

How to: Use location data to understand neighborhoods and cities better



Point-of-interest (POI) data can help with better site selection, competitive analysis, and much more.

Introduction

Every neighborhood has a **feel**. If you're looking to open a restaurant, new stores, or other brick-and-mortar business, you want to choose a location in a neighborhood that aligns with the type of customers you're looking to attract. You also don't want to open up next to a competitor that's too similar or in a saturated market.

But if you're looking to expand into new markets, how can you **really** understand the current landscape without on-the-ground knowledge? The answer is point-of-interest (POI) data.

Putting POI to work: Mapping out L.A.'s culinary communities

Let's talk about restaurants. Food, in many ways, is the glue that binds us to our families, our cultures, and our communities. One of the first things people do when immigrating to a new country or city is to establish communities and open restaurants to feed them. Los Angeles is a prime example of what bubbles up when you have a true melting pot of cultures and cuisines -- you can eat your way around the globe without ever leaving city limits. But how does one find authentic culinary communities that aren't necessarily labeled on the map the way that hotspots like Koreatown might be?

This was just one of the questions Javier Soliz, a Foursquare Sr. Sales Engineer, addressed when he and fellow geography buffs [William Selby](#) and [Jing Liu](#) originally published [The Los Angeles Melting Pot - A Culinary and Cultural Study](#) on Esri's StoryMaps sharing platform. By putting POI data to work, Javier and his team unlocked numerous valuable insights about the LA restaurant industry without ever having to step foot into a restaurant.

Restaurant groups, retail chains, and other enterprises can replicate this work and use POI data to help solve problems such as site selection, competitive analysis, and much more.

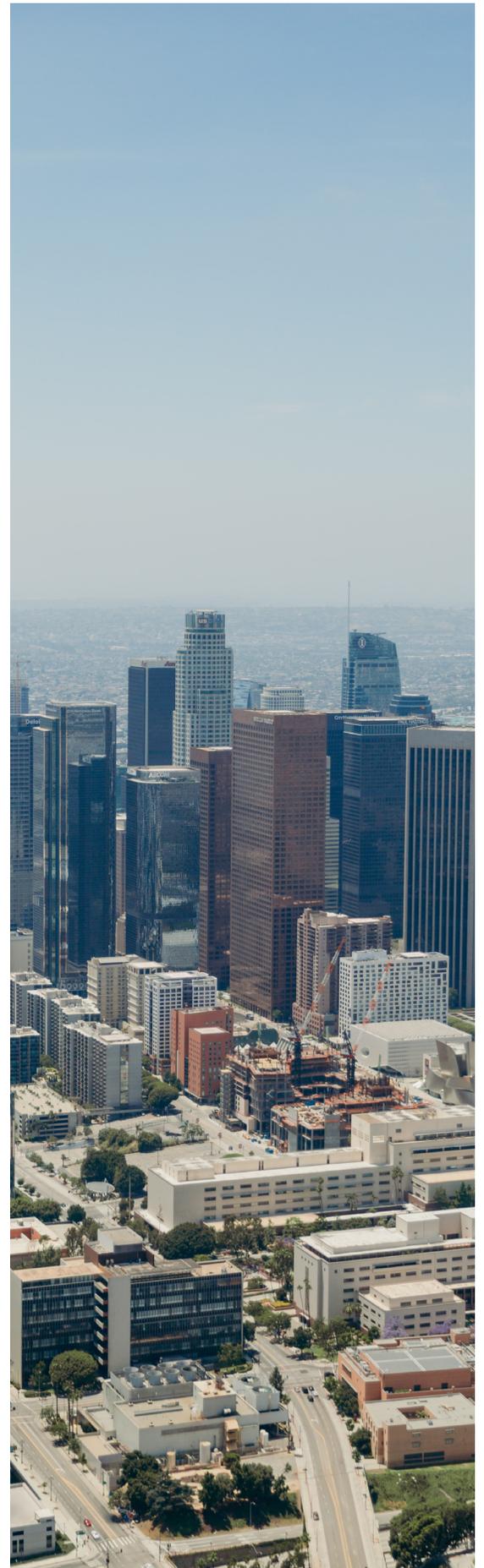
What can Point-of-Interest (POI) Data do for you?

1. Mapping and understanding the world.

Maps have the power to illustrate the diversity of our cities and communities by showing the distribution of ethnic restaurants and cultures. They help people navigate the world around them and uncover new opportunities for businesses of all kinds.

The maps used in “The Los Angeles Melting Pot: A Culinary and Cultural Study” project were built using Foursquare’s Places Database. Here’s why Foursquare Places data was the ideal choice for building maps like this:

- **Comprehensive and up-to-date:** Foursquare Places data spans 190+ countries and 50 territories. The dataset is updated continuously and published daily to reflect a world that is constantly evolving. The maps in the original story were built based on data from December 2020.
- **Rich set of attributes to allow for precision:** Foursquare Places has a rich set of attributes, several of which were used in this analysis: the restaurant’s location, the restaurant’s categorization, and information telling us if the restaurants were part of a national chain.
- **Ability to eliminate the noise and go local:** Independent, locally owned-and-operated locations are more representative of a community than national chains like McDonald’s or Subway. As demonstrated in The Melting Pot study, because Foursquare adds a Chain ID to locations that fall into national or regional chains, it’s easy to remove them and get an idea of what an area is really like.



2: Solving complex business challenges

Retailers, restaurants, and businesses across industries operate in an ever-changing world. In fact, about 600K businesses open each year in the U.S. alone -- and nearly as many close. To survive and thrive in such highly competitive and evolving industries, enterprises must find ways to understand their customers better, keep an eye on competitors, and find opportunities to differentiate themselves.

Here are just a few examples of how businesses can put POI data and geospatial analysis to work to solve such complex businesses challenges:



Inform site selection and competitor analysis

- Evaluate new potential locations for market expansion
- Measure competitor location density in the neighborhood/surrounding area
- Conduct transaction cleansing to improve location match and classification percentage of customer transactions

Stay appraised of local trends and activity

- Understand key existing and changing key characteristics of a neighborhood (i.e. the prevalence of fitness studios, art galleries, bars, etc.)
- See when new venues open and other venues close
- Track competitor activity in the neighborhood/surrounding area

Improve in-app experiences by providing content and tools relevant to your users.

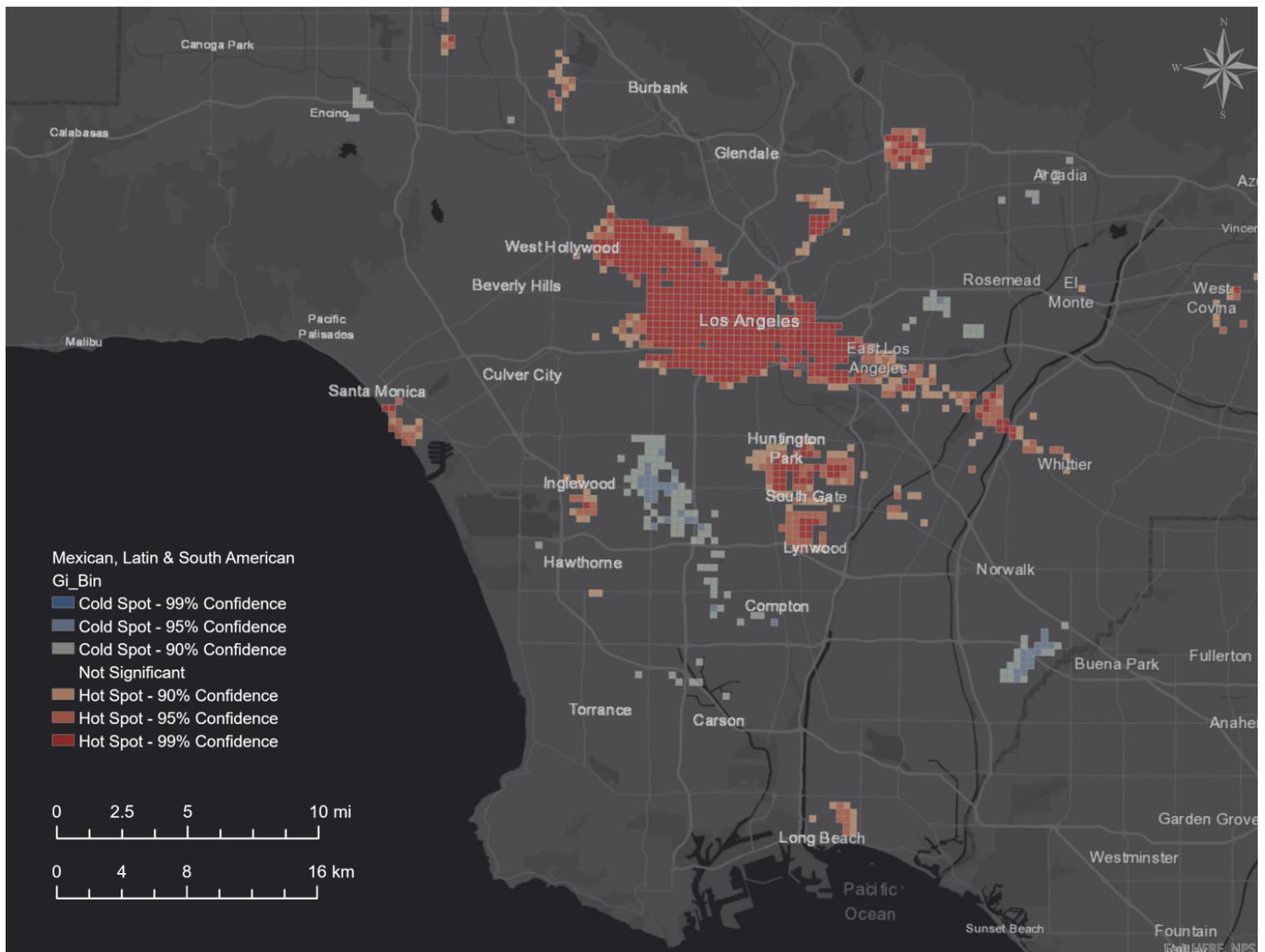
- Enhance trip-planning functionality by making local places easily discoverable.
- Make recommendations by category to (e.g. “things to do nearby” functionality).
- Showcase rich content (e.g. pictures, reviews, tips, trends) by-venue to your customers (either via guidebooks or on your website).
- Enable social tagging by quickly identifying places nearby and tying that location to a social post

3: Illuminate Insights

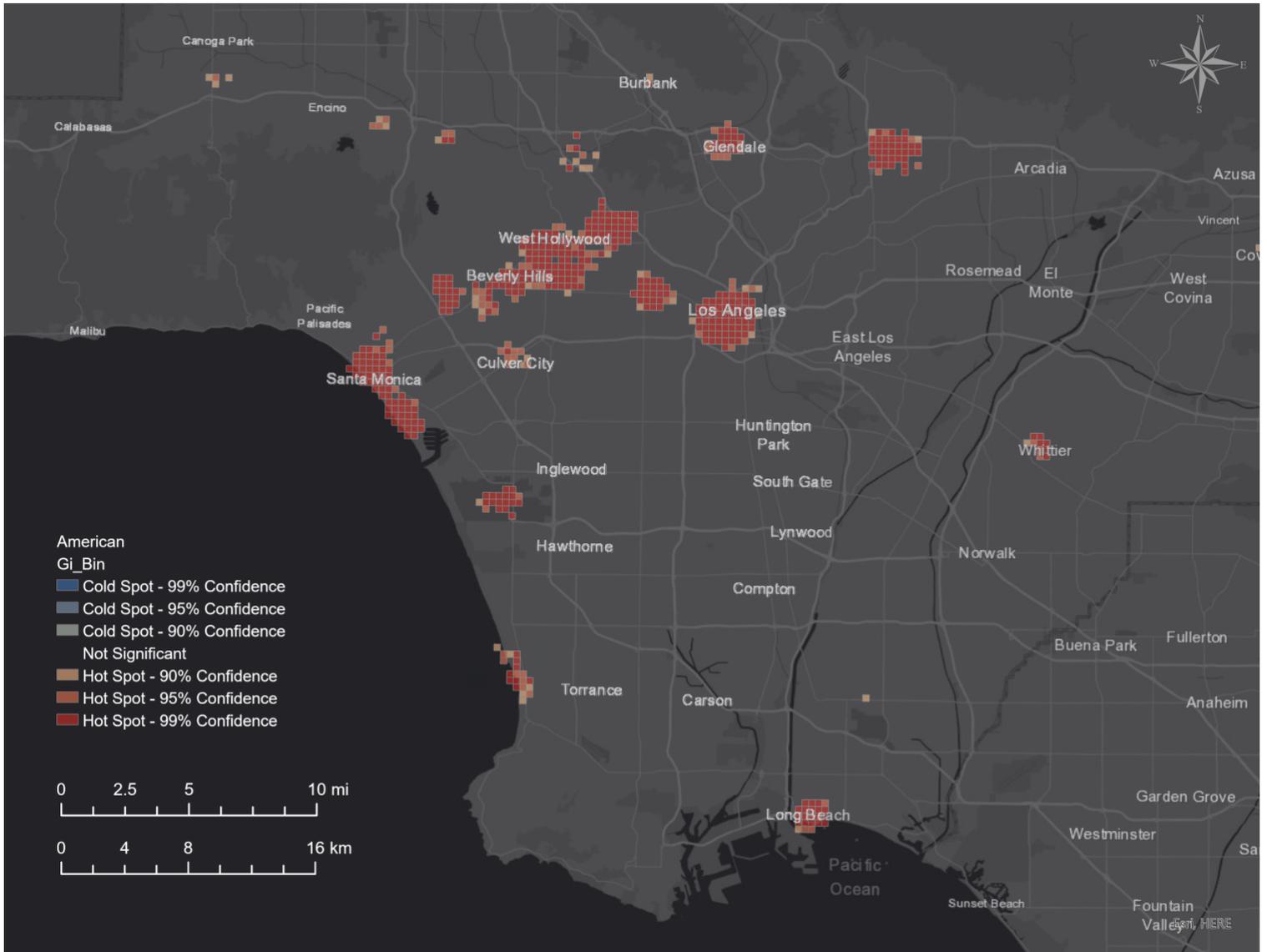
[The Los Angeles Melting Pot - A Culinary and Cultural Study](#), shows us how POI data can tell a powerful and detailed story of a community, and such insights can help enterprises spot new opportunities.

Check out these examples of the types of insights Javier's team gleaned by using Places data:

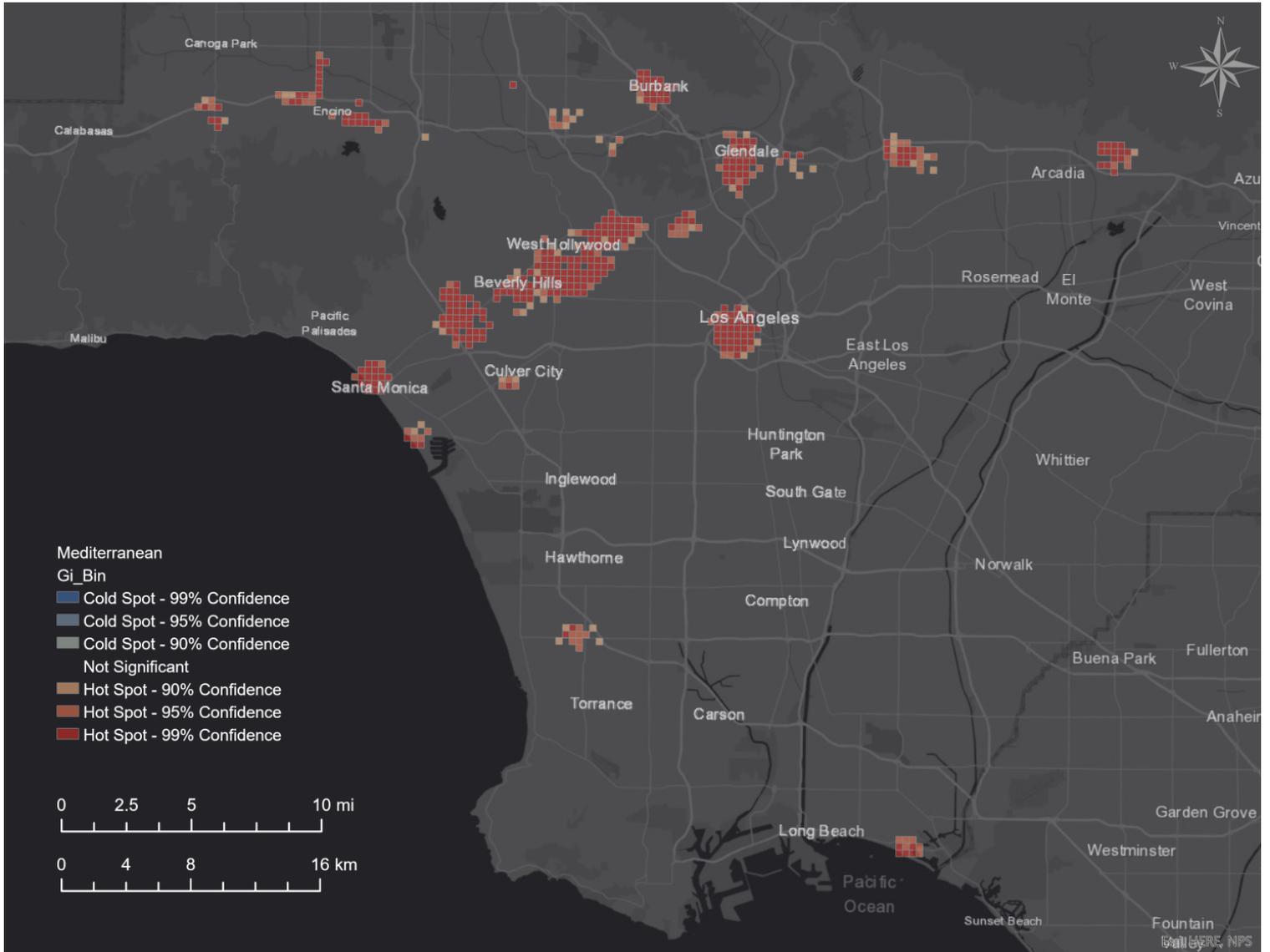
- **Spotting changes in trends:** Some areas that have historically been associated with one culture or ethnicity are experiencing change. For example, some clusters around southeast Los Angeles have been traditionally thought of as African American, but are now majority Latino.



- Connecting food preferences with tourism:**
 Some of L.A.'s most popular tourist neighborhoods -- including Hollywood, West Side, and near the beach -- show a larger amount of "American" restaurants vs. more diverse cuisine choices.



- Suggesting links between lifestyle and neighborhood foods:** Mediterranean -- long lauded as one of the healthiest cuisines -- appears to be most prevalent in affluent neighborhoods, such as Ventura Boulevard and through the San Fernando Valley.



Conclusion

POI data can tell powerful stories about the world around us -- and it can help businesses in a myriad of ways. The work conducted by Javier and his team is a fun, engaging way to see how POI data can be used to map and understand the work, solve complex business challenges, and illuminate unique insights about customers, communities, and so much more.

For more information about how you can use POI data to help your business, reach out to us at Foursquare.com.

Where can you get Places POI data?

Places POI data is available via our flat-file and API options as well as through our strategic partners, including:



Foursquare is the leading independent location technology company, powered by our deep understanding of how people move throughout the world. Our solutions help businesses make smarter decisions, developers create more engaging experiences, and brands build more effective marketing strategies.