



#### **COURSERA CAPSTONE**

Analyzing the Neighborhoods in Visakhapatnam for setting up a new Restaurant

IBM APPLIED DATA SCIENCE CAPSTONE

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## **INTRODUCTION**

To analyze and select best locations in the smart city of Visakhapatnam to open a new restaurant

 Location of the restaurant is one of the most important decisions that will determine whether the restaurant will succeed or not

 The main objective of this project is to analyze appropriate data and find recommendations for the stakeholders.





#### **DATA**

#### Data required:

- > List of neighborhoods in Visakhapatnam
- ➤ Geographical coordinates for the neighborhoods
- > Venue Data, particularly Restaurants

#### Sources for Data:

➤ Neighborhood data retrieved from

https://en.wikipedia.org/wiki/Category:Neighbourhoods in Visakhapatnam

- ➤ Geocoder package for Latitude and Longitude coordinates.
- ➤ Foursquare API for venue data





### **METHODOLOGY**

- Web Scraping Wikipedia page for neighborhood list
- Get latitude and longitude coordinates using Geocoder
- Use Foursquare API to fetch venue data
- Group Data by neighborhood and taking the mean of the frequency of occurrence of each venue category
- Filter venue category by Restaurant
- Perform clustering on the data by using K-means clustering
- Visualize the clusters in a map using Folium

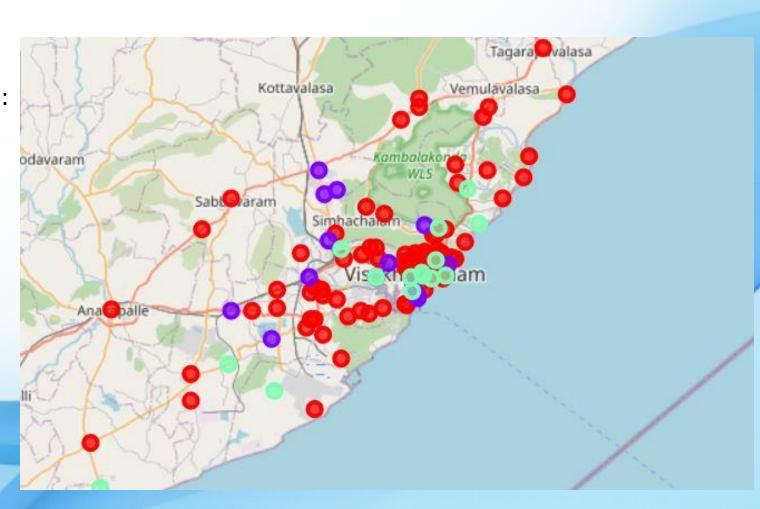


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#### **RESULTS**

Categorized the neighborhood into 3 clusters :

- ➤ Cluster O(RED): Neighbourhoods with very less number of Restaurants
- ➤ Cluster 1(PURPLE): Neighbourhoods with a high concentration of Restaurants
- ➤ Cluster 2(GREEN): Neighbourhoods with a moderate number of Restaurants.







#### **DISCUSSION**

- A good number of Restaurants are concentrated in the heart of the city.
- Highest number in Cluster 1 and moderate number in cluster 2
- Cluster 0 has no restaurants in the neighborhoods
- Therefore, the project recommends the investors to capitalize on these findings
  - to open new restaurants in the neighborhoods of cluster 0 with no competition





### **RECOMMENDATIONS**

- > Open new shopping malls in neighbourhoods in cluster 0 with no competition
- > Can also open in neighbourhoods in cluster 2 with moderate competition if having unique selling propositions to stand out from the competition.
- Avoid neighbourhoods in cluster 1, having high concentration of restaurants and intense competition.





#### **CONCLUSIONS**

• Answer to business question: The neighbourhoods in **Cluster 0** are the most preferred locations to open a new restaurant

• Findings of this project will help the relevant investors to capitalize on the opportunities on high potential locations while avoiding overcrowded areas in their decisions to open a new restaurant.





#### Limitations

• Frequency of occurrence is the only criterion considered

Can also consider other criteria such as population and Income of residents

 Future research could devise a methodology to estimate data to be used in the clustering algorithm to determine the preferred locations to open a new restaurant.

 Future research could make use of paid service to bypass these limitations and obtain more refined results.



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# THANK YOU