

The battle of neighborhoods

Finding the best City to open an Italian Restaurant

The Business Problem

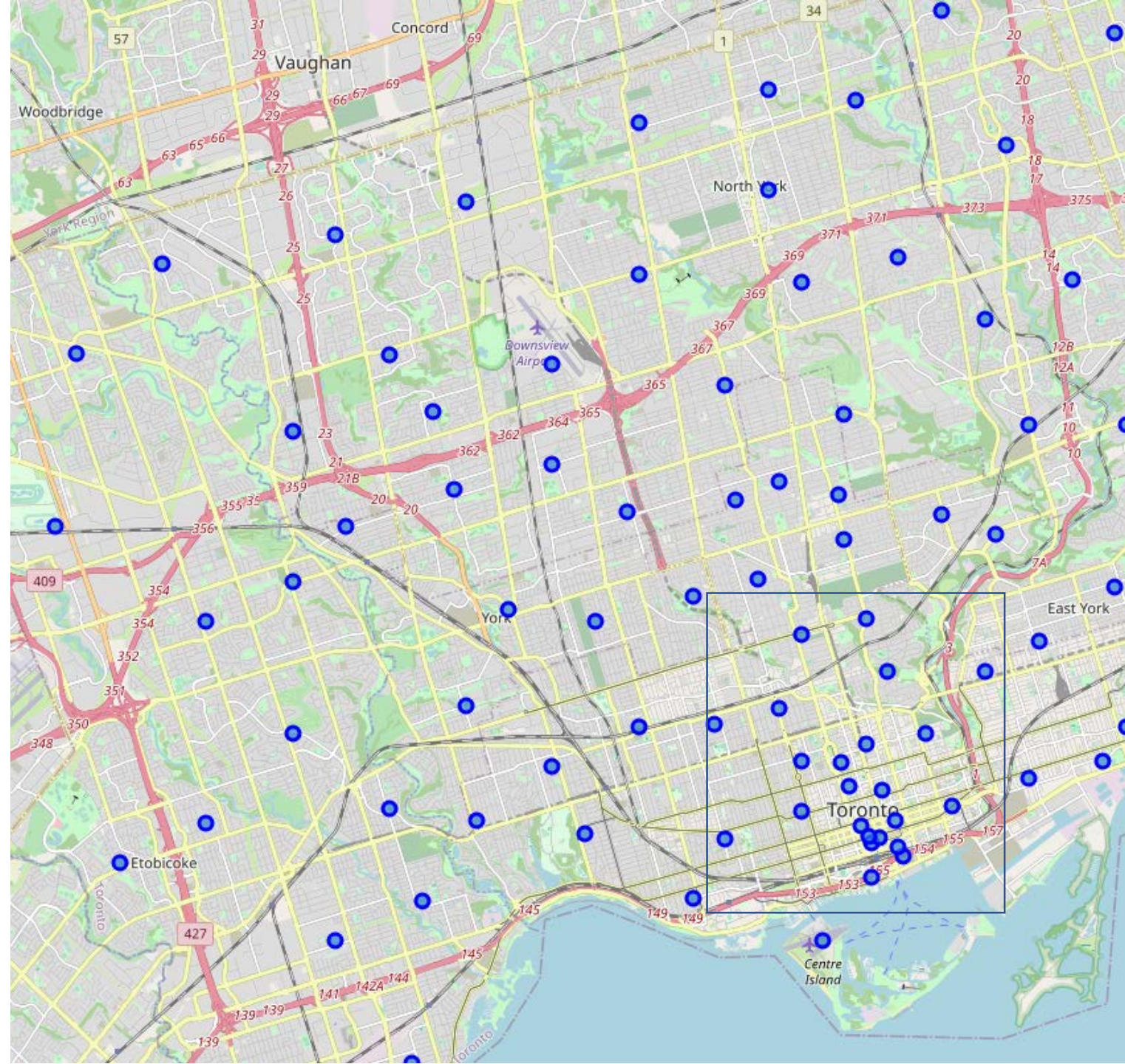
- Client is an operator of an Italian restaurant chain
- Offered choices are classical Italian kitchen
- Target customers are the average citizen of a major city. Thereof, the current venues are typically located in major city centers.
- Managing director intends to open additional restaurants:
 - An overview on the density of Italian restaurants in two major cities is needed – Toronto city center and Manhattan.
 - A recommendation is required which city to choose from

Approach

- Analysis will be based on
 - Location based data from foursquare on Italian restaurants in areas in question(Toronto city center & Manhattan)
 - Population data for the areas in question
- Approach will be to:
 - Determine the current landscape of italian restaurants
 - Combine data with population data
- This will generate a recommendation on most attractive markets – which is typically the market with the highest unmet need

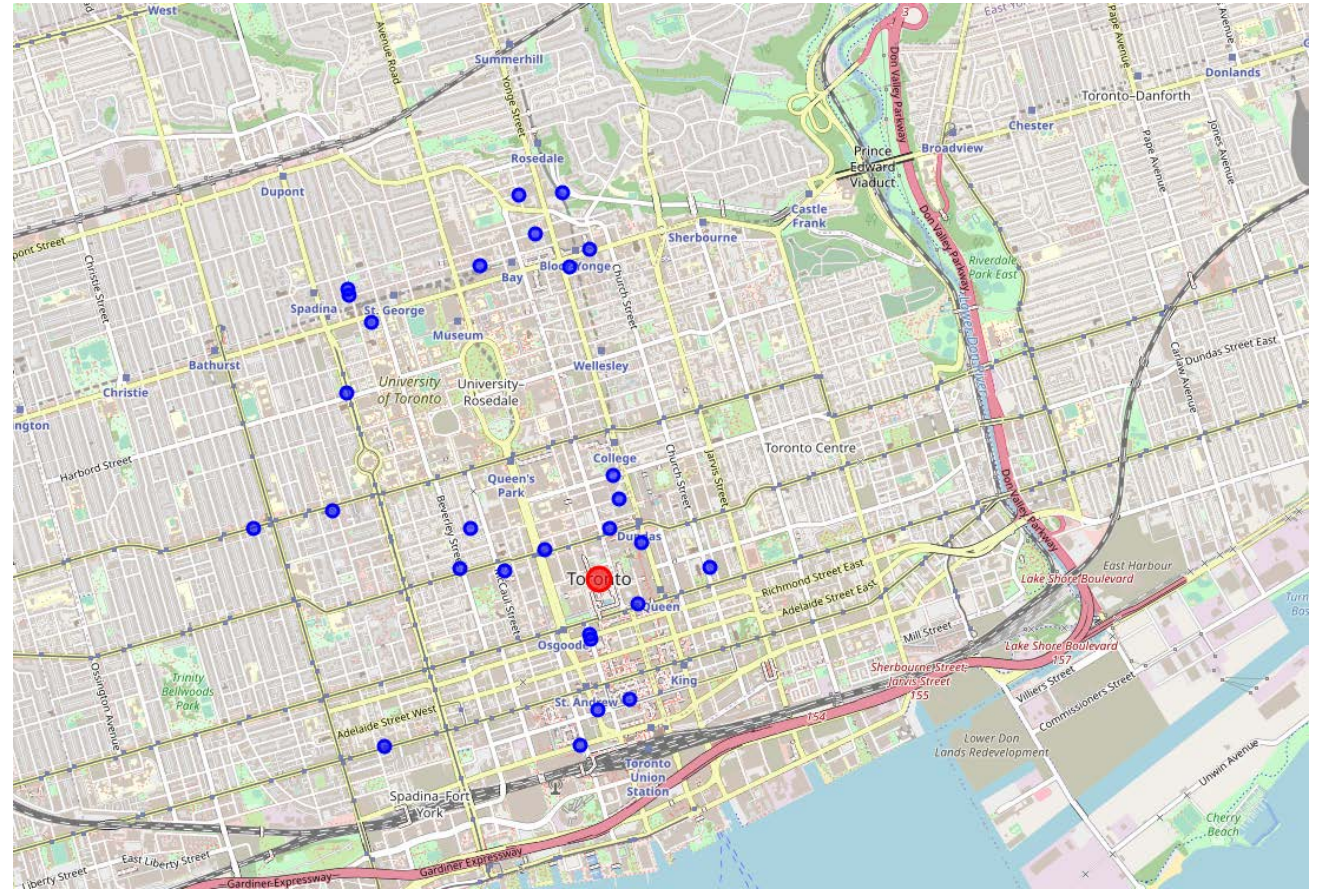
Results – overview of Toronto

- Toronto shows a large number of districts to choose from
- City Center is actually a small area which will be picked for further analysis



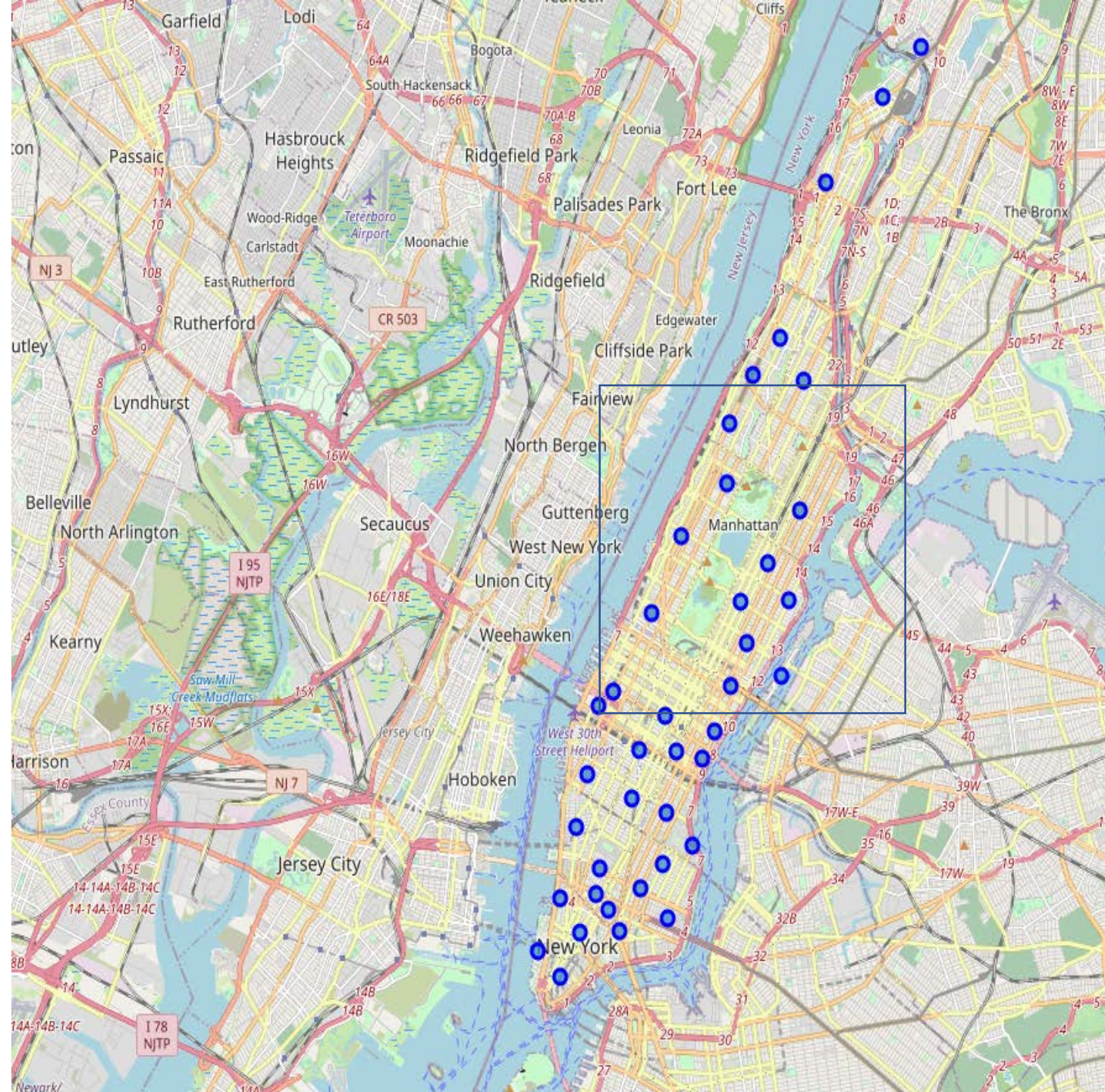
Results – Restaurant density Toronto

- 28 Italian Restaurants have been found in the selected area (2km in diameter from center based on Foursquare data)
- Population density in Toronto is ~4k people per sqkm
- → approx. 486 people/ restaurant with 28 restaurants existing



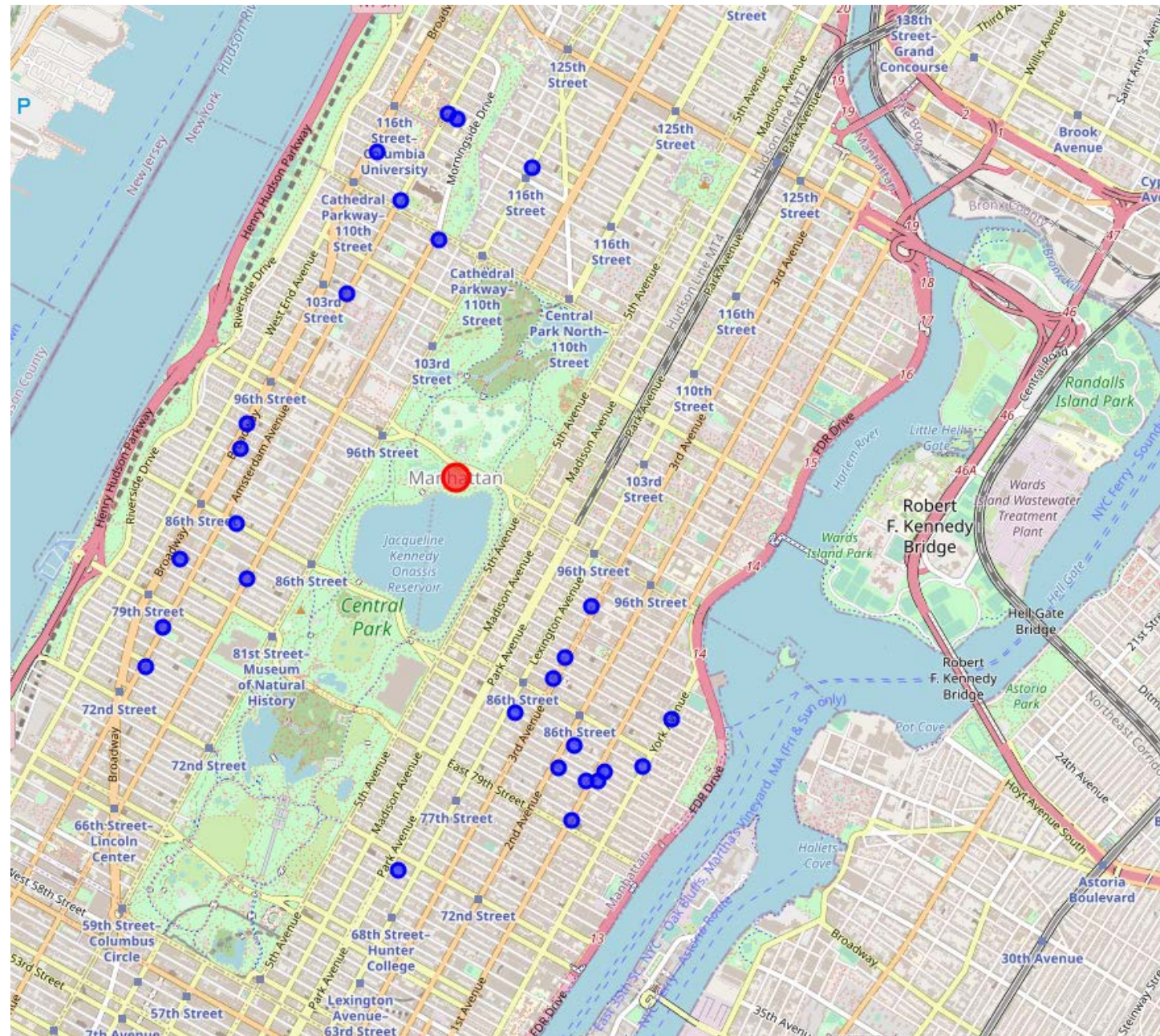
Results – overview of NYC

- NYC shows a large number of districts to choose from, the analysis is focused on Manhattan
- Since there is no official Center District in Manhattan, Central Park is assumed as center



Results – Restaurant density NYC

- 27 Italian Restaurants have been found in the selected area (2km in diameter from center based on Foursquare data) – quite the same as in Toronto
- Population density in Toronto is ~11k people per sqkm
- → approx. 1.237 people/ restaurant with 27 restaurants existing



Conclusion

- Assuming a similar demand for Italian food, the Toronto market shows already a much higher density of Italian restaurants compared to the population size as the market in New York.
- There is a factor of 2.5 more potential customers on average per restaurant in New York as in Toronto.
- Looking at this key indicator, New York is a much more attractive market to open new Italian restaurants as Toronto with similar number of restaurants being already in the market