Neighborhood Segmentation and Clustering to Establish a Mexican Restaurant in Toronto, Canada

1. Introduction/Business Problem

1.1 Background

Toronto is one of the most diverse and multicultural cities in the world. According to official data, over half of the city's residents were born outside of Canada, making it home to nationalities from around the world. In Toronto you can literally experience so many cultures in a day, like Little Italy, Greektown, Koreatown, Chinatown, Little Portugal and Little India - each embracing an authentic lifestyle and cuisine. Therefore, when it comes to establishing a new food service business in a city like Toronto, it is vital to choose the right location.

1.2 Business Problem

One of the key factors for the success of a restaurant is its location. Choosing the right location, it is as important as the menu itself. If a restaurant is in the wrong place, it won't attract the number of customers needed in order to stay in business. The same is true if the location of the restaurant is saturated with competitors.

1.3 Interests

The goal of this project is to provide a tool that facilitates the decision making for entrepreneurs looking to open a Mexican restaurant in Toronto area by finding the optimal location to establish the new business.

2. Data Acquisition and Cleaning

1.4   Data Sources

- List of postal codes of Toronto from [Wikipedia](#)

- Geospatial Coordinates CSV file for Toronto postal codes
  http://cocl.us/Geospatial_data.

- Foursquare API

- Wellbeing Toronto web portal from the city of Toronto, for demographics
  http://map.toronto.ca/wellbeing