

L.A. restaurant research

NEW BUSINESS OPPORTUNITY

Viktor Akulinin, student
victor.akulinin@gmail.com
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TripleTen



INTRO

We are a group of partners who decided to open a robot-run cafe in Los Angeles.

Using innovations – waiter robots, we plan to enter the market and take part of it.

Before launching the project, we studied the restaurant market in more detail. This presentation is the result of our research.



MARKET

In the study, we used data from more than 9,000 establishments in Los Angeles. The data includes information about the name of the institution, its type, the number of seats, its location, and belonging to a network institution.

Based on the data, we studied the existing patterns to determine the most appropriate size, and location, and whether it is worth becoming a chain establishment.

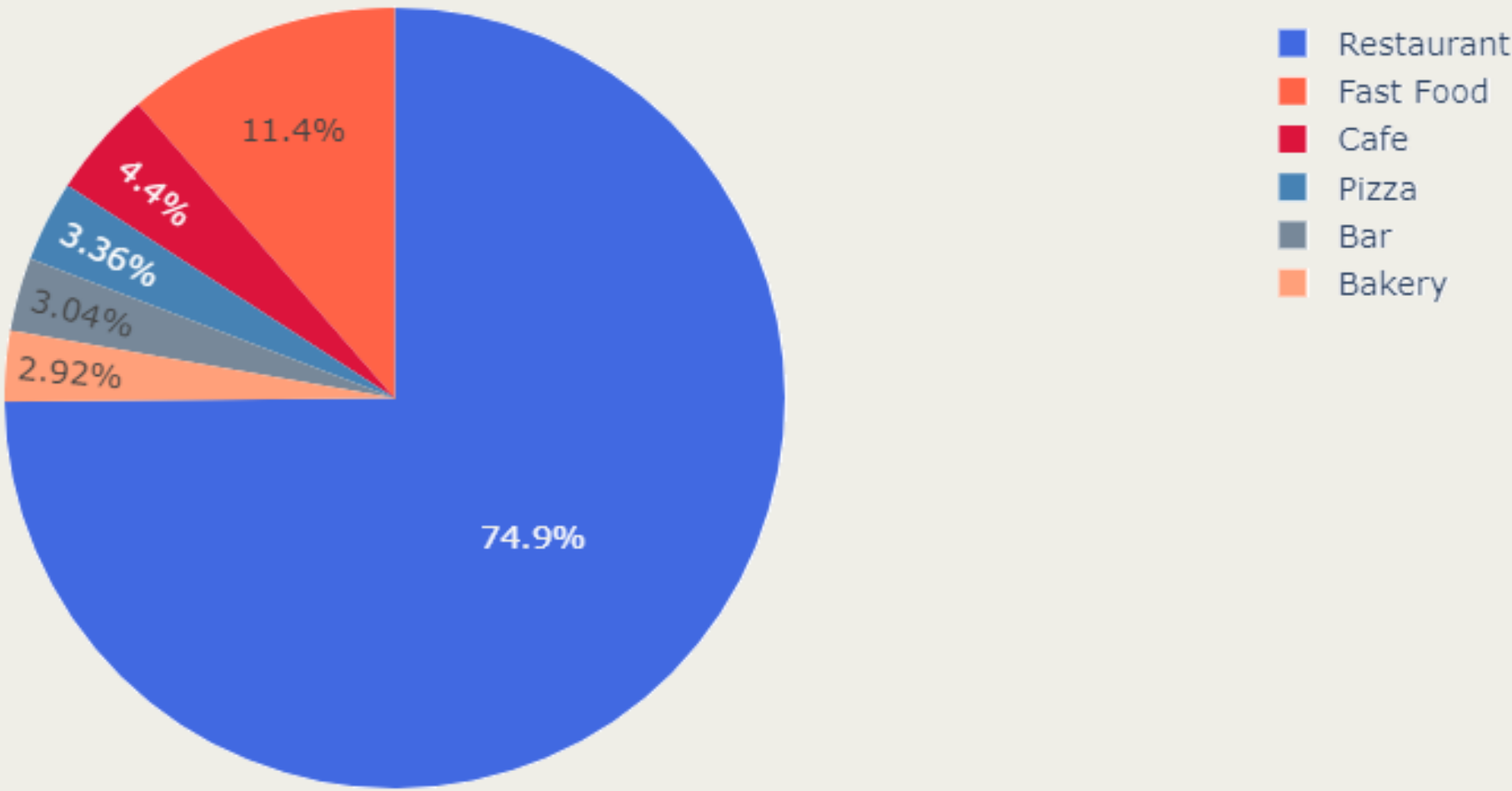


TYPES OF ESTABLISHMENTS

Every 3 out of 4 establishments in LA are restaurants.

The most shareable type of establishments:

- 75% of establishments are occupied by restaurants
- 11.4% of establishments are occupied by fast-food
- 4.4% of establishments are occupied by a cafe



CHAINS

Bakeries are 100% chain establishments.

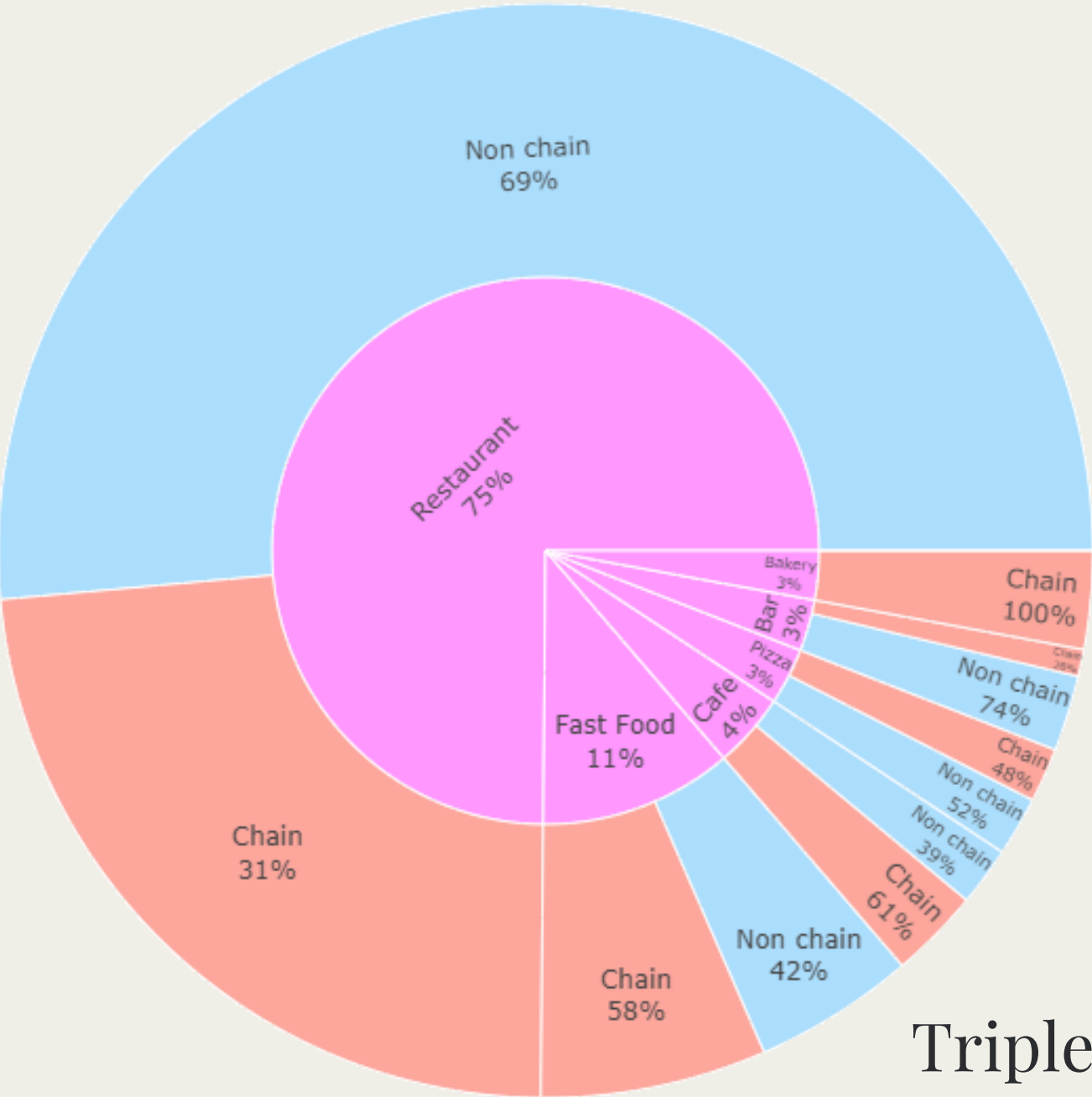
Extremes

The most common network establishments

- bakeries 100%
- cafe 61%

The most common non-chain establishments

- bar 74%
- restaurants - 68%



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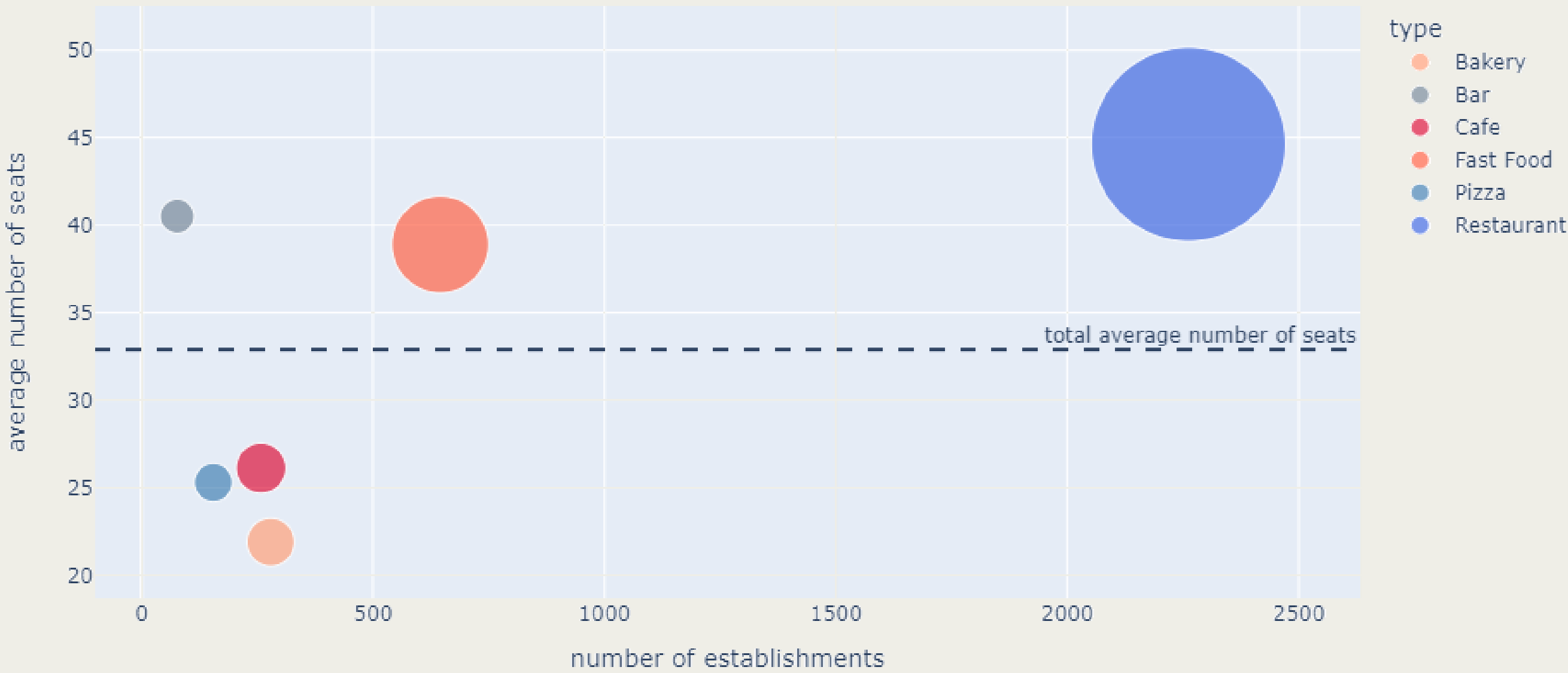


SEATS BY CHAINS

Less kitchen, fewer seats.

Chain establishments are divided into two groups:

- Cafes, pizzerias, and bakeries mostly have few seats.
- Bars, fast food, and restaurants on the contrary, are focused on many seats.



SEATS GENERAL

The average number of seats in restaurants and bars is the highest.

The average number of seats for cafes in chain establishments is higher than the same general indicator for chain and non-chain establishments.

Opening the first cafe, you should not chase after a large number of seats.

type	number of establishments	number of seats	average number of seats
Restaurant	7,225	346,588	47.97
Bar	293	13,160	44.91
Fast Food	1,104	35,923	32.54
Pizza	324	9,170	28.3
Cafe	426	10,753	25.24
Bakery	279	6,108	21.89

SEATS GENERAL

The box plot data points showed how different types of establishments are represented.

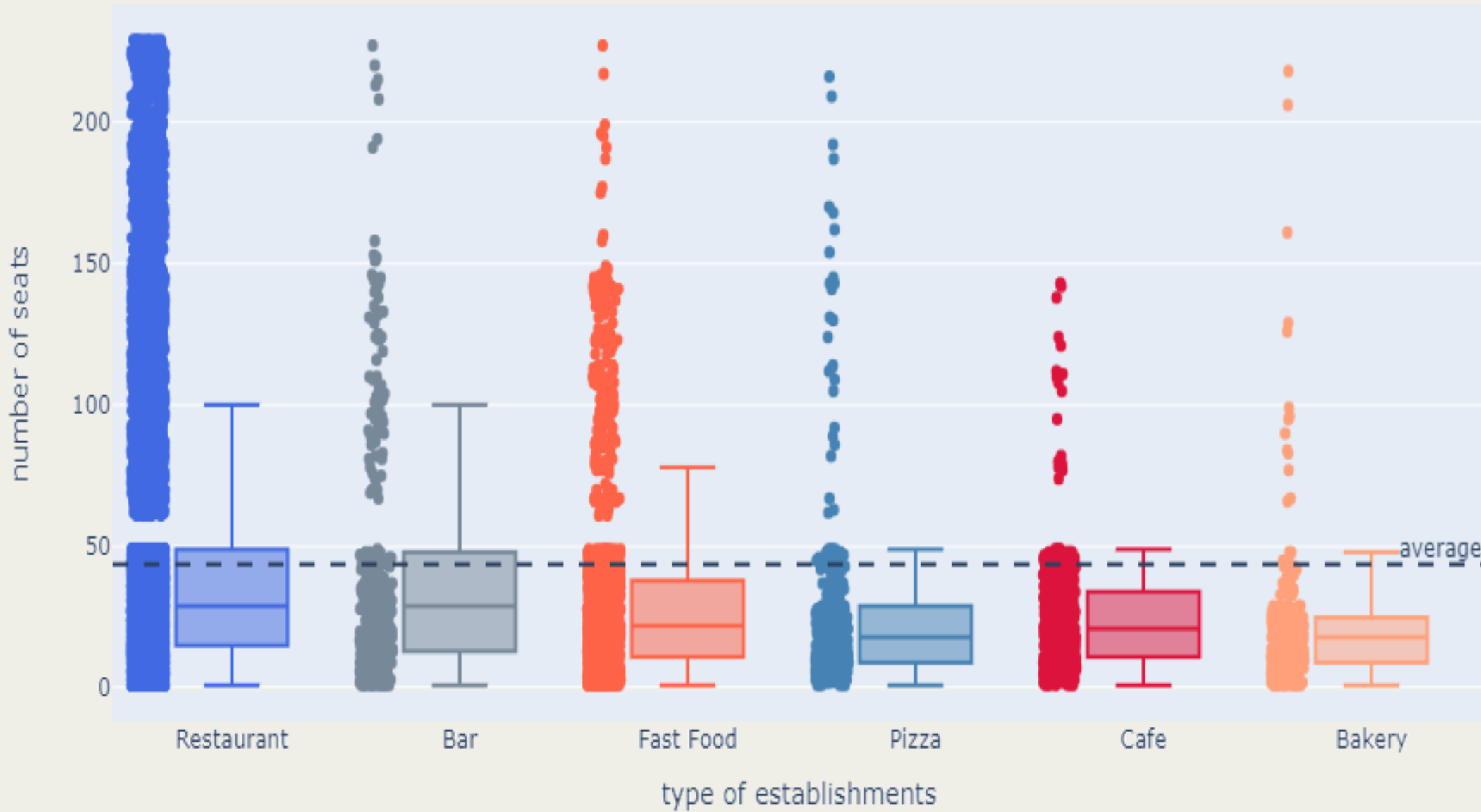
Restaurants are best represented, even with an increase in the number of seats, the number of establishments is declining in criticality.

In second place is fast food, and then a bar.

The cafe has the shortest "tail" for establishments with more than 50 seats.

But pizzerias and bakeries begin to lose and reduce the number of establishments after about 33 places, but at the same time, they have long tails.

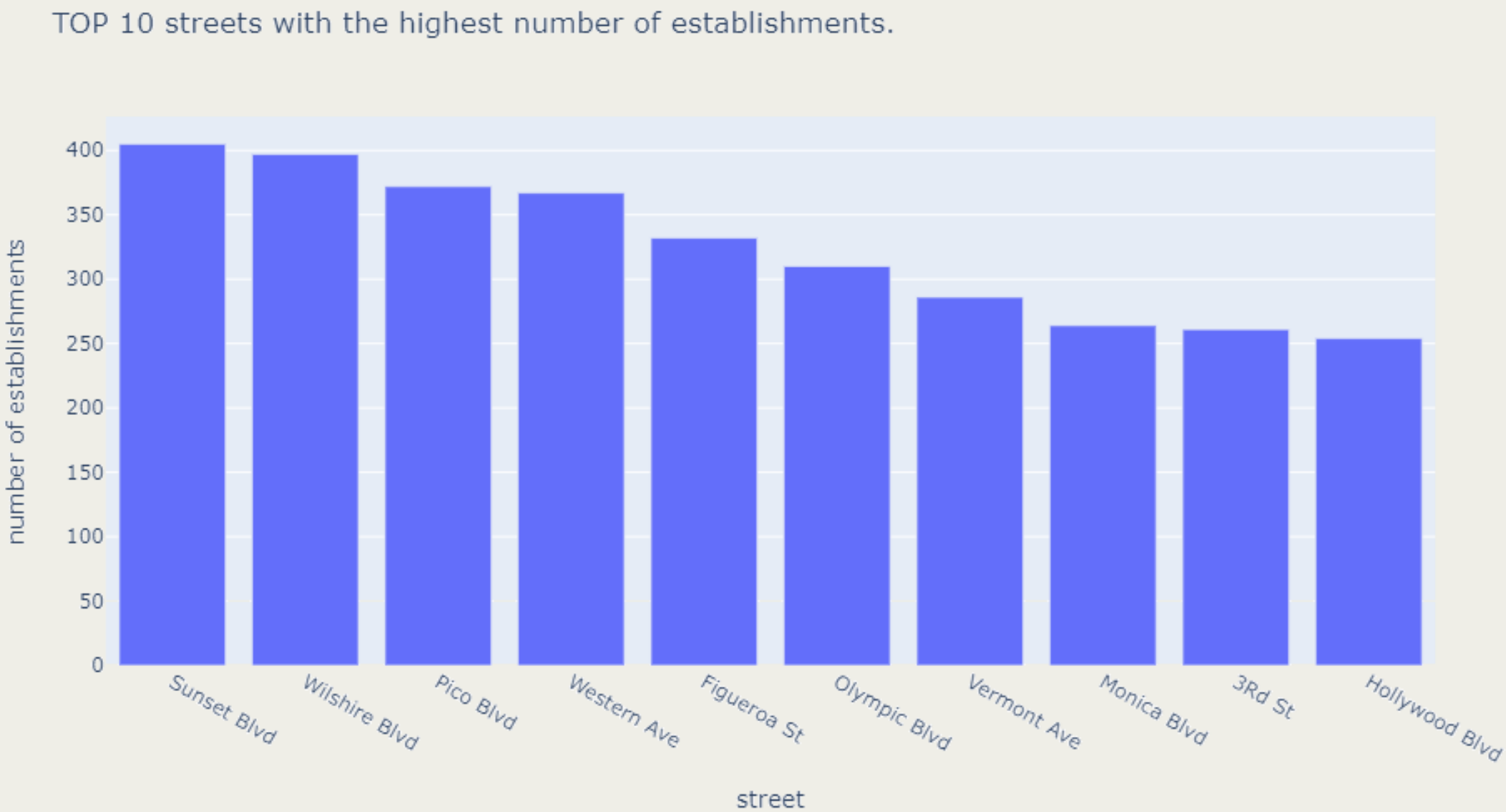
Cafe is needn't a lot of seats, only good coffee.



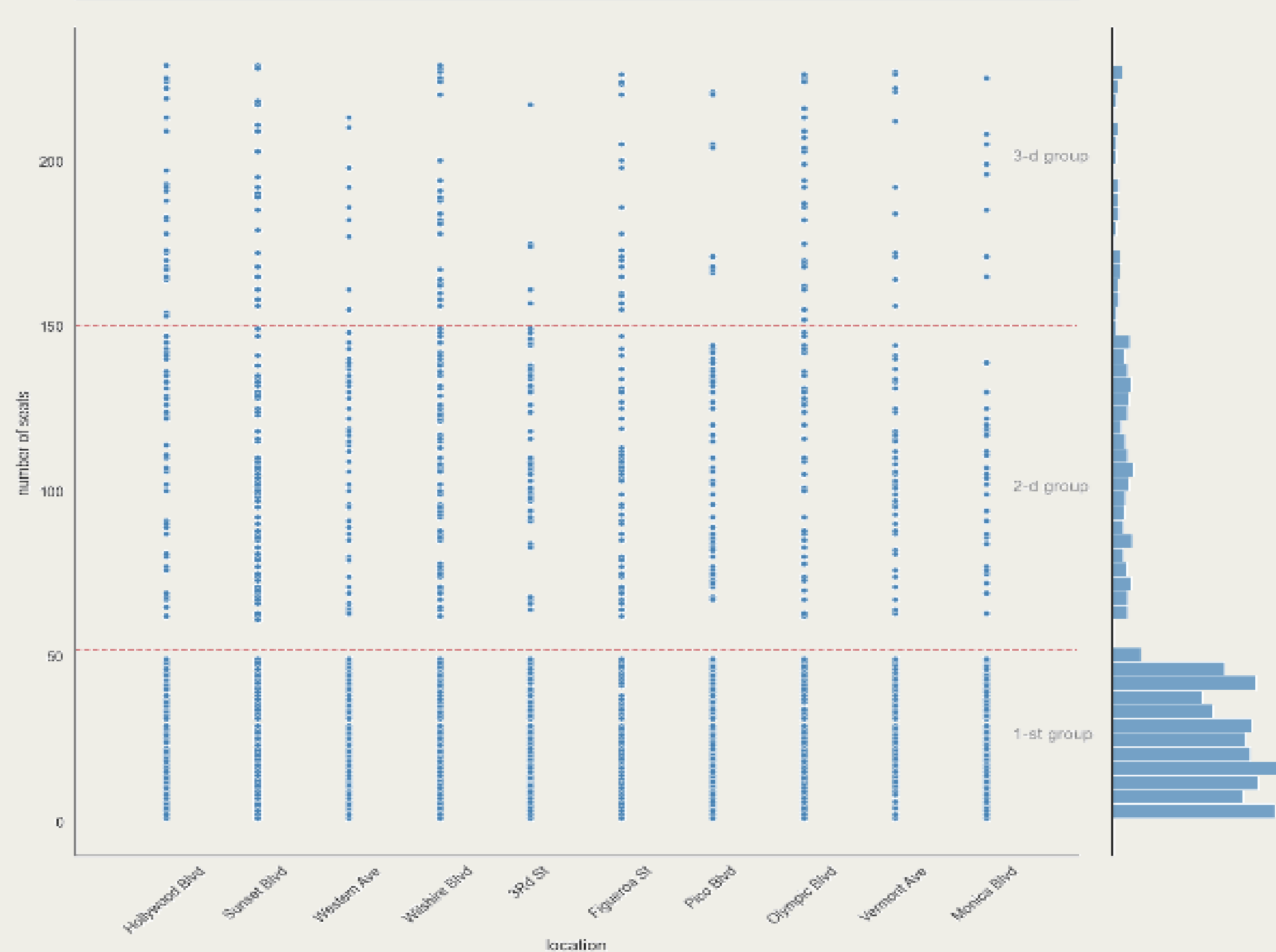
STREETS

The TOP 10 streets (2%) have between 250 and 405 establishments on each street, which is about 30% of the total number of establishments.

At the same time, 229 streets (44%) have no more than 1 establishment, which in total is 2.5% of the total number of establishments.



LOCATIONS



The schedule shows that most of the establishments work with a number of seats up to 50, with a larger number – the number of establishments decreases.

Most of all on these streets there are establishments with the number of seats in the range of 16 – 20.

FINAL RECOMMENDATION

We recommend opening a small cafe for up to 20 seats on a popular street in a passing place.

Robot service innovation will surely attract customers, and high traffic will create recognition. After increasing awareness, it will be possible to scale, which will undoubtedly improve financial performance.



Thank you!

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