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| A close up of a map  Description automatically generated  Applied Data Science Capstone - “Battle of the Neighborhoods”  Where to open a restautrant in New York City? | Abstract  This report presents a data science project to provide assistance to a decision maker to decide where to open a restaurant in New York City.  Stefan Lemm  IBM Dat Science Professional Certificate |

1. **Introduction/Business Problem**

The problem to be discussed in this report is: In what neighborhood of New York City should a restaurant be opened?

Several criteria have to be taken into account in case your’re iterested in opening a restaurant. As you will be starting a business, you need to

* prepare a business plan
* consider legal requirements, e.g. the type of business (LLC, partnership or cooperation)
* define a logo, cards, stationary
* get tax ID numbers, licenses and permits
* think of insurance
* prepare accounts
* get a business line of credit
* ready the workspace
* leace an office space and equipment.

A well-known saying regarding property is “location, location, loction”. This definitely goes for where to open a business, too. All of these above activities are dependant on the location of your business. Only when you have decided on the state, town and neighborhood of your business, you will be able to start working on the other requirements / steps towards the actual opening.

Important factors of identifying the right location (in. thuis case neighborhood) for your restaurant include

1. Who are the potential customers and how many are may be available at a given location?

Depending on the type of business you want to attract fifferent types of customers. For an high class restaurant with very high prices with reservation policy, you want to attract welthier customers, than if you want to open a Chinese low cost restaurant with walk-in customers.

1. How important is proximity?

If you're a retail store that relies on the local community, this is vital. For other business models, it might not be. If you need people to come into your store, make sure that store is easy to find. Remember: even the best retail areas have dead spots.

1. For your employees, schools, recreational activities, cultural opportunities might be very important.
2. How many competing restaurants of what types are in a specific neighborhood? Sometimes having competitors nearby is a good thing. Other times, it's not. You've done the market research, so you know which is best for your business.
3. For a business idea that isn’t completely new, it might make sense to think about the current offerings and focus on how to create something better, cheaper or faster.

**Who would be interested in this project?**

This project could provide support for a decision maker where to prioritise in investing time and ressources to find a location for a new restaurant. Even after determining a potential neighborhood, an actual object has gto be found, but restricting the area where to look for it could make a difference.

A more generic approach could find potential areas for any kinf of business.