Bar Locations in Toronto

Capstone Course

Business Problem

▶ Opening a bar presents financial risk to entrepreneurs with startup costs averaging between $110,000 to $550,000 USD depending on size, location, etc. (1) To minimize risk and maximize profitability, entrepreneurs need to put in the work upfront to determine the best location for their opening.

▶ Factors which can contribute to a bar being successful is a neighborhood that has a higher population, expendable income and low crime rates.

▶ This study will utilize various data sources to propose potential locations to bar entrepreneurs.

Data Acquisition

- Neighborhood Crime Rates
  - Level of crime within Toronto's neighborhoods as identified by Toronto's Public Safety Portal
  - https://data.torontopolice.on.ca/datasets/neighbourhood-crime-rates-boundary-file-/data
- Toronto's Neighbourhood Profiles
  - Population and income within Toronto neighborhoods (2016) gathered by the census
  - https://open.toronto.ca/dataset/neighbourhood-profiles/

Data Cleaning/Methodology

- Both datasets require cleaning and produced into data frames

- Toronto Neighbourhood Profiles

  - In order to obtain information required, data needed to be cleaned in order to reflect correct neighborhoods along with pulling back only applicable data fields, population and income. From there, sorted the data fields based on population and income of population

- Neighborhood Crime Rates

  - To obtain information required, csv file was obtained from the city of Toronto. Due to various years and types of crime available in this report, I leveraged the average theft crime rate. This rate provides the average theft over the last 5 years.

Results

- Top 10 Average Income Toronto neighborhoods (descending)

  - Bridle Path- Sunnybrook York Mills

  - Rosedale-Moore Park

  - Forest Hill South

  - Lawrence Park South

  - Casa Loma

  - Kingsway South

  - Leaside-Bennington

  - Bedford Park-Nortown

  - Yonge-St.Clair

  - Annex

Results

- Toronto neighborhood with highest population and top income (descending):

  - Annex

  - Bedford Park-Nortown

  - Rosedale-Moore Park

  - Leaside-Bennington

  - Lawrence Park South

  - Yonge-St.Clair

  - Casa Loma

  - Forest Hill South

  - Kingsway South

  - Bridle Path- Sunnybrook York Mills

- Soring neighborhoods above based on lowest crime rate (ascending):

Lawrence Park South
Kingsway South
Yonge-St.Clair
Casa Loma
Forest Hill South
Bridle Path-Sunnybrook-York Mills
Leaside-Bennington
Rosedale-Moore Park
Bedford Park-Nortown
Annex

Discussion

- The analysis started with Toronto neighborhoods, identifying those with the highest average income and highest population.

- There are additional factors not taken into consideration in this data pull/analysis that can be explored. While this data may suggest a certain area as ideal, it is only based on the predetermined factors.

- An example of other areas to explore include cost of commercial reality within neighborhoods, density, average age of citizen, longevity of established businesses, willingness to travel, etc.

Conclusion

▶ Based on predetermined variables, the best neighborhood to open a bar is Lawrence Park South, due to a top ten average income level, population greater then 10,000 and having the lowest theft average.

▶ The theft over average for the following neighborhoods were within 5% of the lowest for Lawrence Park South.

  ▶ Kingsway South, Yonge-St.Clair, Casa Loma, Forest Hill South, Bridle Path-Sunnybrook-York Mills, Leaside-Bennington

▶ Using theft over average excluded only Annex, with the highest rate of 29.5 and Bedford Park-Nortown, 11.3, and Rosedale-Moore Park, 9.5.

▶ As previously stated, this is preliminary stage of analysis to determine the best location. Due to the financial and time commitment of opening a bar, additional analysis is required.

Sources

- Github
  - https://github.com/bsteele0220/Coursera_Capstone/blob/d50485cde9f1fd3203b9d16a2c9522bc25098283/The%20Battle%20of%20the%20Neighborhoods.ipynb

- Source 1-
  - https://www.investopedia.com/articles/personal-finance/011216/economics-owning-bar.asp