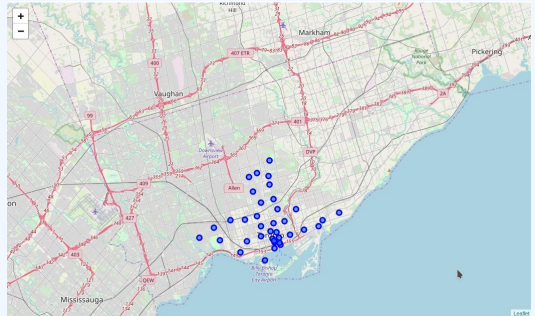# Selecting a neighbourhood and features of a new food venue in Toron

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Selecting a location and features of a restaurant is challeging

- Highly competitive
- Dynamic market
- Location is critical
- What features to have to make it new and fresh

Ideal properties of a new restaurant

- Located in the neighbourhood with the highest density of restaurants
  - ▶ Maximum number of customers willing to pay
  - ▶ The rent levels and associated costs can be covered by the revenue

- Same cuisine as already offered in the neighbourhood
  - ▶ Minimise any resistance to the unknown
- Vary by one thing from the standard venue and use that as a marketing hook

Data acquisition and cleaning

- Toronto postocdes from Wikipedia
- Food venues from Foursquare
- Food venues details from Foursquare
- Postcode code data did not include unallocated postcodes

Generated a list of each neighbourhood and its geographic centre
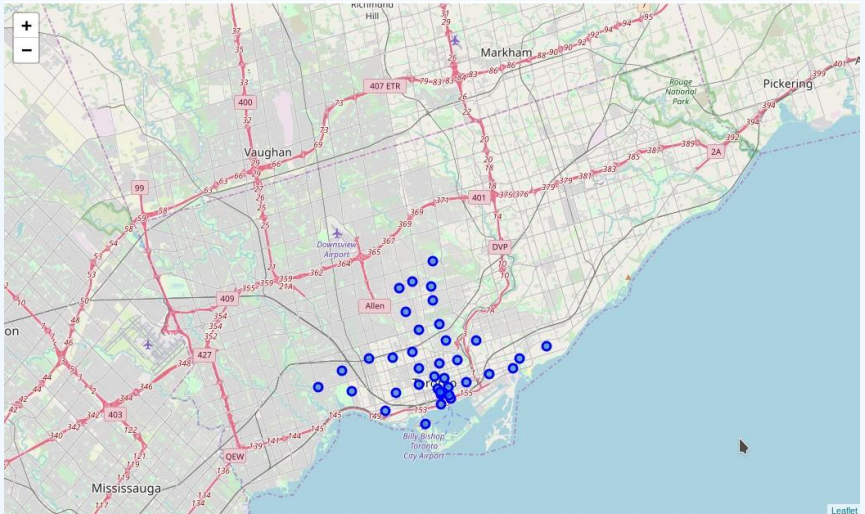
The top 5 neighbourhoods had over 40 food venues within 200m radius

Neighbourhood	Number of food venues within 200m
Commerce Court and Victoria Hotel	50
Central Bay Street	48

First Canadian Place and Underground city	48
Chinatown, Grange Park and Kensington Market	46
Harbourfront East, Toronto Islands and Union Station	42

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Coffee shops were 25% of the food venues in

Category	Number of food venues within 200m
Coffee shop	12
Restaurant	5
Fastfood Restaurant	3

Each category of food venue was assessed according the 3 features

- Price Tier (1 cheapest, 4 most expensive)
- Outdoor seating
- Wifi

Pricing alternatives were one below and one above the most common price tier

- For example if the most common price tier was 2, the alternative price tiers were offered to be
    - ▶ Price Tier 1
    - ▶ Price Tier 3

■ If the price tier was either the lowest or highest (i.e 1 or 4) then one alternative tier was offered

■ For example, if the price tier was 1, the offered alternative would be
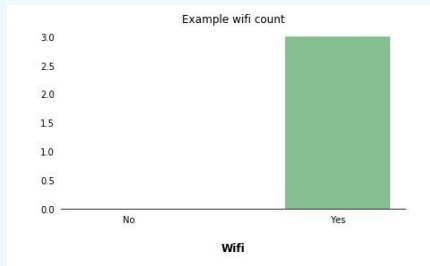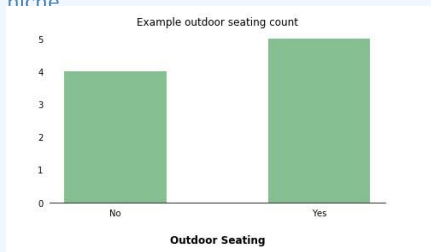
▶ Price Tier 2

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Outdoor seating and wifi alternatives were determined from their relative numbers

- For each feature if both options were approximately the same it was considered that there was no underexploited niche in this neighbourhood for that features.

- A threshold was set at the less common option was to be below 35% for the niche to be underexploited

For example:
Outdoor seating and indoor seating. Wifi is available at every venue,

niche

Example outdoor seating count

Outdoor Seating

Example wifi count

Wifi

For the neighbourhood Commerce Court and Victoria Hotel, 7 options for a new food venue were identified

Category	Nickname	Price Tier	Outdoor seating	Wifi
Coffee Shop	Coffee anytime - even when it is raining	1	No	Yes
Coffee Shop	Upmarket coffee and treats	2	Yes	Yes
Restaurant	Cheap and cheerful in the fresh air	1	Yes	No
Restaurant	Good meals, done right	3	Yes	No

Fastfood Restaurant	Everything you expect AND wifi!	1	Yes	Yes
Fastfood Restaurant	We know two things: food and fast	1	No	No
Fastfood Restaurant	Fast food that is cut above the rest	2	Yes	No