

Introduction

With interest rates at historic lows investors are seeking opportunities to get returns on their investments. Cities with a high standard of living and rising population may offer opportunities in that regard.

Being consistently in the top 3 of the most liveable cities on the planet Melbourne seems to be one of those cities where clever business women and men find possibilities to achieve much sought after returns. This assessment evaluates which suburbs from Melbourne are the best places to invest and find business opportunities.

Data

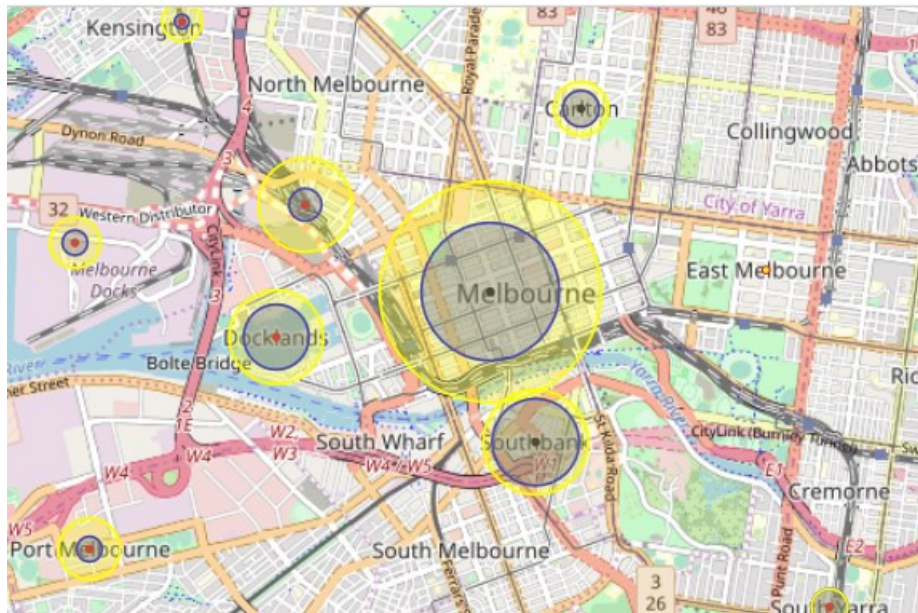
The data to conduct this assessment was drawn from a population forecast provided by the city of Melbourne and Foursquare, an independent location data platform. Thereby, the population forecast will be used to figure out which suburbs are the ones that will grow the most during the period 2018 to 2031 and 2041, respectively. In a second step data from Foursquare will be used to evaluate which suburbs are already highly developed and which still need to catch up.

<https://data.melbourne.vic.gov.au/People/City-of-Melbourne-Population-Forecasts-2016-to-2041/vtsx-jhki>

<https://foursquare.com/>

Methodology

1. Read the population projection data from the city of Melbourne and save it in a dataframe
2. Filter the dataframe to only consist of total population data from each suburb
3. Plot population projection in line chart
4. Get latitude and longitude for each suburb to access data on Foursquare
5. Show locations of each suburb based on coordinates
6. Access Foursquare data and evaluate how developed (number of venues, universities, shops etc) each suburb is. For this evaluation we are using MinMax Scaler and produce box plots.
7. Cluster suburbs into highly developed (black circles) and less developed (red circles) and indicate them on the map
8. Combine growth predictions for 2031 (blue circle) and 2041 (yellow circle) together with the development status and show on map.



Results

The resulting map shown above shows that for the less developed areas in red, North Melbourne and Docklands have highest population growth. While there is not much difference in regards to the population growth in long-term (2041) considering the mid-term population growth Docklands may be preferred from an investor's point of view.

Discussion

It has been observed that even though the higher population growth is predicted to occur in Melbourne CBD, this area may not offer the same great opportunities as the not so well developed suburbs in the close surroundings.

Conclusion

Further analysis is needed to ultimately decide which suburb may be best suited to realise a business idea or an investment. However, this analysis would provide a good first direction where to look at and how to compare such opportunities.