

Choosing the Best Location for a New Mexican Restaurant In the Greater Salt Lake City, Utah Area

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Introduction

A potential client desires to know the best location to set up a Mexican restaurant in Salt Lake City, Utah, USA. The client had operated a very successful Mexican restaurant for over ten years in Miami, Florida, USA. Operating in the food business has been in his family for several generations. The client relocated to Utah because many members of his family have relocated to Salt Lake City. However, he is very unfamiliar with the demographics and competition for Mexican food in the greater Salt Lake City area.

The client wishes to learn which location in the city has the least competition for the greatest population. The client already knows that Mexican food is the third most

popular type of cuisine in Utah, which is 50% higher than the national average¹. This will be a family venue, so the potential location preferably needs to be closer to an urban area.

Data Used

The Foursquare (<https://developer.foursquare.com/>) location data set will be used to analyze food venue locations. Population by postal code data was gathered from the US Census Bureau². The data was downloaded and merged, and various, unneeded columns were dropped to allow easy analysis from a single dataframe.

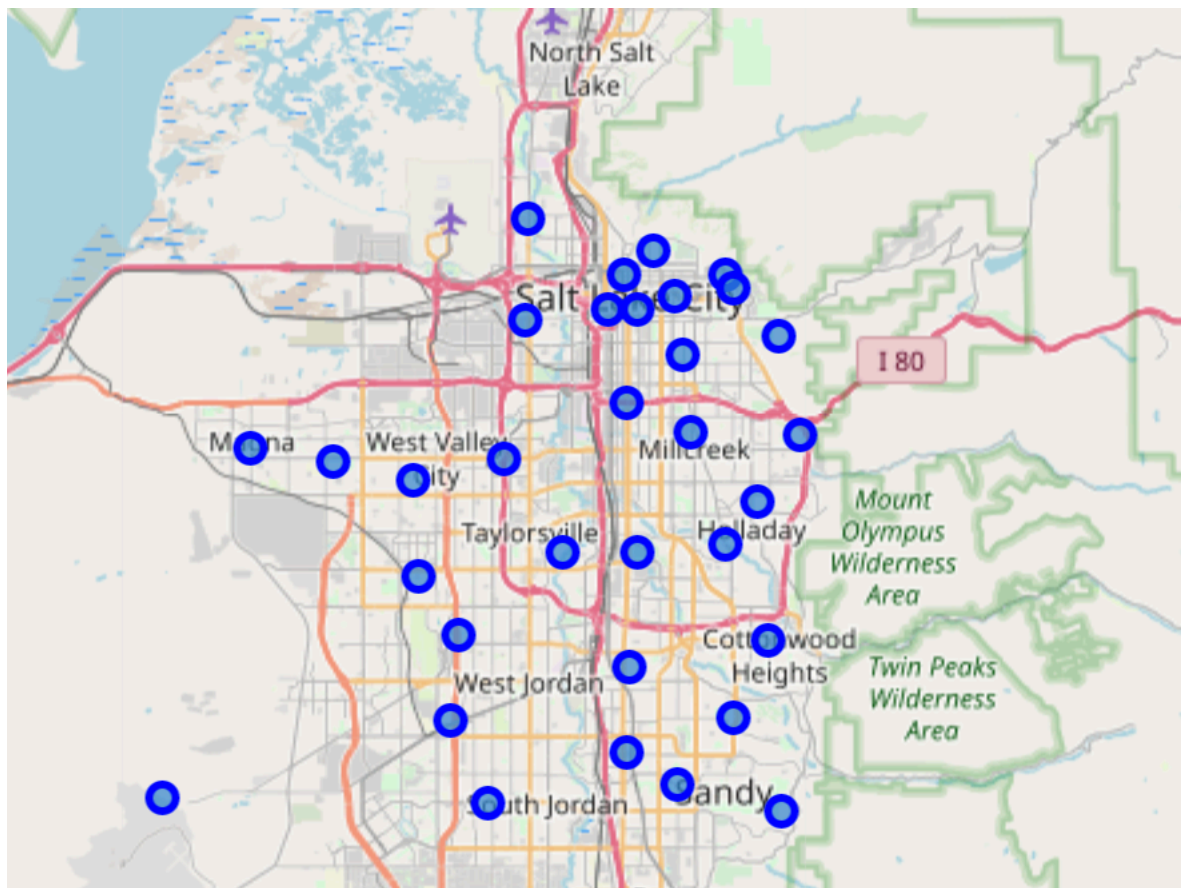


Figure 1: Map generated showing each postal code location in the Greater Salt Lake area

Methodology

The method used to determine the best location was fairly straight forward and simple:

1. Determine the density of Mexican Restaurants in every postal code (zipcode) of the Greater Salt Lake City area.
2. Compare the number of Mexican Restaurants (counts) returned by the Foursquare database in a given postal code to the total population in that postal code area.

3. The postal code with the lowest ratio of Mexican Restaurants (counts) to population would be the most promising place to set up the Restaurant.
4. Finally, pull down the most popular venues in the target postal code from Foursquare and try to position the restaurant near a popular, non-food venue.

No higher statistical analysis or machine learning was required to arrive at a reasonable approximation of an ideal location.

Results

	Zipcode	City	County	Population	Latitude	Longitude	Count	Count/Population
4	84095	South Jordan	Salt Lake	65890	40.561598	-111.960880	1	0.000015
7	84106	Salt Lake City	Salt Lake	36160	40.706246	-111.856570	1	0.000028
11	84116	Salt Lake City	Salt Lake	35841	40.790309	-111.940180	1	0.000028
8	84107	Salt Lake City	Salt Lake	34302	40.659997	-111.883940	1	0.000029
1	84047	Midvale	Salt Lake	33343	40.614997	-111.887040	1	0.000030

Figure 2: Postal Codes with the best Count/Population ratios

By inspection of Figure 2, the postal code that has the lowest number of Mexican Restaurants per person is 84095 (South Jordan, UT) at .000015 Restaurants per Person (Count/Population).

	Venue	Venue Latitude	Venue Longitude	Venue Category
0	Costco	40.559808	-111.975857	Warehouse Store
1	Walmart	40.563091	-111.975016	Big Box Store
2	Vasa Fitness	40.560443	-111.979258	Gym / Fitness Center
3	Harmons Grocery	40.543447	-111.977755	Grocery Store

Figure 3: The most popular non-food venues in South Jordan

Not surprisingly, the two most popular venues in South Jordan are Costco and Walmart! By inspecting the map image, below, you can see how the most popular venues are all clustered together in the same block location.

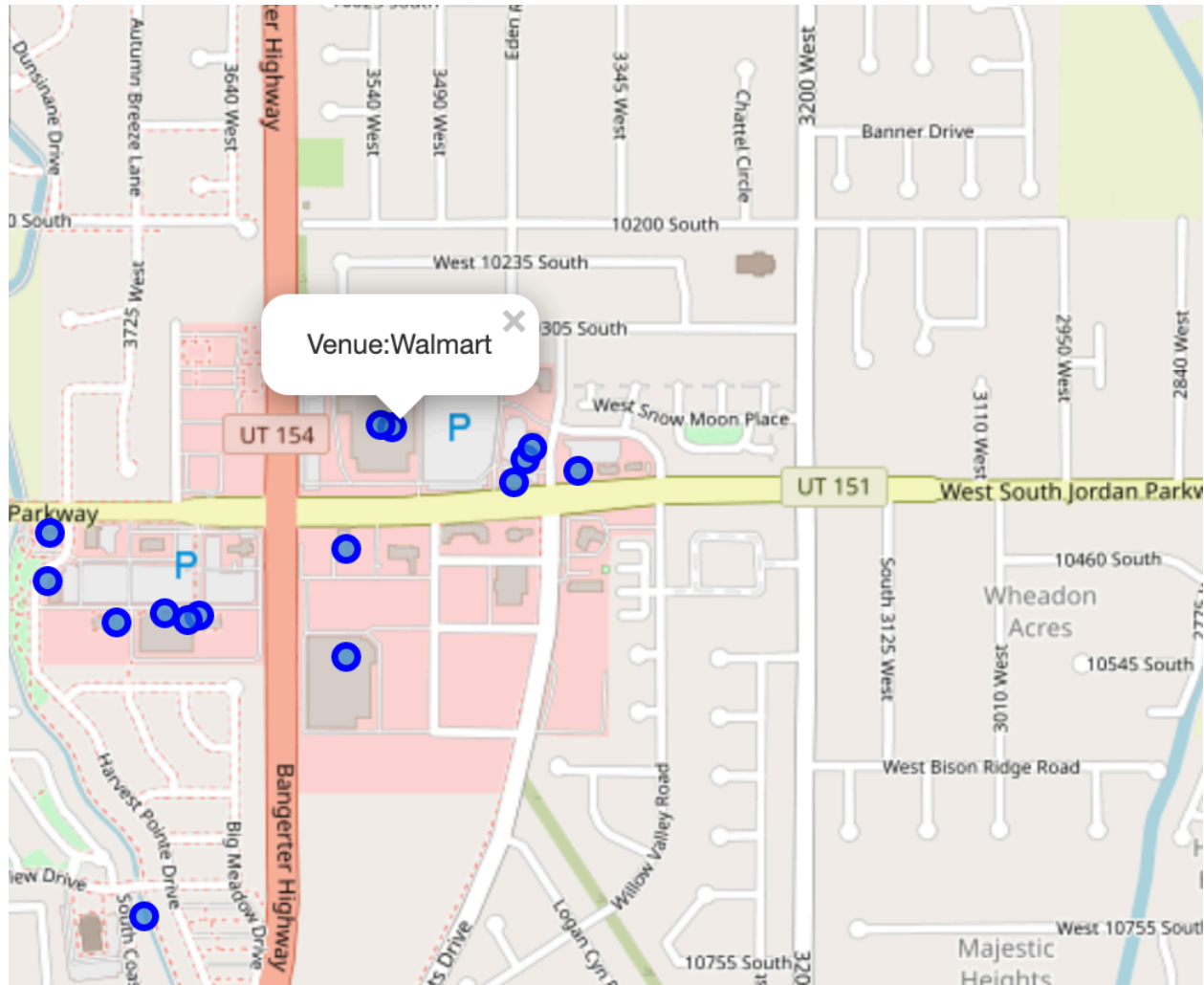


Figure 4: Generated map of the locations of the most popular venues in South Jordan

Discussion

This analysis fits very well with common sense because South Jordan is the fastest growing city in Salt Lake County. South Jordan is also the 9th most affluent postal code area in the entire state of Utah, with a mean income of \$119,416³. It seems logical that the more income one has, the more likely they will go out to eat.

Finding an available location near Costco and Walmart might be difficult and expensive, but even if the restaurant was another block away that would still be a strong location. This is an urban area, where tremendous growth is expected for many years to come.

Conclusion and Recommendation

It's my conclusion that placing a Mexican Restaurant in the South Jordan area, near Costco and Walmart, will be my recommendation to the client. Further recommendations would be analysis of a precise location for a Mexican Restaurant by analyzing properties that are for sale or lease in the target area, but this will be left to the client to analyze further.

End Notes

1. <https://fox13now.com/2015/01/16/utahs-favorite-cuisine-is-what-most-disproportionately-popular-cuisine-by-state/>
2. https://www.utah-demographics.com/cities_by_population
3. <https://www.incomebyzipcode.com/utah>