

ITALIAN COFFEE SERVICES

Getting into the Canadian Market

INTRODUCTION

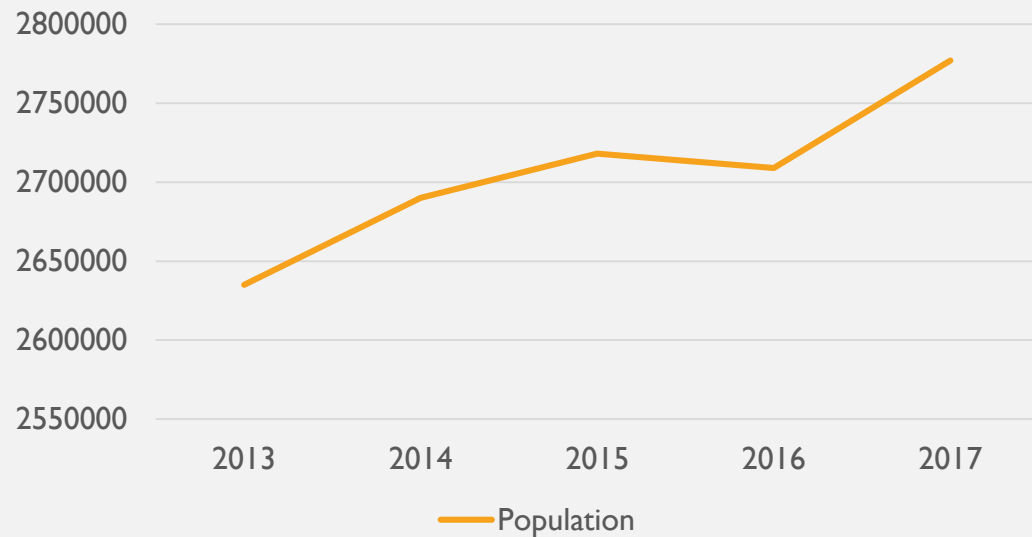
- I.C.S sells services and products related to coffee to customers and consumers.
- Main service/product to consumers: “Coffee Education Program”
 - Started in Italy
 - Already working in Vancouver.
- I.C.S. are looking for cities that have similar growth behavior as Vancouver; and their people to implement their service: Coffee Education Program.
 - Toronto seems like a possible candidate.

PROBLEM

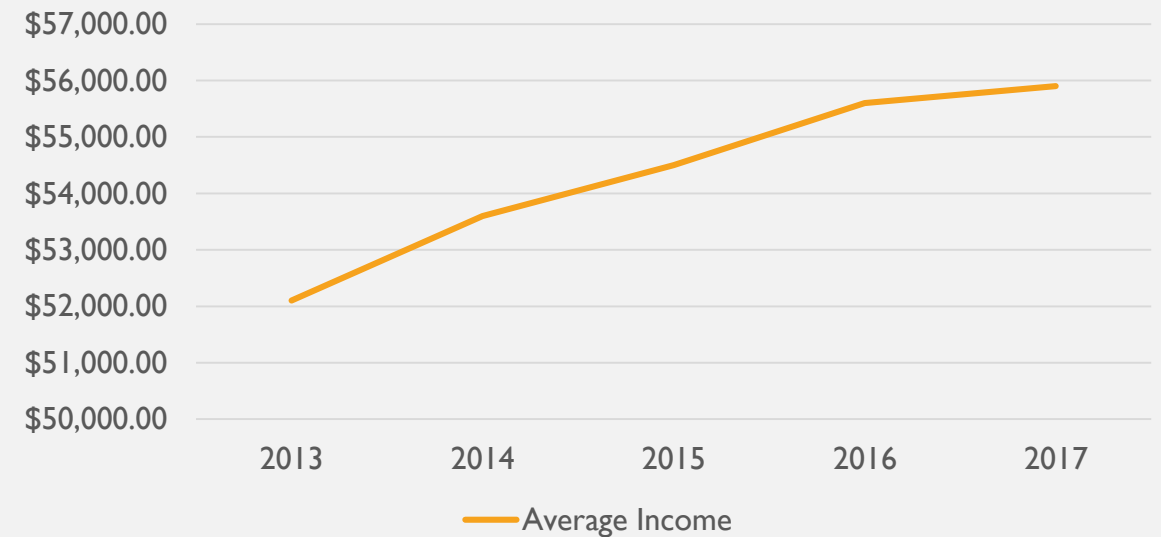
- If Toronto is the right place to address a new store, where should it be placed?
Requirements for the right city:
 - Constant population growth over last 5 years
 - Constant income growth over last 5 years
- Requirements for the store:
 - Needs to be close to other coffee stores (to attract consumers).
 - Can not be on top of the other coffee stores because sometimes they are their customer for some products.
 - The job must be done with an statistical approach since there are too many local and international coffee stores around Toronto.
 - It needs to be in a borough where coffee shops are the main type of venue.

ANALYZING TORONTO

Population



Average Income



TORONTO IS A POTENTIAL CANDIDATE FOR A NEW STORE

WHERE IN TORONTO PART I

- Zip codes, boroughs and neighborhood information:

Postcode	Borough	Neighborhood
M1B	Scarborough	Rouge, Malvern
M1C	Scarborough	Highland Creek, Rouge Hill, Port Union
M1E	Scarborough	Guildwood, Morningside, West Hill
M1G	Scarborough	Woburn
M1H	Scarborough	Cedarbrae

- Zip codes latitude and longitude information

Postal Code	Latitude	Longitude
M1B	43.806686	-79.194353
M1C	43.784535	-79.160497
M1E	43.763573	-79.188711
M1G	43.770992	-79.216917
M1H	43.773136	-79.239476

- Neighborhoods and their top venues.

----Adelaide, King, Richmond----		
	venue	freq
0	Coffee Shop	0.06
1	Café	0.05
2	Steakhouse	0.04
3	Bar	0.04
4	American Restaurant	0.04
----Berczy Park----		
	venue	freq
0	Coffee Shop	0.09
1	Cocktail Bar	0.05
2	Italian Restaurant	0.04
3	Café	0.04
4	Cheese Shop	0.04

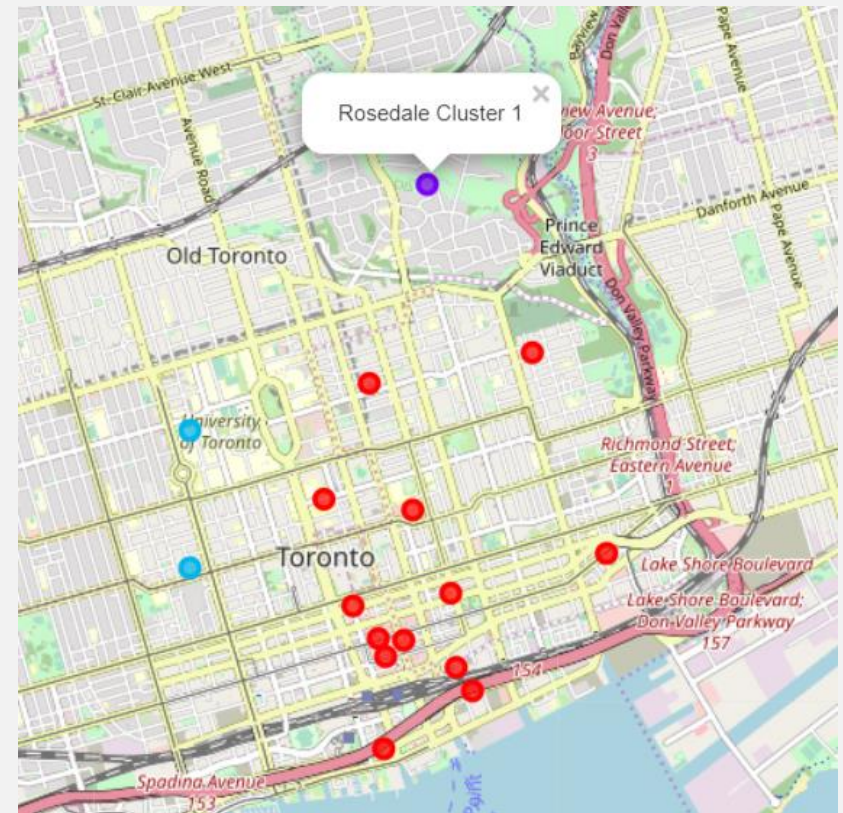
--Cabbagetown, St. James Town--		
	venue	freq
	Coffee Shop	0.09
	Restaurant	0.07
	Italian Restaurant	0.04
	Pizza Place	0.04
	Bakery	0.04
--Central Bay Street----		
	venue	freq
	Coffee Shop	0.16
	Café	0.05
	Italian Restaurant	0.05
	Burger Joint	0.03
	Sandwich Place	0.03

- Seems like in the borough Downtown Toronto must of their neighborhoods their top venue is related to coffee.

Sources:
Wikipedia Canada Zip codes
Canada Zip codes geolocation .csv
Foursquare API
(See reference slide)

WHERE IN TORONTO PART II

	Postal Code	Borough	Neighborhood	Latitude	Longitude	Cluster Labels	1st Most Common Venue	2nd Most Common Venue
0	M4W	Downtown Toronto	Rosedale	43.679563	-79.377529	1	Park	Playground
1	M4X	Downtown Toronto	Cabbagetown, St. James Town	43.667967	-79.367675	0	Coffee Shop	Restaurant
2	M4Y	Downtown Toronto	Church and Wellesley	43.665860	-79.383160	0	Coffee Shop	Japanese Restaurant
3	M5A	Downtown Toronto	Harbourfront, Regent Park	43.654260	-79.360636	0	Coffee Shop	Pub
4	M5B	Downtown Toronto	Ryerson, Garden District	43.657162	-79.378937	0	Coffee Shop	Clothing Store



RESULTS

- Toronto is a candidate for a store.
- After the cluster, Rosedale seems like a right place to open the first store in Toronto.
 - In Rosedale borough (Downtown Toronto), most of its neighborhoods its top venue are related to coffee.
 - Rosedale is close to many coffee shops but inside its neighborhood, coffee shops are not one of their top venue.

Neighborhood	Latitude	Longitude	Cluster Labels	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
Rosedale	43.679563	-79.377529	1	Park	Playground	Trail	Women's Store	Department Store	Ethiopian Restaurant	Electronics Store	Eastern European Restaurant	Dumpling Restaurant

CONSIDERATIONS

- We are just considering the top venues of the zone.
- Safety, neighborhood and borough policies are not part of the estimate and analysis
- We can only tell in which borough and neighborhood should the store open, we can not say precisely the coordinates of the store.
- We do not consider if the neighborhood is attractive enough to open the store.
- We are only considering the people behavior towards coffee.

FINAL THOUGHTS

- There are other neighborhoods around that the store might work.
- We are considering specifically Rosedale because coffee is not even part of the cluster.
- We don't agree that the airport could be a right neighborhood, even though that coffee is not its top venue.
 - People use airports to travel not to drink coffee every weekday.

REFERENCES

- [Wikipedia: https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M](https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M)
- Geospatial_Coordinates.csv
- [Foursquare API:
https://api.foursquare.com/v2/venues/explore?&client_id={} &client_secret={} &v={} &ll={},{} &radius={} &limit={}](https://api.foursquare.com/v2/venues/explore?&client_id={} &client_secret={} &v={} &ll={},{} &radius={} &limit={})
- [Ontario Population Projections:
https://www.fin.gov.on.ca/en/economy/demographics/projections/](https://www.fin.gov.on.ca/en/economy/demographics/projections/)
- [Statistics Canada:
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