

The Battle of Neighborhoods

Hong Kong vs Singapore: Where to
open a restaurant/coffee shop?

Introduction -Hong Kong vs Singapore: Where to open a restaurant/coffee shop?

- ▶ Hong Kong and Singapore, two of the major competitors in Asia economically, have been vying for the top spot in various global economic ranking indicators. To name a few:
- ▶ **Fraser Institute's annual Economic Freedom of the World report**, Hong Kong(1)and Singapore(2) are once again the most economically free jurisdictions in the world, occupying the top two spots.
- ▶ **IMD World Competitiveness Yearbook 2018**, The United States returns to the first spot, followed by Hong Kong(2), Singapore(3), the Netherlands and Switzerland.
- ▶ **World Economic Forum's Global Competitiveness Report 2018**, Singapore ranks 2nd while Hong Kong trails by 5 spots at 7th.

Problem

- ▶ When it comes to a practical problem for a restaurant/coffee shop owner in any places of the world, when considering **where to open a new business around the city center** of these two places renowned for the ease of starting an operation, which city should he/she choose?

Data acquisition and cleaning

- ▶ The data is acquired from Foursquare by collecting the information of 100 venues within the 500 meter-radius of the city centers of Central, Hong Kong and Downtown Core, Singapore
- ▶ Only venues categorized as “restaurant” are selected to compare the variety of restaurants in both areas. To further explore the dominance of global coffee shop chain in both places, locations of Starbucks around the city centers are fetched also by using Foursquare

Exploratory Data Analysis and Results

The background of the slide features abstract, overlapping green geometric shapes, primarily triangles and polygons, in various shades of green, creating a modern and dynamic visual effect.

Which city offers more ethnic cuisines?

Hong Kong

| categories | counts |
|-------------------------------|--------|
| Chinese Restaurant | 5 |
| French Restaurant | 4 |
| Italian Restaurant | 4 |
| Japanese Restaurant | 4 |
| Sushi Restaurant | 4 |
| Cantonese Restaurant | 3 |
| Dim Sum Restaurant | 2 |
| Asian Restaurant | 1 |
| Beijing Restaurant | 1 |
| Hong Kong Restaurant | 1 |
| Mexican Restaurant | 1 |
| Shanghai Restaurant | 1 |
| Thai Restaurant | 1 |
| Vegetarian / Vegan Restaurant | 1 |

Singapore

| categories | counts |
|----------------------------|--------|
| Japanese Restaurant | 7 |
| Chinese Restaurant | 6 |
| Mexican Restaurant | 3 |
| Restaurant | 2 |
| Vietnamese Restaurant | 2 |
| Dumpling Restaurant | 1 |
| Indian Restaurant | 1 |
| Italian Restaurant | 1 |
| Modern European Restaurant | 1 |
| North Indian Restaurant | 1 |
| Ramen Restaurant | 1 |
| Seafood Restaurant | 1 |
| Spanish Restaurant | 1 |
| Sushi Restaurant | 1 |

- ▶ A city that placates a wide variety of tastes offers more flexibility for restaurant owners to formulate their business plans
- ▶ Many of the items under Hong Kong can be categorized as Chinese Restaurants, such as 'Cantonese', 'Beijing', 'Hong Kong' and 'Shanghai' restaurants
- ▶ Singapore offers more types of ethnic cuisines

Which city is a better place to open a coffee shop?

Singapore

categories

Coffee Shop 11

Chinese Restaurant 7

Japanese Restaurant 6

Sandwich Place 5

Café 4

Hong Kong

categories

Lounge 5

Chinese Restaurant 5

Italian Restaurant 4

Gym / Fitness Center 4

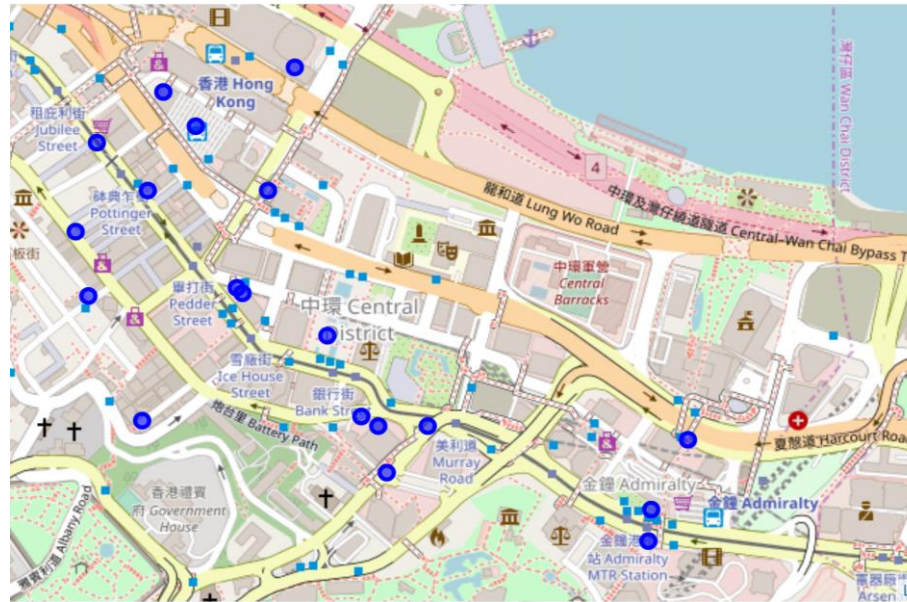
Sushi Restaurant 4

► Comparison of the Top 5 categories of venues in both cities

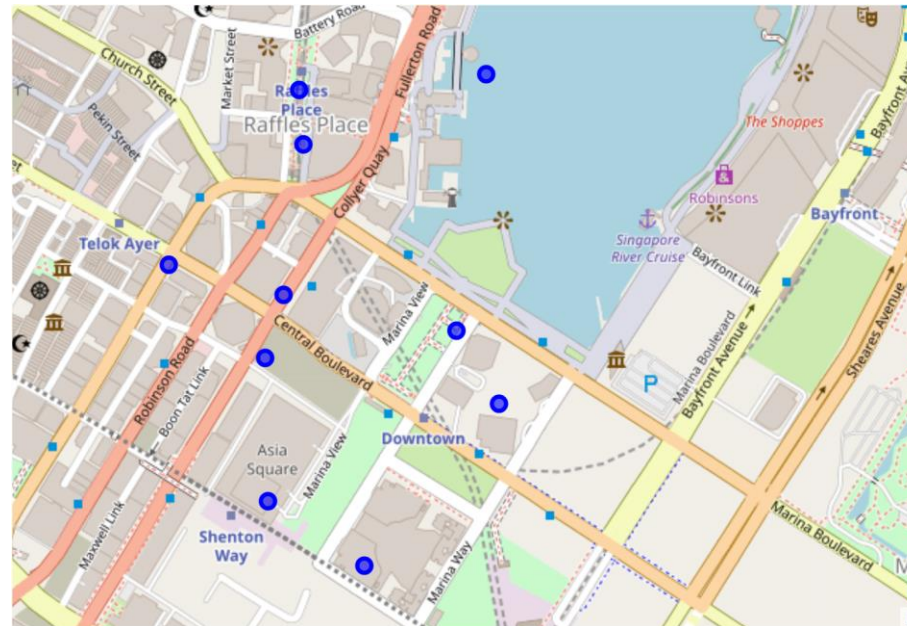
► Singapore stands out with a large number of coffee shops

Factoring in the Starbucks effect

Location of Starbucks around Central, Hong Kong(top) and Downton Core, Singapore(bottom)



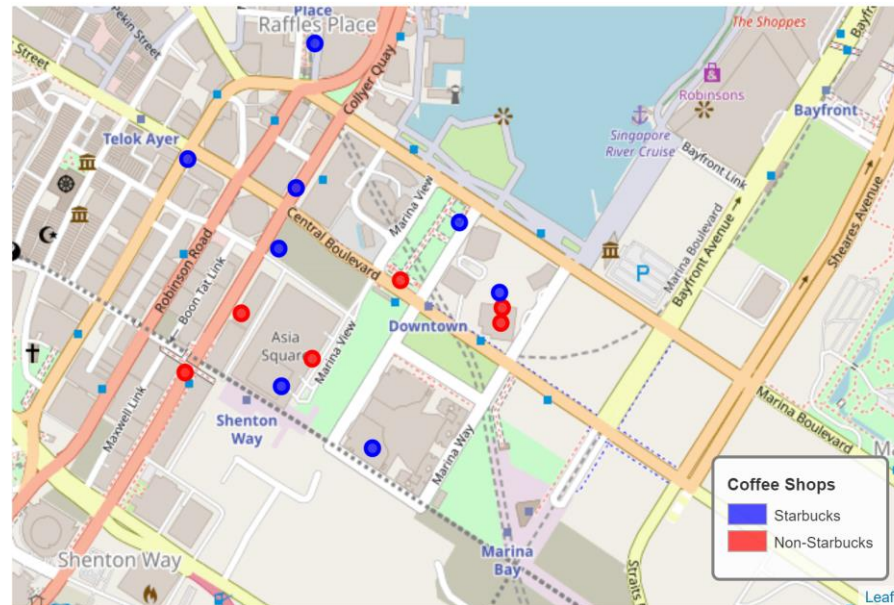
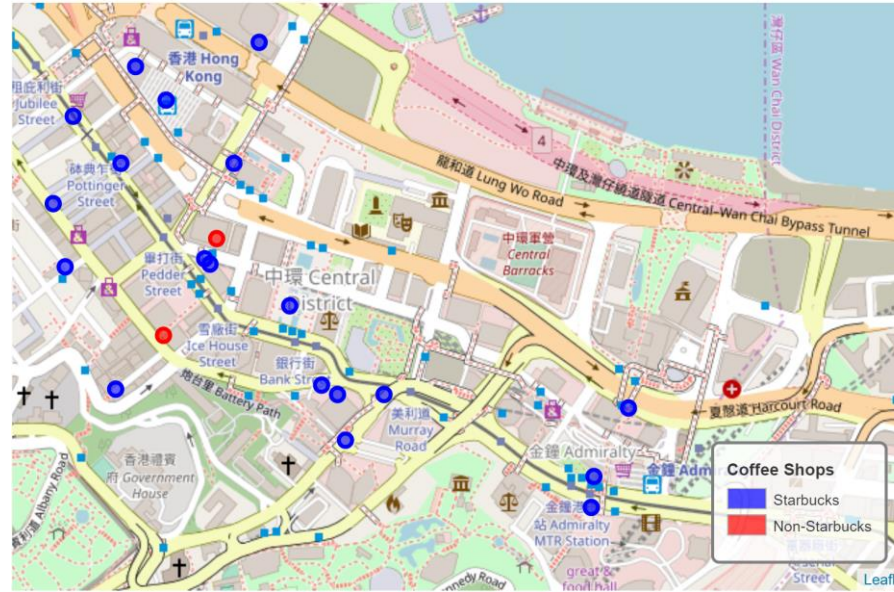
Number of Starbucks in Central, Hong Kong outnumbers Downtown Core, Singapore by 19 to 9



Considering Non-Starbucks coffee shops...

Location of coffee shops around Central, Hong Kong(top) and Downton Core, Singapore(bottom)

More non-Starbucks coffee shops around Downtown Core, Singapore. Many of them are closer to the city center than Starbucks



Non-Starbucks around Downtown Core, Singapore

| name | categories |
|--------------------------|-------------|
| Jewel Coffee | Coffee Shop |
| The Exchange | Coffee Shop |
| Lunar Coffee Roaster | Coffee Shop |
| 63Espresso | Coffee Shop |
| Workspace Espresso & Bar | Coffee Shop |
| Toast Box 土司工坊 | Coffee Shop |

Discussion and Conclusion

- ▶ Singapore ticks both boxes for offering a wide selection of ethnic cuisines and better prospects for survival in face of dominance by Starbucks
- ▶ High rents for shops in Hong Kong may account for the results, relevant data may be incorporated for further analysis
- ▶ not fully representative of the coffee shop business in both cities (e.g. many non-Starbucks coffee shops can be spotted around Central within the Central and Western district)