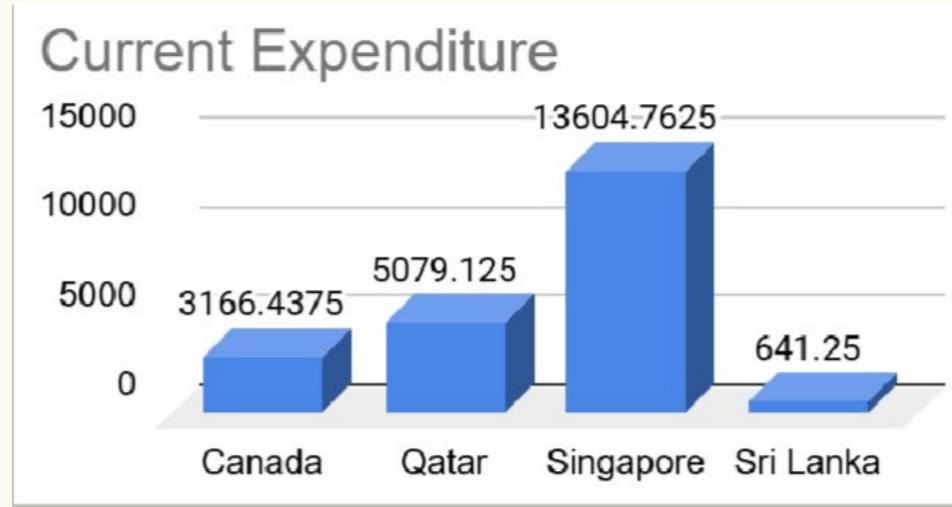
- Restaurants that offer table booking tend to have a higher average rating of **3.48** compared to those that don't, which have an average rating of **2.81**. This suggests that customers value the convenience and exclusivity that table booking provides, leading to higher satisfaction.
- Restaurants with online delivery have an average rating of **3.29**, which is higher than the **2.75** rating for those without online delivery. This indicates that customers appreciate the added convenience of delivery services, which could be driving positive ratings and customer loyalty.

# Identifying Prime Expansion Opportunities

- **Qatar** is the top choice for expansion due to its high customer satisfaction ratings, presenting an opportunity for premium or high-quality restaurant concepts.
- **Sri Lanka**, with its solid rating and growing market, offers an attractive opportunity for moderately priced yet high-quality dining.
- **Canada and Singapore** have more competitive markets with opportunities for **improving customer satisfaction** through quality and innovation.



# Identifying Prime Expansion Opportunities



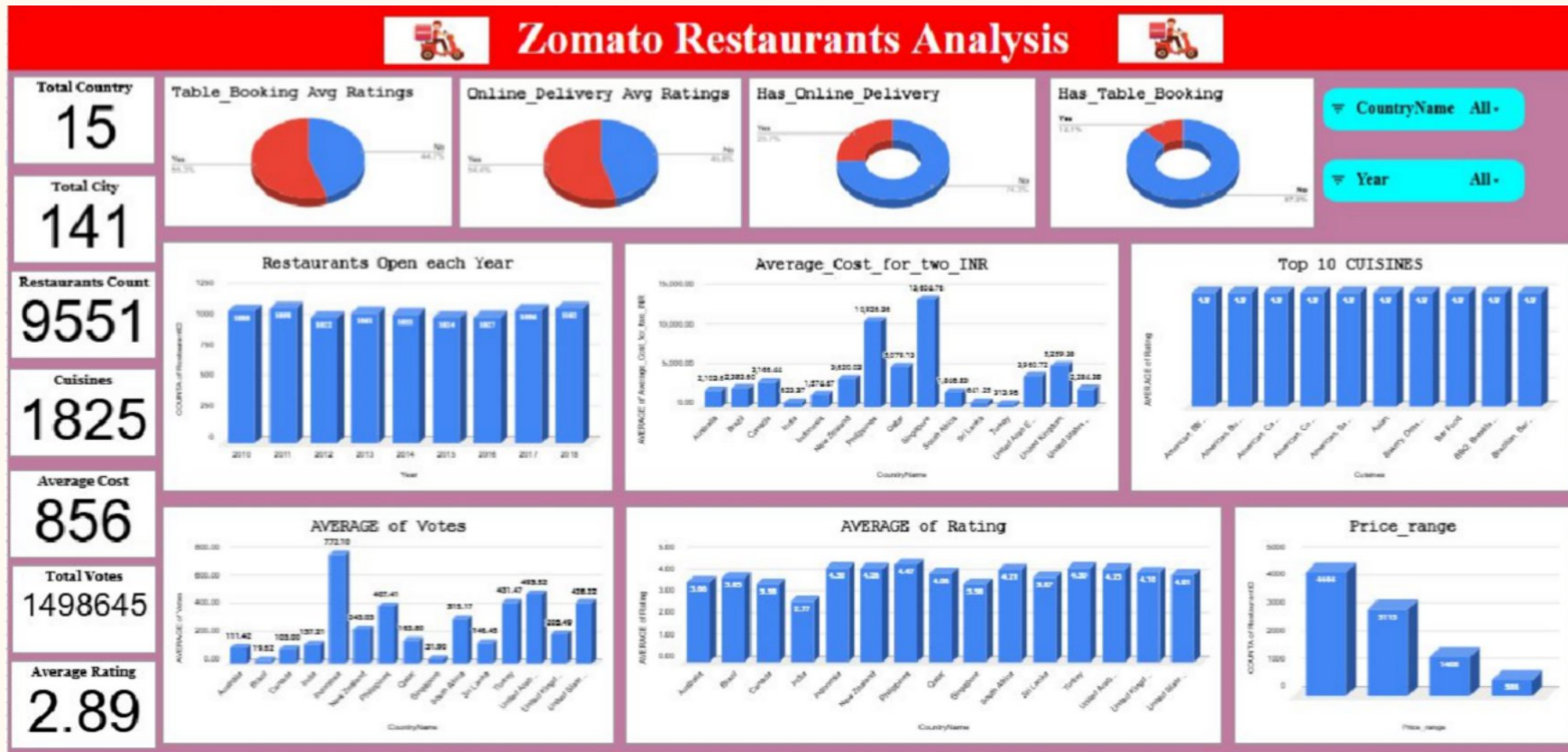
- **Qatar** and **Singapore** provide opportunities for high-end, premium restaurants, capitalizing on the higher average expenditure.
- **Canada** represents a balanced market with a moderate cost for dining, allowing for **mid-range options** targeting middle-income consumers.
- **Sri Lanka** is more suited for **budget-friendly restaurants**, with an emphasis on value and affordability.

# Zomato Restaurants Analysis

- The dashboard features **slicers** for selecting **Country Name** and **Year**, allowing users to filter and analyze data for a particular country or year.
- There are a **total of 9,551 restaurants** spread across **15 countries** and **141 cities**. The **average cost for two people is 856**, and the **average rating is 2.89**. The **total number of votes is 1,498,645** and there are **1,825 different cuisines** available.
- The highest number of restaurants were opened in **2018**, with a total of **1,102 restaurants**.
- Restaurants offering **online delivery** have a **lower average rating (2.75)** compared to those **without online delivery (3.29)**, which may point to potential service-related concerns.
- Similarly, restaurants **with table booking** have an **average rating of 2.81**, while those **without table booking** tend to have **higher ratings (3.48)**, indicating that customers may prefer the flexibility of spontaneous dining.
- **India** has the **highest number of restaurants**, with **8,652** establishments, followed by the **USA** with **434** and the **UK** with **80**. The price range distribution differs across countries, highlighting the varying market segments in each region.

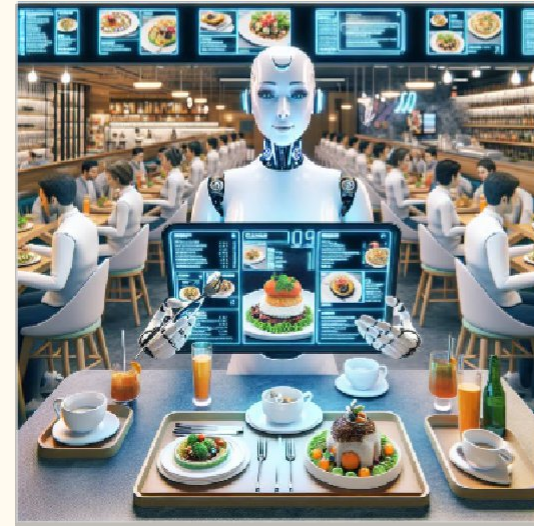


# Dashboard



# Conclusion

- **Raw Data:** The dataset consists of 2 tables with attributes like location, country name, year, locality, price, ratings, cities, etc
- **Restaurants Count:** India has the largest number of restaurants (8,652), while countries such as Canada, Qatar, Singapore, and Sri Lanka offer lower competition, making them attractive options for expansion.
- **Restaurants Ratings:** Restaurants that offer online delivery and table booking services tend to have higher ratings, indicating a positive correlation between these services and customer satisfaction. Higher-rated establishments are more likely to provide these conveniences.
- **Popular Cuisines and Customer Preferences:** Cuisines like Japanese, Seafood, and American, BBQ consistently achieve high ratings (4.5), making them excellent choices for new restaurant menus due to their strong customer appeal.
- **Market Expansion Focus:** Target cost-effective countries such as Canada, Sri Lanka, and Qatar for budget-friendly options, while capitalizing on high-spending markets like Singapore for premium pricing.
- **Slicer:** Slicers were utilized to filter the data interactively by country Name and Year for more dynamic and insightful analysis.





**Thank You.**

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