

Capstone Project: Battle of the Neighborhoods

IBM Data Science

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1 Introduction/Business Problem

1.1 Background

This analysis will study *Italian restaurants* within **New York City (NYC)**. NYC is one of the world's top culinary destinations. Therefore, the competition between individual restaurants is extremely difficult. Nationwide, the failure rate of restaurants within the first year is 60% and the failure rate within the first five years is even worse at 80%. Due to NYC's reputation as a culinary destination, there is a multitude of data to study.

1.2 Problem

This analysis has two goals:

- determine which neighborhood is best to *open a new* Italian restaurant
- determine which neighborhood is best to *invest in an existing* Italian restaurant.

Given the high failure rate, it is important for stakeholders to invest in restaurants that have a high probability of being successful. Investing in restaurants that having a proven record of success or in areas where there is a clear market that is not being satisfied will maximize stakeholders chances to have a successful outcome.