



MEXICAN RESTAURANT IN TORONTO

Finding the right Neighborhood

Kenneth Miralles Mora
IBM Data Science
Capstone - Coursera

A NEW MEXICAN RESTAURANT

GOAL

- ❖ Find a Neighborhood to open a Mexican Restaurant, the idea is to maximize the success and minimize the risk based on the description of the stakeholders that wants to open the restaurant.
- ❖ Final decision will be up to the stakeholders.

LIMITATIONS

- ❖ We are going to focus on the Postal Codes that contain in its name the word "Toronto" which are 38 Neighborhoods.
- ❖ We are going to follow the restrictions and characteristics that the stakeholders are looking for.
- ❖ Stakeholders wants us to compare 3 different neighborhoods so they can decide after exploring them in person physically, this exploration is out of the scope of this research.
- ❖ COVID-19 could affect the investigation, but this is part of the research.

Toronto a City Full of Diversity

Toronto is a city with a lot of diversity, there are a lot of Ethnic groups and there are neighborhoods full of people from one specific part of the world like China, India, Italia, so the stakeholders would like a neighborhood where there is some diversity on the restaurants in opposition to a strong base on one specific type of cousin.

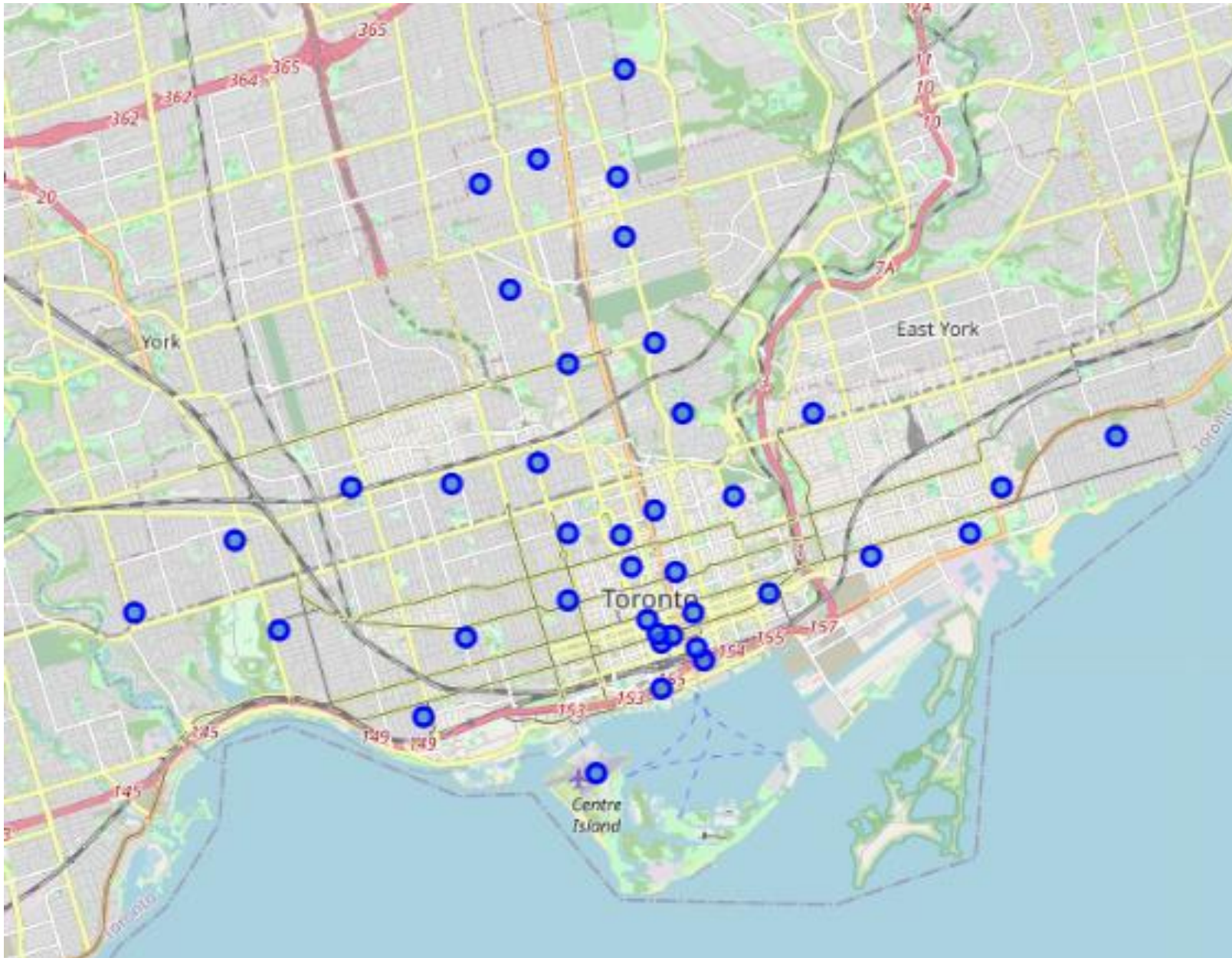
The use of cheese, spices, sauces and mix of vegetables and meets makes the Mexican Cousin very appealing to people from around the word, so competition with Chinese, Korean, Indian, Italian, Arab is not a risk, and may be a good sign due to similarities in flavors like spicy food.

The stakeholders want to confirm that at least one neighborhood in Toronto has a strong base of Mexican restaurants to make sure at least they will not be the first introducing this cuisine to people in Toronto.

TORONTO'S ETHNIC GROUPS DIVERSITY

Ethnic groups in the Toronto CMA (2016)	Population	Percentage
White	2,804,630	47.8
South Asian	973,225	16.6
Chinese	631,045	10.8
Black	442,020	7.5
Filipino	254,480	4.3
Latin American	132,950	2.3
West Asian	123,755	2.1
Arab	105,610	1.8
Southeast Asian	83,540	1.4
Korean	69,670	1.2
Japanese	20,650	0.4

https://en.wikipedia.org/wiki/Demographics_of_Toronto#Neighbourhoods



TORONTO NEIGHBORHOODS MAP

These are the 38 neighborhoods that are going to be covered in the problem to find a good recommendation to open a new Mexican restaurant

DESCRIPTION OF THE PROBLEM



WE WANT A LOCATION WITH
A LOWER NUMBER OF
MEXICAN RESTAURANTS



WE WANT A PLACE WITH
HIGHER INCOME PER
RESIDENT



WE WANT TO SEE HOW IS
THE MARKET AT
DIFFERENT TIMES &
DATES



WE WANT A LOCATION
IN AN AREA WITH
COULD GROW ITS
COMMERCIAL VENUES

Refining the Problem



FEWER MEXICAN RESTAURANTS

- The stakeholders do not want a neighborhood that has a lot of Mexican restaurants.
- They are afraid to open a restaurant without Mexican Restaurants in Neighborhood, because there is a risk of been a place where there is a strong preference for other type of cuisine.
- They are afraid to end up in a residential neighborhood which commercial venues are just emerging or are none. So at least they want to make sure that there are restaurants in the neighborhood.

Refining the Problem



HIGHER INCOME NEIGHBORHOOD

- Stake holders want to be in a high-income neighborhood, where people may use to go for lunch or dinner outside of their homes and apartments.
- They are planning to have food delivery due to COVID-19 and plan to invest big money on merchandizing that part of the business, so a neighborhood that is not that developed commercially speaking is not a problem, since people are used to order to take out or to be delivered at home.
- Avoid areas with high number of restaurants or that could be already to develop commercially, because with Covid-19 restrictions there are more risk due to people staying at home.

Refining the Problem



BUSINESS HOURS POSSIBILITIES

- A Mexican restaurant can have breakfast, lunch, happy hour and dinner.
- Stake holders wants to have an idea of what is trending for the 3 Neighborhoods under study between 7:00 and 10:00 am, 11:30 am and 2:30 pm, 4:30 pm and 6:30 pm and 7:00pm to 10:00 pm
- If there are Mexican Restaurants or Restaurants with some similar based ingredients or flavors, they want to know about their reviews, business ours.

Refining the Problem

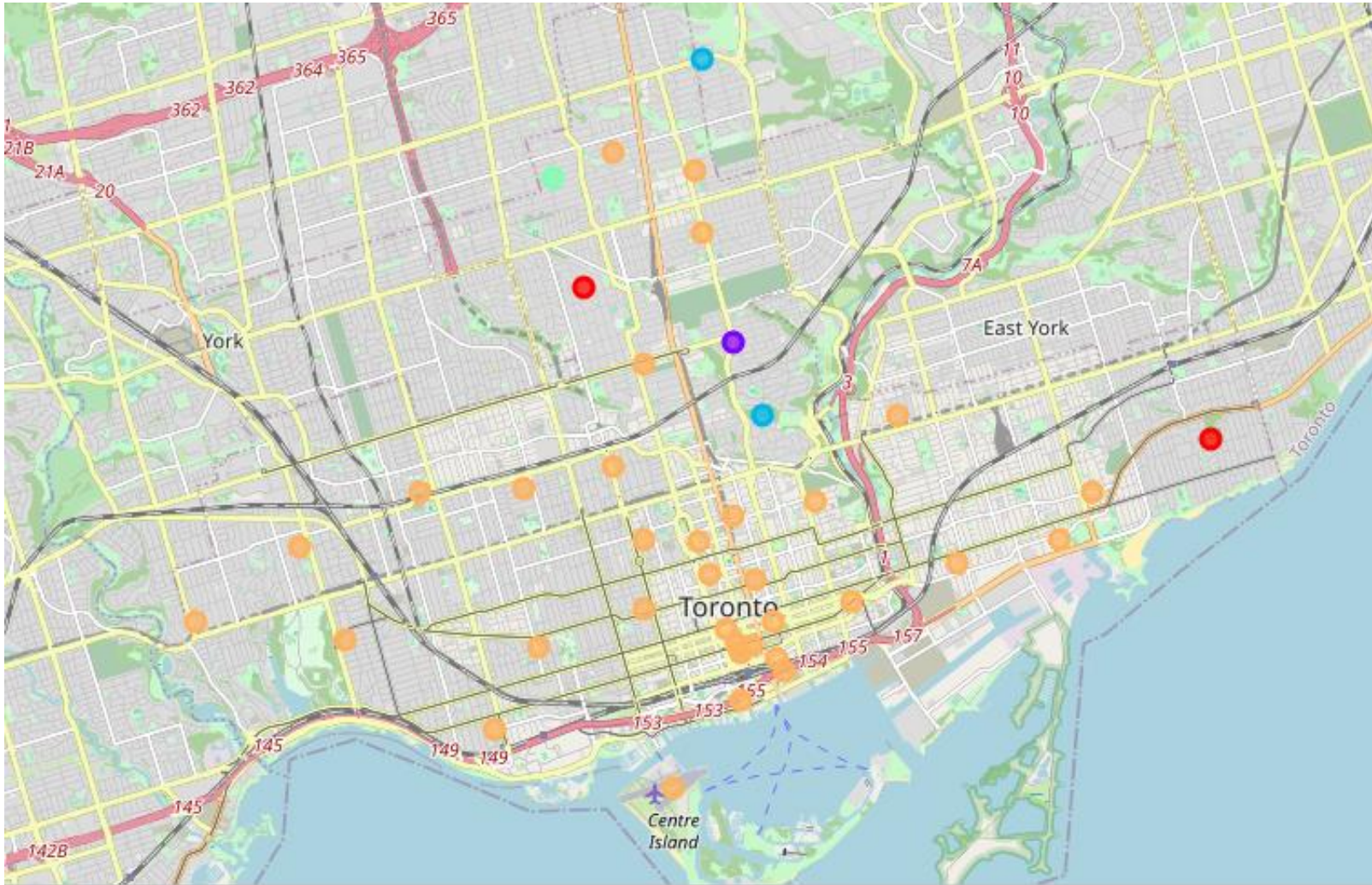


COMMERCIAL GROW POTENTIAL

- Base on Income report by neighborhoods in Toronto and commuting distance of the stake holders, they have decided to focus the study in 3 neighborhoods. **North Toronto West-Lawrence Park, Rosedale and Lawrence Park** . The stakeholders want to use North Toronto-West Lawrence Park instead of Allenby, since Allenby is mainly a residential neighborhood and North Toronto is just next by.

https://en.wikipedia.org/wiki/Demographics_of_Toronto_neighbourhoods

- North Toronto is an option with more Venues, but Rosedale and Lawrence Park are very good options to explore, the 3 neighborhoods are away from the business center which meets stake holder desire.



Toronto Neighborhoods Data

These are the 38 Neighborhoods in Toronto that were segmented in 5 clusters using Venue Data from Foursquare

Lawrence Park and Rosedale are in the same cluster (aqua color), while North Toronto is group in the biggest cluster (orange color)

Toronto Neighborhood Options by Income

Neighborhood	Average Income	Density (people/Km2)	Second Most Common Language
North Toronto (Allenby Area)	245,592	4333	Russian (1.4%)
Lawrence Park	214,110	1828	French (0.8%)
Rosedale	213,941	2821	Unspecified Chinese (1.0%)

https://en.wikipedia.org/wiki/Demographics_of_Toronto_neighbourhoods



More Details about the Data

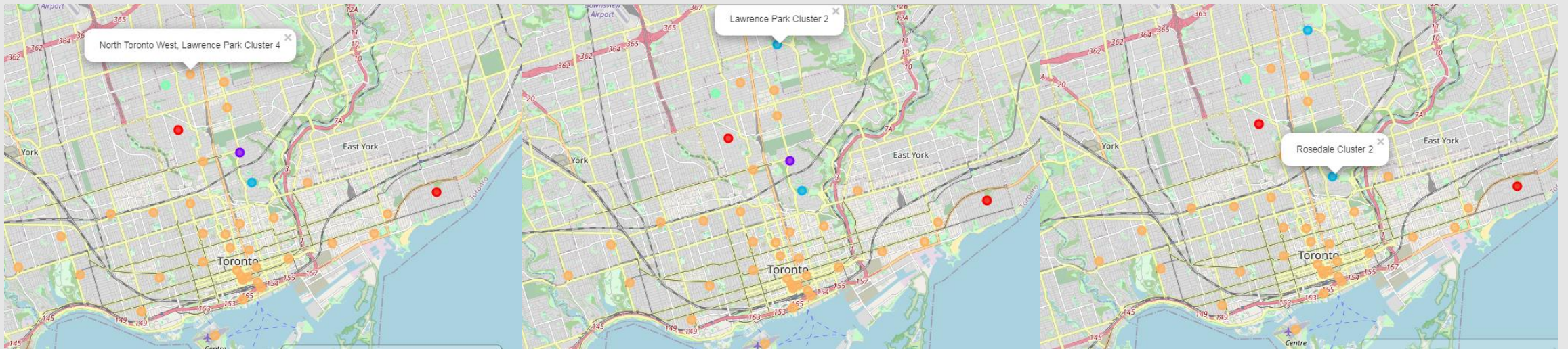
1. The data was acquired from Foursquare, the first data set was capture with a list of venues per Neighborhood, so we have data about which neighborhoods have Mexican Restaurants within their top ten most frequent restaurants and which Neighborhoods do not have Mexican Restaurants within its top ten.
2. The data will be gathered for the 3 neighborhoods in Foursquare to be able to tell what is trendy a different time of the day and in find differences and similitudes between times and dates.
3. The top restaurants in each of the 3 neighborhoods will be analyzed and their business hours will be reviewed to make sure different point of view are taken into consideration to support a wide range of business hours.



More Details about the Data

1. Reviews from users will be also used to analyze for the restaurants in the area using Foursquare
2. It is important to analyze 1 or 2 successful Mexican restaurants in Toronto that are not in the neighborhoods of interest, analyze the business hours, menus and customer reviews using Foursquare. This information is valuable in the sense that will give us more information about what the people in Toronto like about Mexican cuisine and if they already know that a Mexican restaurant could be a good option at any time during the day.
3. Data results could lead for the need to find new sources of data, so it is an open option.

Neighborhoods of Interest



North Toronto

Lawrence Park

Rosedale

Clusters of Interest look promising

Cluster #3

```
[33]: toronto_merged.loc[toronto_merged['Cluster Labels'] == 2, toronto_merged.columns[[2] + list(range(6, toronto_merged.shape[1]))]]
```

	Neighborhood	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
4	Lawrence Park	Park	Bus Line	Business Service	Swim School	Ethiopian Restaurant	Electronics Store	Eastern European Restaurant	Donut Shop	Doner Restaurant	Dog Run
10	Rosedale	Park	Playground	Trail	Cupcake Shop	Electronics Store	Eastern European Restaurant	Donut Shop	Doner Restaurant	Dog Run	Distribution Center

Cluster #5

```
[35]: toronto_merged.loc[toronto_merged['Cluster Labels'] == 4, toronto_merged.columns[[2] + list(range(6, toronto_merged.shape[1]))]]
```

	Neighborhood	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
1	The Danforth West, Riverdale	Greek Restaurant	Coffee Shop	Italian Restaurant	Ice Cream Shop	Bookstore	Furniture / Home Store	Fruit & Vegetable Store	Cosmetics Shop	Brewery	Bubble Tea Shop
2	India Bazaar, The Beaches West	Fast Food Restaurant	Gym	Pizza Place	Board Shop	Brewery	Sandwich Place	Burrito Place	Restaurant	Pub	Pet Store
3	Studio District	Coffee Shop	Brewery	Gastropub	Café	Bakery	American Restaurant	Convenience Store	Camera Store	Cheese Shop	Clothing Store
5	Davisville North	Gym	Pizza Place	Hotel	Food & Drink Shop	Sandwich Place	Department Store	Gym / Fitness Center	Breakfast Spot	Park	Donut Shop
6	North Toronto West, Lawrence Park	Clothing Store	Coffee Shop	Yoga Studio	Restaurant	Café	Ice Cream Shop	Fast Food Restaurant	Sporting Goods Shop	Spa	Cosmetics Shop
7	Davisville	Sandwich Place	Dessert Shop	Gym	Italian Restaurant	Café	Pizza Place	Coffee Shop	Sushi Restaurant	Japanese Restaurant	Seafood Restaurant
9	Summerhill West, Rathnelly, South Hill, Forest...	Coffee Shop	Sushi Restaurant	Pizza Place	Sandwich Place	Liquor Store	Restaurant	Pub	Bank	Bagel Shop	Supermarket

1. A first view into the Clusters it seems that the 3 options have potential.
2. The 3 Neighborhoods have restaurants, but the restaurants are not the number 1 or 2 or even 3 top venues
3. There are not Mexican Restaurants in the top 3 more frequent Venues
4. Doner restaurants are good sign to if we remember that Mexican food has burritos and tacos.

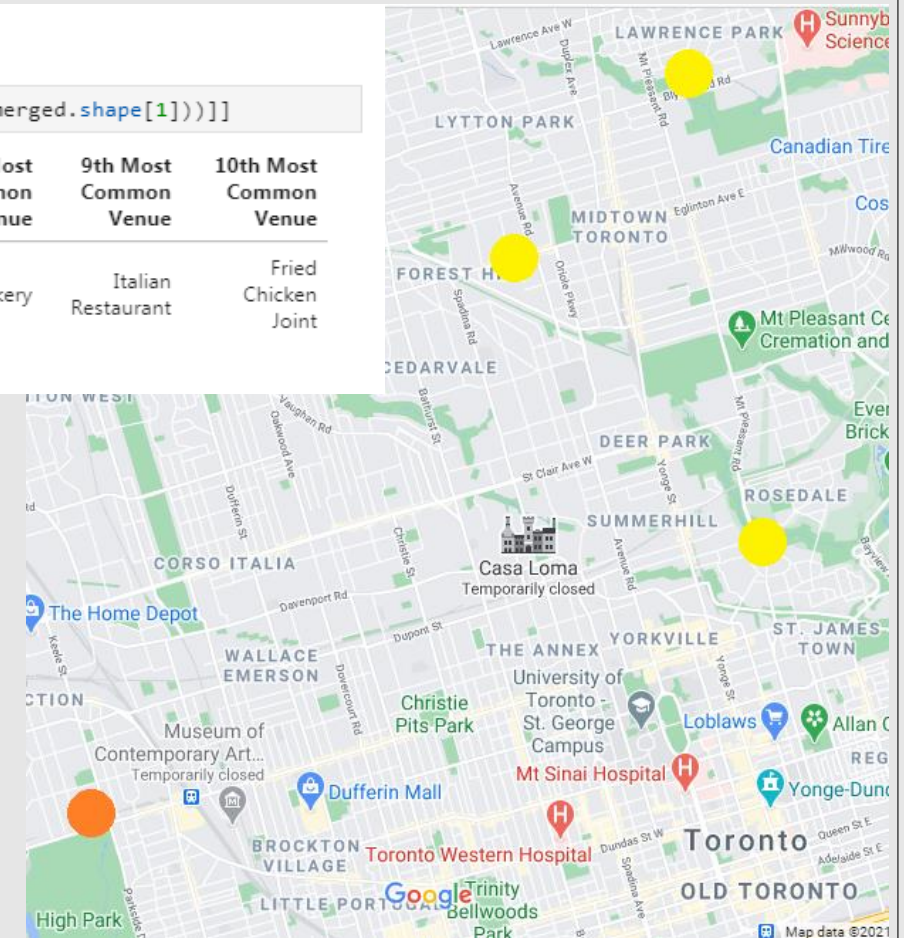
Successful Cluster with Mexican Restaurants

Cluster #5

```
[35]: toronto_merged.loc[toronto_merged['Cluster Labels'] == 4, toronto_merged.columns[[2] + list(range(6, toronto_merged.shape[1]))]]
```

[35]:	Neighborhood	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
34	High Park, The Junction South	Mexican Restaurant	Café	Thai Restaurant	Arts & Crafts Store	Speakeasy	Bar	Diner	Bakery	Italian Restaurant	Fried Chicken Joint

- High Park, The Junction South is a neighborhood with a successful group of Mexican Restaurants and there are Thai and Italian Restaurants as well.
- This Neighborhood is not close to our target Neighborhoods, so it is not competition for them.
- There are Mexican Restaurants in Toronto to analyze and get recommendations for the new Restaurant.



MEXICAN FREQUENCY BY NEIGHBORHOOD

Index	Neighborhood	Mexican Restaurant
1	Forest Hill North & West, Forest Hill Road Park	0.25
2	High Park, The Junction South	0.083333
3	North Toronto West, Lawrence Park	0.047619
4	Kensington Market, Chinatown, Grange Park	0.046875
5	Queen's Park, Ontario Provincial Government	0.028571
6	Church and Wellesley	0.012658
7	Garden District, Ryerson	0.01
8	Harbourfront East, Union Station, Toronto Islands	0.01

TOP RATED MEXICAN RESTAURANT IN TORONTO



1. Seven Lives - Tacos y Mariscos

Mexican • \$\$\$\$

69 Kensington Ave (Baldwin St), Toronto

9.0

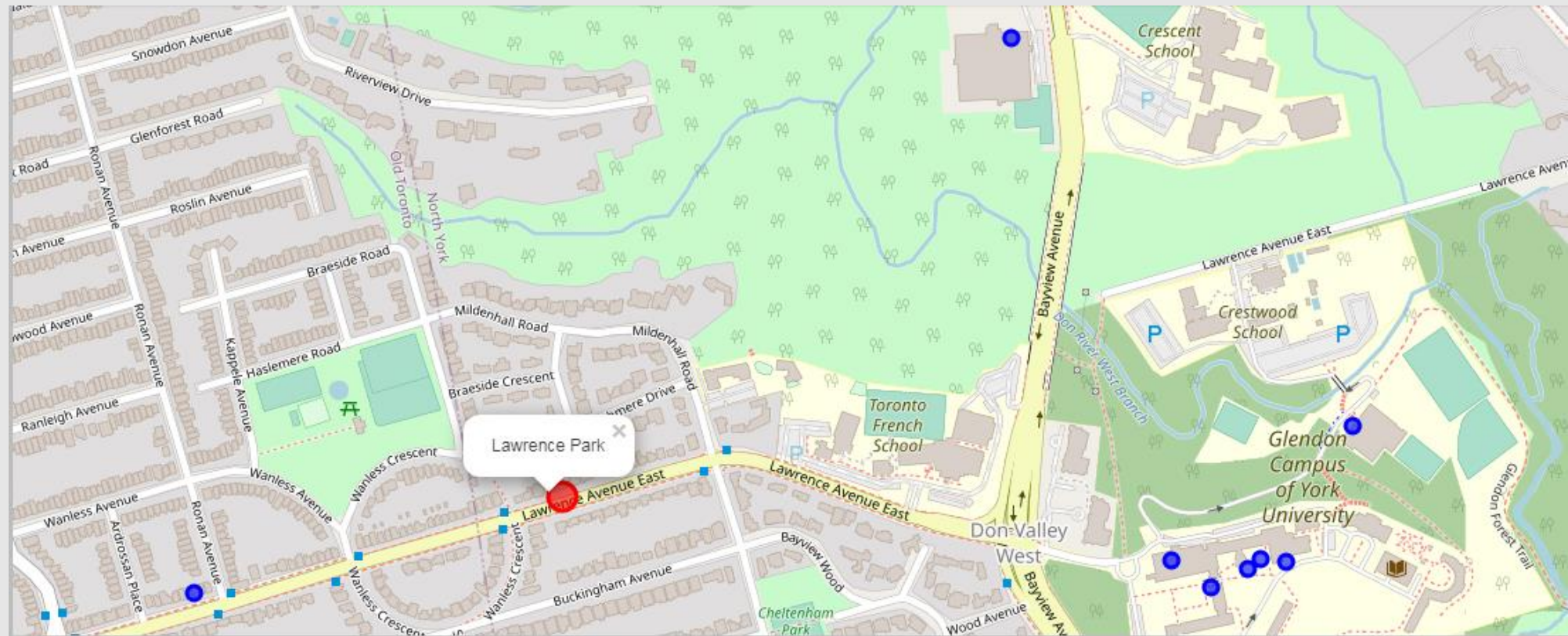
 Save



Darcy • September 14, 2013

Easily the best **fish tacos** in Toronto. Beware the "hot" sauce however. My mouth & head were on fire after 3 scoops. Was still worth it though.

LAWRENCE PARK VENUES

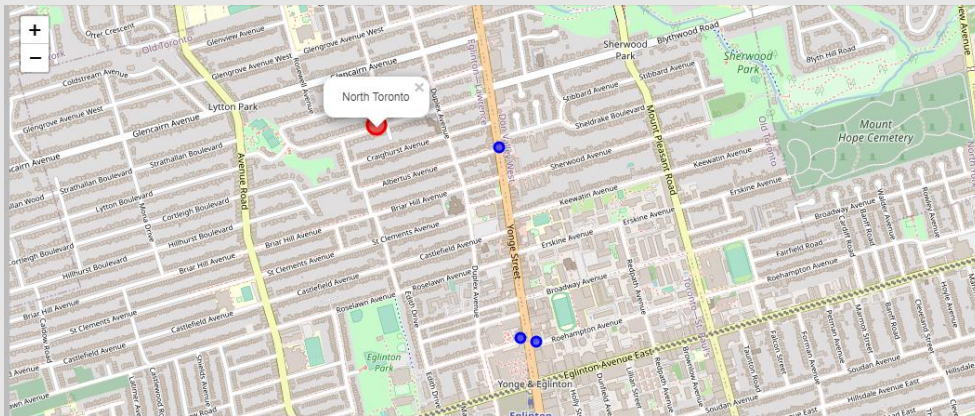


NO MEXICAN RESTAURANTS

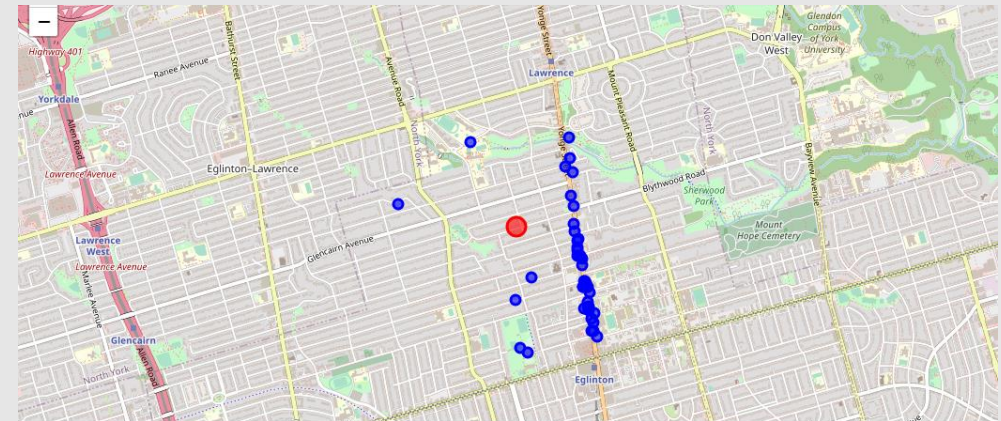
VENUE NAME	CATEGORIES
Lawrence Park Ravine	Park
Granite Club	Gym / Fitness Center
Tim Hortons	Coffee Shop
Glendon Bookstore	Bookstore
Glendon Forest	Trail
Glendon Rose Garden	College Quad
Lunik Co-op	Cafe
Glendon Athletic Club	College Gym

NORTH TORONTO WEST, LAWRENCE PARK

MEXICAN RESTAURANTS



VENUES



MEXICAN RESTAURANTS

Restaurant Name	Rating
Tio's Urban Mexican	7.3
Chipotle Mexican Grill	7.5
Chimichanga: Mexican Grill & Tequila Bar	Not Rated



25. Chipotle Mexican Grill

7.5

Mexican • \$\$\$
Toronto

Save



Ken S. • April 6, 2017

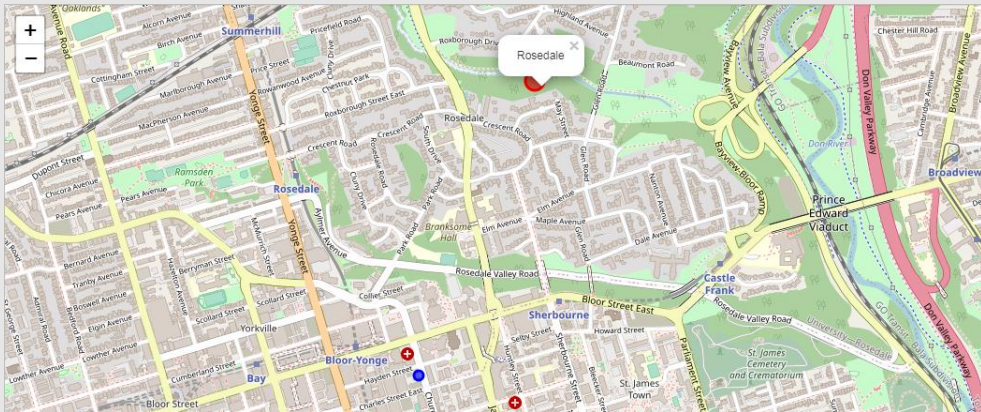
Service staff are a little distracted, but they get the job done. You can totally ask for extra cilantro if you want, too!

NORTH TORONTO VENUES

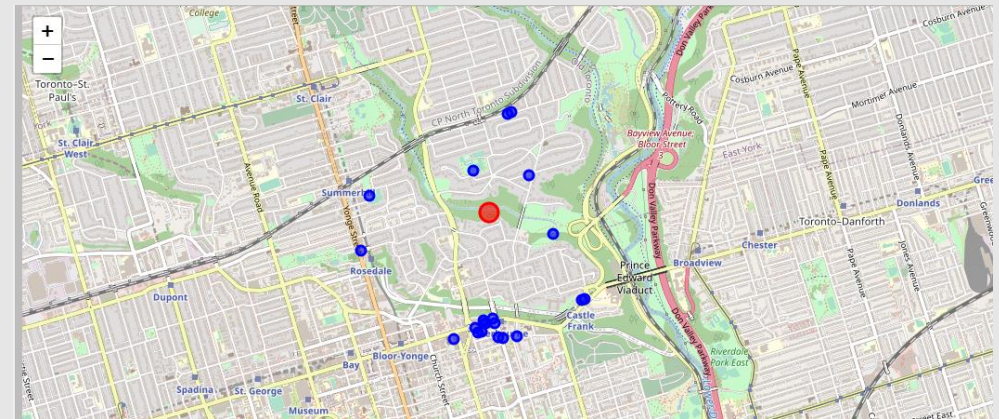
VENUE NAME	CATEGORIES	VENUE NAME	CATEGORIES
Himalayan Java	Cafe	Star King	Vietnamese Restaurant
Sheridan Nurseries	Flower Shop	Best Buy	Electronics Store
De Mello Palheta Coffee Roasters	Coffee Shop	La Boheme	Cafe
Douce France	Bakery	Noah's Natural Foods	Food & Drink Shop
Starbucks	Coffee Shop	Good Bite Restaurant	Diner
Barreworks	Yoga Studio	Starbucks	Coffee Shop
Sign of the Skier	Sporting Goods Shop	Centro Restaurant & Lounge	Restaurant
La Vecchia Ristorante	Italian Restaurant	Sport Chek Yonge Street	Sporting Goods Shop
Alexander Muir Memorial Gardens	Garden	Chipotle Mexican Grill	Mexican Restaurant
Cibo Wine Bar	Italian Restaurant	Sushi Rock Cafe	Sushi Restaurant
Sushi Shop	Restaurant	Green Papaya	Thai Restaurant
Civello Salon	Salon / Barbershop	Sorn Thai Restaurant	Thai Restaurant
Eglinton Park	Park	Fuwa Fuwa Japanese Pancakes	Dessert Shop
Classico Louie's Pizzeria	Pizza Place	Touhenboku Ramen	Ramen Restaurant
Toronto Sporting Life 10k	Track	The Cupcake Shoppe	Cupcake Shop
Nailsense	Spa	Solutions	Furniture / Home Store
Tio's Urban Mexican	Mexican Restaurant	North Toronto Memorial Arena	Skating Rink
Sip Wine Bar	Wine Bar	St. Clements - Yonge Parkette	Park
Grazie Ristorante	Italian Restaurant	NTCC Swimming Pool	Gym Pool
Pascale Gourmet Deli	Deli / Bodega	Glengrove Suites	Hotel
lululemon	Clothing Store	Otter Creek Skating Park	Skating Rink
Uncle Betty's Diner	Diner	Photography By Violeta Creative	Photography Studio
C'est Bon	Chinese Restaurant		

ROSADALE

MEXICAN RESTAURANTS



VENUES



MEXICAN RESTAURANTS & VENUES

Restaurant Name	Rating
El Rinconcito Mexicano	Not Rated

VENUE NAME	CATEGORIES	VENUE NAME	CATEGORIES
Summerhill Market	Grocery Store	TD Canada Trust	Bank
Black Camel	BBQ Joint	Nijo Japanese Restaurant	Japanese Restaurant
Toronto Lawn Tennis Club	Athletics & Sports	Eggsmart	Breakfast Spot
Craigleigh Gardens	Park	Rosedale Park	Playground
Pie Squared	Pie Shop	Subway	Sandwich Place
Maison Selby	Bistro	Whitney Park	Park
Starbucks	Coffee Shop	Scoops Convenience Boutique	Candy Store
Tinuno	Filipino Restaurant	Tim Hortons	Coffee Shop
No Frills	Grocery Store	Gateway Newstands	Convenience Store
Booster Juice	Juice Bar	Castle Frank Subway Station	Metro Station
Aroma Espresso Bar	Coffee Shop		

COVID-19 RESTRICTIONS

COVID-19

A Province-wide declaration of emergency is in effect. Stay home except for essential reasons such as groceries, medicine, health care, exercise, child care and work, if you can't do it remotely. Get the latest health updates and details on service changes at toronto.ca/covid19.

[Services & Payments](#)[Community & People](#)[Business & Economy](#)[Explore & Enjoy](#)[City Government](#)

[Home](#) [City of Toronto](#) / COVID-19

Due to Covid-19 all the queries about trending places returned zero trending venues, the reason for that is very simple. Due to Covid-19 people are restricted to their homes and only go out for pickup their food. So, there was not trending places at breakfast, lunch, happy hour or dinner for any of the Neighborhoods of interests.

Chipotle Mexican Grill works Monday to Sunday from 11:00 am to 10:00 pm

RESULTS

- The 3 Neighborhoods of interests have the highest income per resident in Toronto.
- Due to Covid-19 there are not trending venues in Toronto. People needs to stay at home, and they are.
- Lawrence Park does not have any Mexican Restaurants, it is close to schools and at least 1 University Campus, it is close to residential areas.
- Rosedale has only 1 Mexican Restaurant which is in the border of the Neighborhood and closer to Downtown Toronto and it has not been rated. It is closer to Downtown Toronto, but there are residential areas nearby too.

RESULTS

- North Toronto West, Lawrence Park has 3 restaurants 2 has ratings and 1 does not have rating, the highest rating Mexican Restaurant is Chipotle Mexican Grill with 7.5 which is a very low rating. It is very close to Lawrence Park and Yonge Street helps to connect both neighborhoods, but it helps to connect North Toronto West, Lawrence Park with Rosedale.
- Yonge Street seems to have a lot of venues and not just Mexican Restaurants
- Chipotle Mexican Grill is the 25th Mexican Restaurant in Toronto with a 7.5 rating according to the results in Foursquare, the highest rated Mexican Restaurant is in downtown and Rosedale is the closest neighborhood.
- Seven lives – Tacos and Mariscos is the highest rated Mexican Restaurant in Toronto with a 9.0 rating. It is in Downtown Toronto, so it is not that close to the Neighborhoods of interest. They are recognized by their fish tacos.

DISCUSSION AND ANALYSIS

- Yonge Street is the location street, there are 4000 meters of interest between Rosedale and Lawrence park, and North Toronto is almost in the middle, 1000 meters from Lawrence Park and 3000 meters from Rosedale, so the investors may want to use a location in this Street to open the Mexican Restaurant, there are 3 options to place the Mexican Restaurant within 1000 meters from Chipotle Mexican Grill:
 - Place the Mexican Restaurant North from Chipotle Mexican Grill and closer to Lawrence park
 - Place the Mexican Restaurant near Chipotle Mexican Grill in North Toronto within 200 meters to take advantage of Yonge Eglinton Shopping Mall
 - Place the Mexican Restaurant South Chipotle Mexican Grill

CONCLUSIONS

GENERAL CONCLUSIONS

1. Yonge Street is the area of interest and it extends 1000 meters North Chipotle Mexican Grill and 3000 meters south of Chipotle Mexican Grill.
2. Due to Covid-19 there is the possibility to get discounts for leasing a restaurant location or to buy a restaurant that close business.
3. With Covid-19 restrictions there is no need to fully remodel the restaurant location to start the business.
4. Covid-19 represents a risk since most people are staying at home, so a marketing campaign is needed to support the restaurant success

Location North Chipotle Mexican Grill

PROS	CONS
Between the 2 highest income per resident neighborhoods	It is a location with less venues, so when people go out for shopping for instance, this is a location that does not have that many options.
It is a location with less venues and no Mexican Restaurants	
Due to Covid-19 most of all the food service is to takeout or food delivery, so a location with less venues could be a low-cost location during times when people are not to be eating at the restaurant	
When people return to the outdoors, this is a good location for people commuting from Downtown Toronto and their home	
It is a close location to residential neighborhoods which will be a good option for eating during weekends or at night.	
Schools and Colleges could provide additional business to the restaurant as well as more customers.	

Location Near Chipotle Mexican Grill

PROS	CONS
At the heart of the business area of the highest income per resident neighborhood in Toronto.	Locations in this area could be more expensive than the other two areas.
It is a location with more venues, so it is a more developed commercial area. So when people return to normality this will be a better location	There are 3 Mexican Restaurants nearby
When people return to the outdoors, this is a good location for people commuting from Downtown Toronto and their home	Due to Covid-19 most of all the food service is to takeout or food delivery, so a higher lease for a location that could not be used at its full potential could be a waste of money
It is a close location to residential neighborhoods which will be a good option for eating during weekends or at night.	There are more restaurants competing for customers
The 3 Mexican Restaurants have a low rating	

Location South Chipotle Mexican Grill

PROS	CONS
Due to Covid-19 most of all the food service is to takeout or food delivery, so a location with less venues could be a low-cost location during times when people are not to be eating at the restaurant	It is a location with less venues, so when people go out for shopping for instance, this is a location that does not have that many options.
When people return to the outdoors, this is a good location for people commuting from Downtown Toronto and their home, people returning home will go through this area first than the other 2 locations	It is a closer location to Downtown Toronto, which have more venues, thus more restaurants to compete for the same customers.
Between the highest and third income per resident neighborhoods	
It is a location with less venues and just one Mexican Restaurant that it is not close, and it is not rated.	
It is a close location to residential neighborhoods which will be a good option for eating during weekends or at night.	