Best Neighbourhood to Start a Cafe in Toronto

For Coursera DataScience Final Assignment

By

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Introduction:

Let's say a group of friends decide to start a new business. For a lot of people, one of the common topics that comes up when we hang out at a coffee shop or cafe with friends is, "why don't we start a place like this too?"

Starting a new cafe or any business can be challenging

- Depends on size of potential customers

- Depends on number of competitors

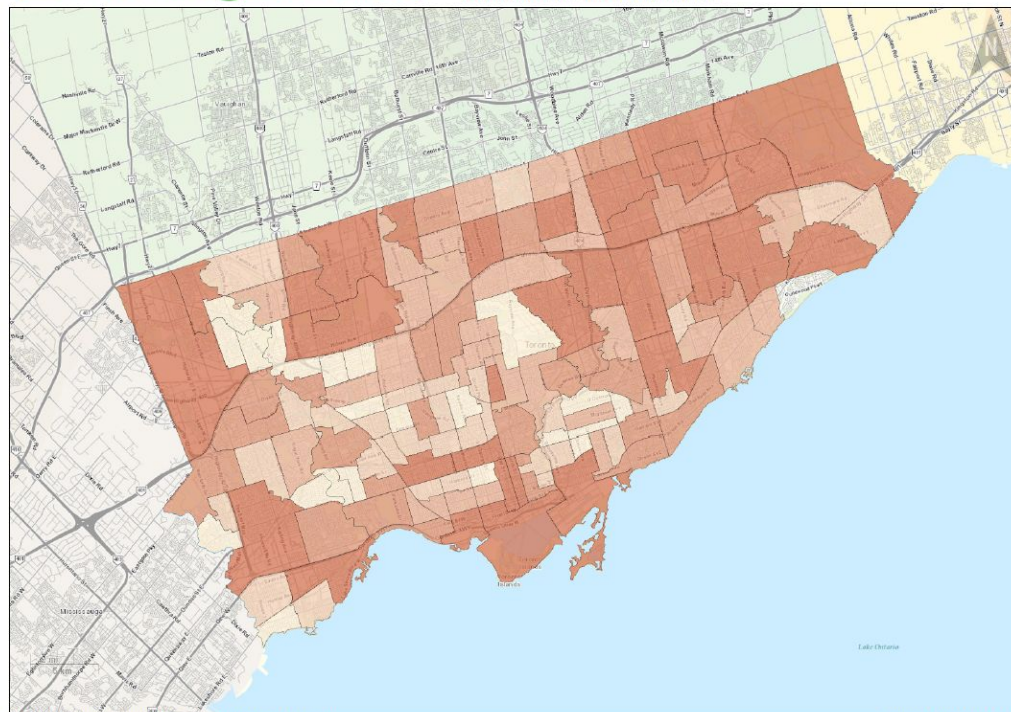- Location (too many competitors within the same area, or not enough)

Which neighbourhood in Toronto are the most suitable to start a new cafe
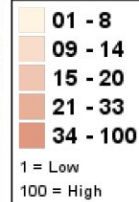
- Is a higher population better?

Population in Toronto Neighbourhoods
All data from reference period 2014

Total Population

| 01 - 8 |
| 09 - 14 |
| 15 - 20 |
| 21 - 33 |
| 34 - 100 |

1 = Low
100 = High

Neighbourhood	Pop2016
Waterfront Communities-The Island	65913
Woburn	53485
Willowdale East	50434
Rouge	46496
L'Amoreaux	43993
Islington-City Centre West	43965
Malvern	43794
Dovercourt-Wallace Emerson-Junction	36625
Downsview-Roding-CFB	35052
Parkwoods-Donalda	34805
Mimico (includes Humber Bay Shores)	33964
West Humber-Clairville	33312
Mount Olive-Silverstone-Jamestown	32954
Church-Yonge Corridor	31340
Niagara	31180
Annex	30526
Glenfield-Jane Heights	30491
Bendale	29960
Mount Pleasant West	29658

Getting venue data from foursquare

We want to search for venues that are similar to the cafe we want to start. Think of our cafe as similar to Tim Hortons, or Starbucks. The tags we want to use when we search on foursquare are:

- Café

- Coffee Shop

- Fast Food Restaurant (similar to McDonald's)

- Bubble Tea Shop

Competitors

Neighbourhood with the most competitors

Neighbourhood	Number of Competitions
University	149
Annex	149
Kensington-Chinatown	144
Palmerston-Little Italy	144
Bay Street Corridor	142
Cabbagetown-South St. James Town	142
Moss Park	142
North St. James Town	141
Trinity-Bellwoods	141
Church-Yonge Corridor	139
Regent Park	129
Willowdale East	121
Wychwood	120
Dovercourt-Wallace Emerson-Junction	119
North Riverdale	119
Blake-Jones	118
Rosedale-Moore Park	118
Niagara	117
Willowdale West	116
Waterfront Communities-The Island	115

Most likely competitors

Venue	Count
Tim Hortons	1017
Starbucks	741
Second Cup	175
Coffee Time	120
Country Style	96
Timothy's World Coffee	74
Chatime	67
KFC	58
Aroma Espresso Bar	56
Popeyes Louisiana Kitchen	47
Wendy's	47
Taco Bell	46
Burger King	46
Real Fruit Bubble Tea	41
A&W	39
7-Eleven	34
CoCo Fresh Tea & Juice	34
The Alley	34
The Burger's Priest	32
Rooster Coffee House	32

Results

Top 10 potential location based on competition vs population

Neighbourhood	Population	Competitions	Competition per Capita
Rouge	46496	6	0.000129
Glenfield-Jane Heights	30491	11	0.000361
West Hill	27392	11	0.000402
L'Amoreaux	43993	18	0.000409
Malvern	43794	19	0.000434
Downsview-Roding-CFB	35052	16	0.000456
Eglinton East	22776	12	0.000527
Woburn	53485	29	0.000542
Cliffcrest	15935	9	0.000565
Mount Olive-Silverstone-Jamestown	32954	19	0.000577

- Rouge neighbourhood appears to be the best

- Neighbourhoods with higher competition, such as Woburn, can still be considered as a good potential location due to higher population size
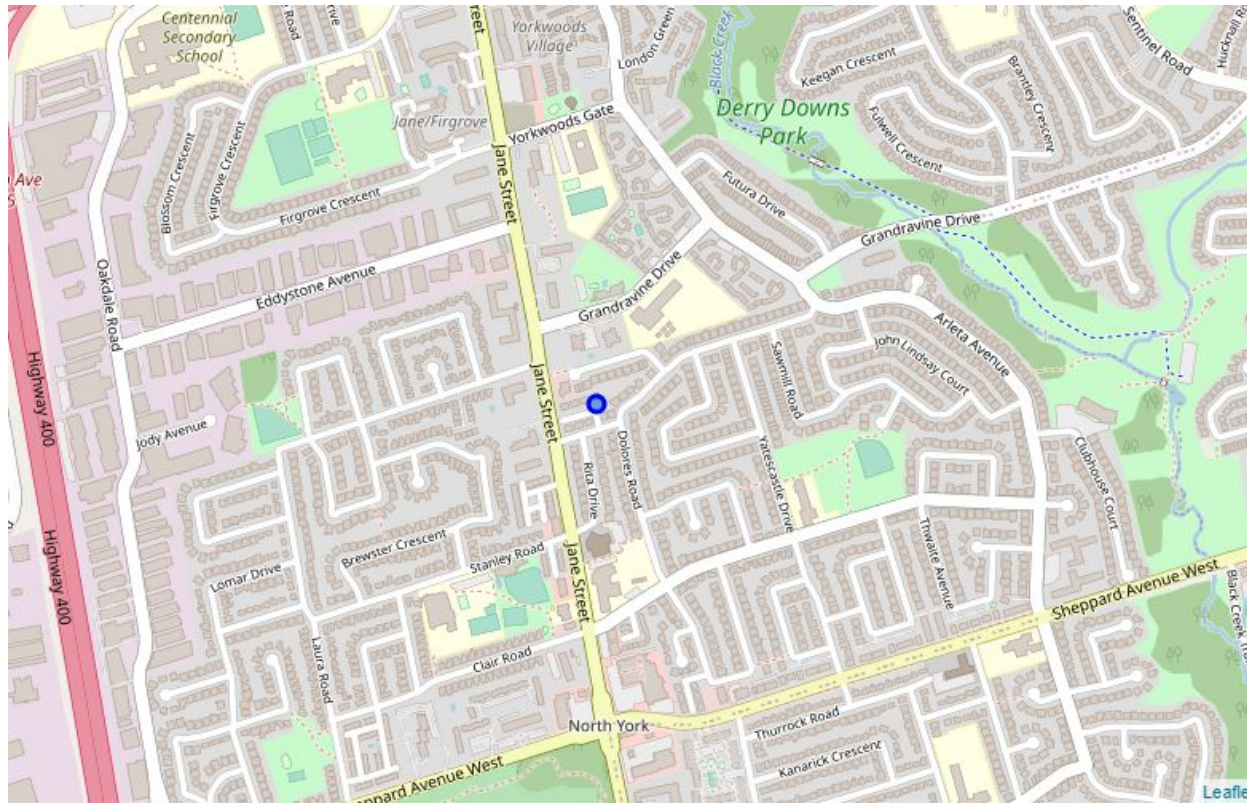
Inspection for top result

Is Rouge the best location?

Hmm… it appears to be in the middle of a zoo. Perhaps that is the reason the

number of competitors is so low!

Next best - Glenfield

Looks like a busy neighbourhood. Based on the result and inspection, **this is the best location for our new cafe**!

Thank you for marking my assignment! :)