Capstone Project

The Battle of Neighbourhoods

Open a Mediterranean food restaurant in Toronto

1. Introduction

➢ Growing immigration from many countries around the world to Canada in the last decade has increased globalization in different cities. Specifically, in the city of Toronto, restaurants of different nationalities have opened, including Chinese, Japanese, Indian, among others.

➢ The objective of this project is to find out if among all these gastronomies of the world, there is a place in Toronto for the famous "Mediterranean gastronomy". It is well known that Mediterranean gastronomy is one of the healthiest in the world because it uses among its main ingredients fresh and quality products, such as vegetables, fruits, virgin olive oil, etc.

➢ Thanks to this project, we will be able to know if opening a Mediterranean cuisine restaurant in Toronto is a viable project or not. This project may be useful for entrepreneurs who are looking to invest in a restaurant in a neighborhood in Toronto. On the other hand, the target audience will be all people who have an exquisite palate and want to taste the flavors of Mediterranean cuisine.

➢ We will use the dataset obtained in week. This contains the latitudes, longitudes and zip codes of Canada. This dataset can be found in: https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M

➢ **Foursquare API Data**

❏ To get the data for the different neighborhoods of Toronto in Canada, we will use the Foursquare API. As in week 3 of the course, we will get location information of the venues.

❏ The data obtained from Foursquare are: Neighborhood, Neighborhood latitude, Neighborhood Longitude, Venue, Name of the Venue, Venue latitude, Venue longitude, and Venue category.

➢ **Libraries**:
   ❑ Pandas: to create and manipulate dataframes.
   ❑ Scikit learn: to use k-means clustering.
   ❑ Numpy: to support the creation of multidimensional arrays and vectors.
   ❑ Matplotlib: to create plots.
   ❑ Geocoder: to retrieve location data.
   ❑ Folium: map rendering library.
   ❑ JSON: to handle JSON files.
   ❑ Requests: to handle requests.

➢ **Unsupervised machine learning**

For this project we will use the unsupervised learning algorithm k-means to segment and cluster the data and thus obtain enough information to know in which place is more appropriate to open a restaurant of Mediterranean gastronomy.

Importing required libraries

```python
import pandas as pd
import numpy as np
pd.set_option('display.max_columns', 300)
pd.set_option('display.max_rows', 300)

import json # library to handle JSON files

import geocoder
from geopy.geocoders import Nominatim # convert an address into latitude and longitude values

import requests # library to handle requests
from pandas.io.json import json_normalize # tranform JSON file into a pandas dataframe

# Matplotlib and associated plotting modules
import matplotlib.cm as cm
import matplotlib.colors as colors
import matplotlib.pyplot as plt

# import k-means from clustering stage
from sklearn.cluster import KMeans

import folium # map rendering library

print('Libraries imported.')
```

Reading the data and importing it into the dataframe (Data Collection)

```python
df_raw = pd.read_html("https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M")[0]
df_raw # The dataframe will consist of three columns: PostalCode, Borough, and Neighborhood
```

	Postal Code	Borough	Neighbourhood
0	M1A	Not assigned	Not assigned
1	M2A	Not assigned	Not assigned
2	M3A	North York	Parkwoods
3	M4A	North York	Victoria Village
4	M5A	Downtown Toronto	Regent Park, Harbourfront

```python
# Printing summary of the df_raw
df_raw.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 180 entries, 0 to 179
Data columns (total 3 columns):
 #   Column         Non-Null Count  Dtype
---  ------         --------------  -----
 0   Postal Code    180 non-null    object
 1   Borough        180 non-null    object
 2   Neighbourhood  180 non-null    object
dtypes: object(3)
memory usage: 4.3+ KB
```

➢ *Only process the cells that have an assigned borough. Ignore cells with a borough that is not assigned.*

```
df = df_raw[df_raw['Borough']!='Not assigned']
df
```

	Postal Code	Borough	Neighbourhood
2	M3A	North York	Parkwoods
3	M4A	North York	Victoria Village
4	M5A	Downtown Toronto	Regent Park, Harbourfront
5	M6A	North York	Lawrence Manor, Lawrence Heights
6	M7A	Downtown Toronto	Queen's Park, Ontario Provincial Government

➢ *More than one neighborhood can exist in one postal code area. For example, in the table on the Wikipedia page, you will notice that M5A is listed twice and has two neighborhoods: Harbourfront and Regent Park. These two rows will be combined into one row with the neighborhoods separated with a comma.*

```python
df_pc = df.groupby('Postal Code', sort = False).agg(', '.join)
df_pc.head(10)
```

Postal Code	Borough	Neighbourhood
M3A	North York	Parkwoods
M4A	North York	Victoria Village
M5A	Downtown Toronto	Regent Park, Harbourfront
M6A	North York	Lawrence Manor, Lawrence Heights
M7A	Downtown Toronto	Queen's Park, Ontario Provincial Government

➤ *If a cell has a borough but a not assigned neighborhood, then the neighborhood will be the same as the borough.*

```python
df_pc.loc[df_pc['Neighbourhood'] == 'Not assigned', 'Neighbourhood'] = df_pc.loc[df_pc['Neighbourhood'] == 'Not assigned', 'Borou
df_pc.reset_index(inplace = True)
df_pc.head(10)
```

	Postal Code	Borough	Neighbourhood
0	M3A	North York	Parkwoods
1	M4A	North York	Victoria Village
2	M5A	Downtown Toronto	Regent Park, Harbourfront
3	M6A	North York	Lawrence Manor, Lawrence Heights
4	M7A	Downtown Toronto	Queen's Park, Ontario Provincial Government

➢ *Reading geospatial data*

```python
df_geo = pd.read_csv('http://cocl.us/Geospatial_data')
df_geo
```

	Postal Code	Latitude	Longitude
0	M1B	43.806686	-79.194353
1	M1C	43.784535	-79.160497
2	M1E	43.763573	-79.188711
3	M1G	43.770992	-79.216917
4	M1H	43.773136	-79.239476

➢ *Merging both dfs by Postal Code*

```
df_pc = pd.merge(df_pc, df_geo, on = 'Postal Code')
df_pc
```

|	Postal Code	Borough	Neighbourhood	Latitude	Longitude
0	M3A	North York	Parkwoods	43.753259	-79.329656
1	M4A	North York	Victoria Village	43.725882	-79.315572
2	M5A	Downtown Toronto	Regent Park, Harbourfront	43.654260	-79.360636
3	M6A	North York	Lawrence Manor, Lawrence Heights	43.718518	-79.464763
4	M7A	Downtown Toronto	Queen's Park, Ontario Provincial Government	43.662301	-79.389494

➤ *Data Visualization*

Exploratory Data Analysis to understand better how many neighborhoods are.

```python
neigh_tor = df_pc.groupby('Borough')['Neighbourhood'].nunique()
neigh_tor
```

```
Borough
Central Toronto      9
Downtown Toronto    19
East Toronto         5
East York            5
Etobicoke           12
Mississauga          1
North York          20
Scarborough         17
West Toronto         6
York                 5
Name: Neighbourhood, dtype: int64
```

➢ *Plotting the data*

Number of Neighborhoods grouped by Borough in Toronto
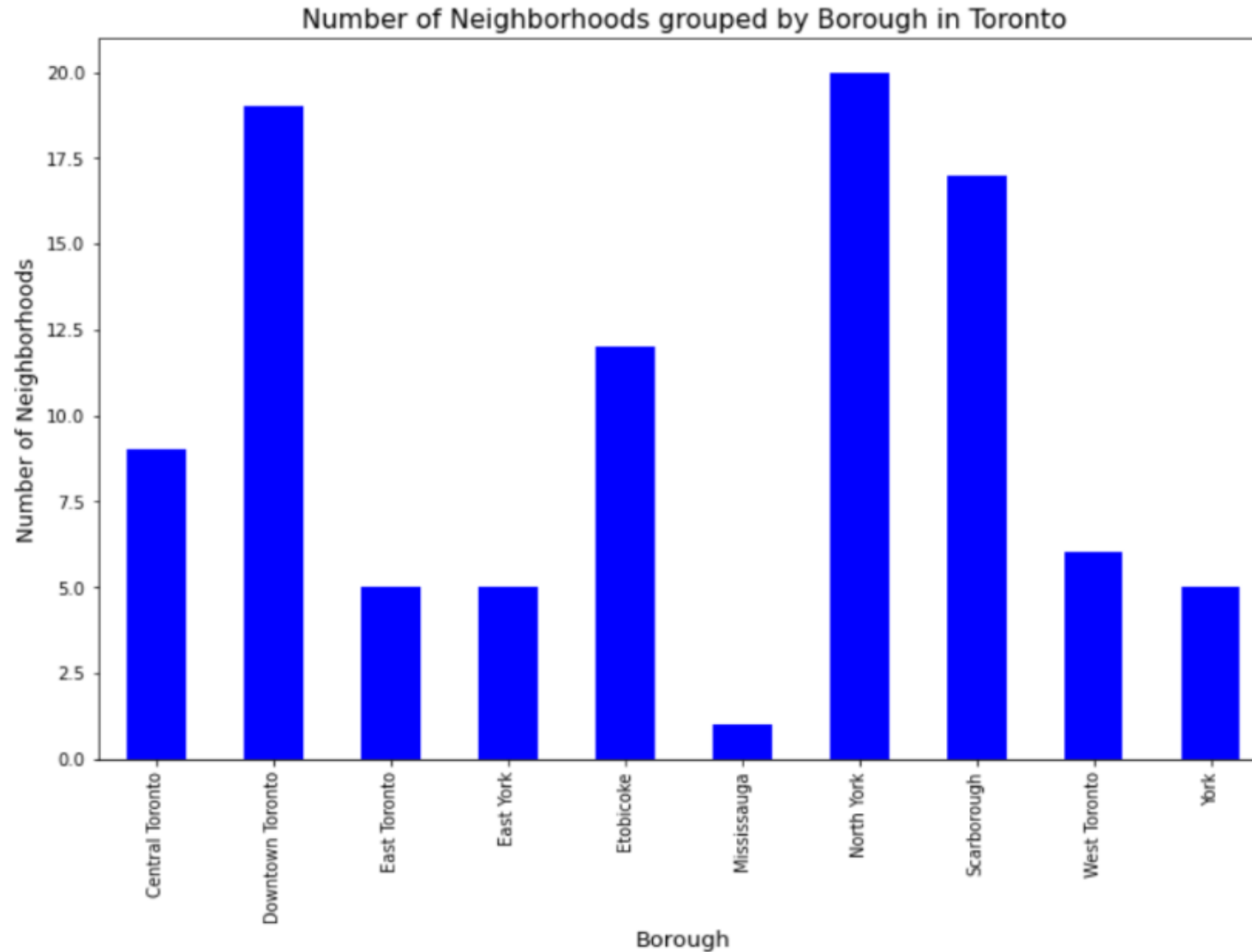
North York is the borough with the greatest number of neighborhoods. Downtown Toronto is the borough with the second largest number of neighborhoods.
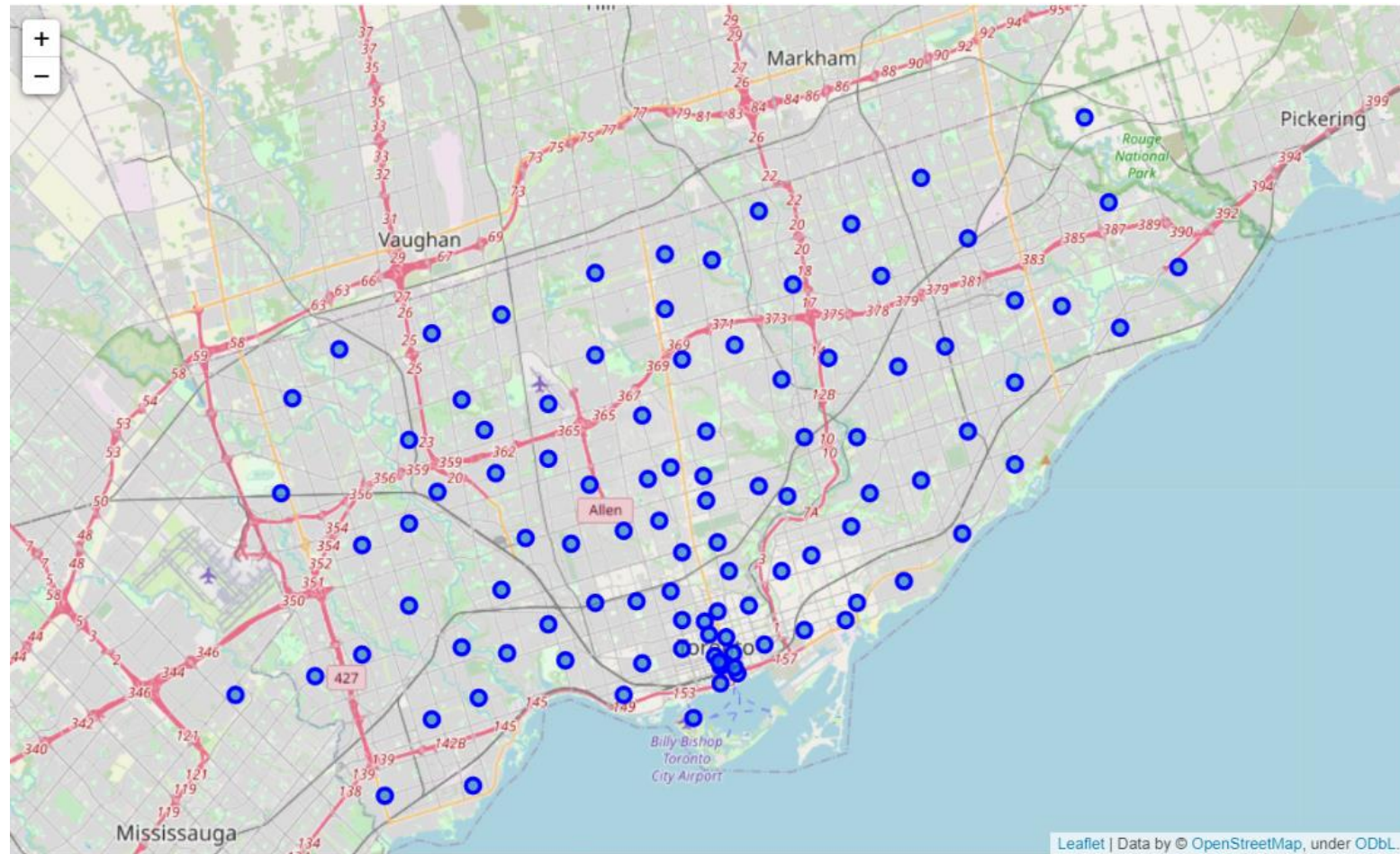
➢ *Using Foursquare API*

Create a map of Toronto with neighborhoods superimposed on top

➢ *Using Foursquare API*

Create a map of Toronto with neighborhoods superimposed on top

➢ **Explore Neighborhoods in Toronto**

How many venues were returned for each neighborhood.

```
toronto_venues.groupby('Neighborhood').count()
```

Neighborhood	Neighborhood Latitude	Neighborhood Longitude	Venue	Venue Latitude	Venue Longitude	Venue Category
Agincourt	4	4	4	4	4	4
Alderwood, Long Branch	7	7	7	7	7	7
Bathurst Manor, Wilson Heights, Downsview North	23	23	23	23	23	23
Bayview Village	4	4	4	4	4	4
Bedford Park, Lawrence Manor East	24	24	24	24	24	24
Berczy Park	55	55	55	55	55	55
Birch Cliff, Cliffside West	4	4	4	4	4	4

➤ *Analyze Each Neighborhood*

Mediterranean restaurants.

```
toronto_onehot[toronto_onehot['Mediterranean Restaurant'] == 1].sum()
```

Light Rail Station	0
Lingerie Store	0
Liquor Store	0
Lounge	0
Luggage Store	0
Market	0
Martial Arts School	0
Massage Studio	0
Medical Center	0
Mediterranean Restaurant	6

➤ *Cluster Neighborhoods*

Plotting Silhouette score with different number of clusters
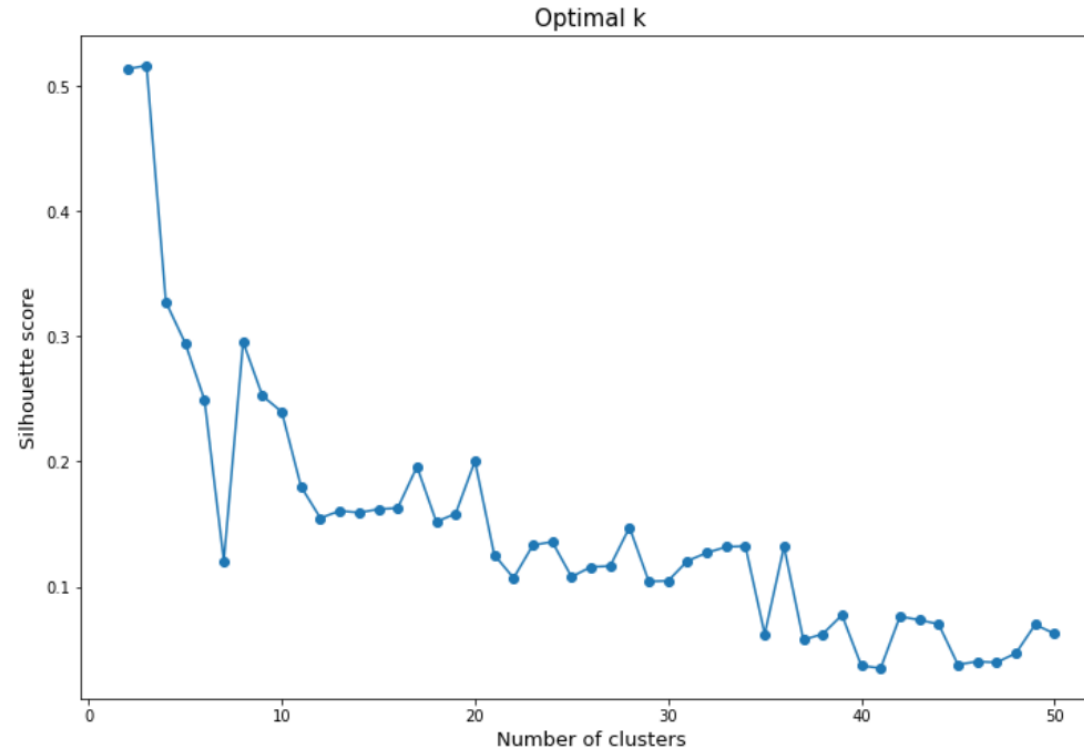

```
print(k_values[0:10])
print(sc[0:10])
```

```
[2, 3, 4, 5, 6, 7, 8, 9, 10, 11]
[0.5137198031502376, 0.5166286648657628, 0.3275463434614149, 0.29474050061096707, 0.24927807804855537, 0.12048578322839436, 0.2
9557129636684626, 0.2525273926619521, 0.23975826603652947, 0.17989451390694086]
```
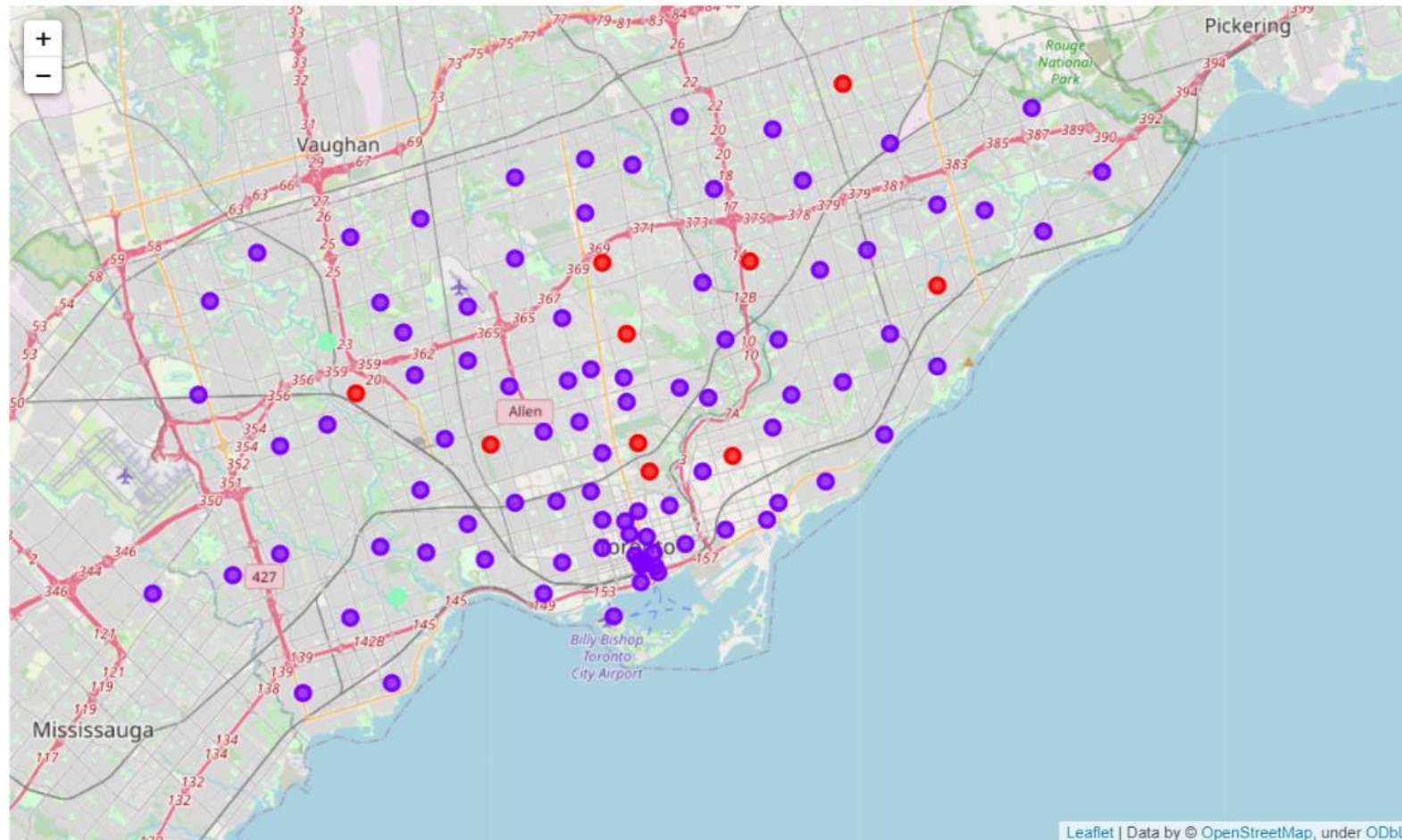
➢ *Cluster Neighborhoods*

Taking into account the results of the silhouette score, we will use 3 clusters for our clustering model as this is the best result obtained.

```
# Run k-means to cluster the neighborhood into 5 clusters.

# set number of clusters
kclusters = 3

toronto_grouped_clustering = toronto_grouped.drop('Neighborhood', axis = 1)

# run k-means clustering
kmeans = KMeans(n_clusters = kclusters, random_state=0).fit(toronto_grouped_clustering)

# check cluster labels generated for each row in the dataframe
kmeans.labels_
```

```
array([1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,
       1, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 2, 1, 1, 1, 1,
       1, 1, 0, 1, 1, 1, 0, 1, 0, 1, 1, 1, 1, 1, 2, 1, 1, 0, 1, 1, 1, 0,
       1, 1, 1, 1, 0, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,
       0, 1, 1, 1, 1, 1, 1, 0])
```

➢ *Cluster Neighborhoods*

Finally, let's visualize the resulting clusters

➢ **Cluster Neighborhoods**

Examine Cluster 1

Borough	Neighbourhood	Cluster Labels	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue
North York	Parkwoods	0.0	Food & Drink Shop	Pool	Park	Yoga Studio	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant	Mobile Phone Shop
York	Caledonia-Fairbanks	0.0	Park	Women's Store	Pool	Miscellaneous Shop	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant	Mobile Phone Shop
Scarborough	Scarborough Village	0.0	Playground	Convenience Store	Medical Center	Mediterranean Restaurant	Men's Store	Mexican Restaurant	Middle Eastern Restaurant	Miscellaneous Shop	Music Venue
East York	East Toronto, Broadview North (Old East York)	0.0	Park	Intersection	Convenience Store	Yoga Studio	Mobile Phone Shop	Motel	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant
Central Toronto	Lawrence Park	0.0	Bus Line	Swim School	Park	Yoga Studio	Mobile Phone Shop	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant

➢ *Cluster Neighborhoods*

Examine Cluster 2

Borough	Neighbourhood	Cluster Labels	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue
North York	Victoria Village	1.0	Pizza Place	Portuguese Restaurant	Coffee Shop	Hockey Arena	Yoga Studio	Modern European Restaurant	Movie Theater	Motel
Downtown Toronto	Regent Park, Harbourfront	1.0	Coffee Shop	Bakery	Park	Pub	Breakfast Spot	Theater	Café	Farmers Market
North York	Lawrence Manor, Lawrence Heights	1.0	Clothing Store	Furniture / Home Store	Women's Store	Coffee Shop	Boutique	Gift Shop	Miscellaneous Shop	Vietnamese Restaurant
Downtown Toronto	Queen's Park, Ontario Provincial Government	1.0	Coffee Shop	Sushi Restaurant	Yoga Studio	Beer Bar	Restaurant	Burrito Place	Bar	Nightclub
Scarborough	Malvern, Rouge	1.0	Fast Food Restaurant	Print Shop	Miscellaneous Shop	Motel	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant

➢ *Cluster Neighborhoods*

Examine Cluster 3

	Borough	Neighbourhood	Cluster Labels	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue	6th Most Common Venue	7th Most Common Venue	8th Most Common Venue	9th Most Common Venue	10th Most Common Venue
57	North York	Humberlea, Emery	2.0	Baseball Field	Yoga Studio	Mobile Phone Shop	Motel	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant	Miscellaneous Shop	Market
101	Etobicoke	Old Mill South, King's Mill Park, Sunnylea, Hu...	2.0	Baseball Field	Yoga Studio	Mobile Phone Shop	Motel	Moroccan Restaurant	Monument / Landmark	Molecular Gastronomy Restaurant	Modern European Restaurant	Miscellaneous Shop	Market

4. Results

➤ The results show 3 clusters in the city of Toronto in Canada.

➤ We have searched for the 10 most common venues for each of the clusters obtained. It can be observed that some clusters are more suitable for having a restaurant.

➤ Cluster 1 contains 9 observations. These observations belong to 6 boroughs and we see that in none of the 3 most common venues a restaurant appears.

➤ Cluster 2 is the cluster with the highest number of observations and therefore also has the highest number of restaurants among the 10 most common venues.

➤ Finally, cluster 3 has the lowest number of observations. Therefore, the number of restaurants is also much lower compared to the other two clusters. However, the top 2 venues show that baseball field and yoga studio are the most common.

5. Discussion

➢ Analyzing the 3 clusters we can conclude that clusters 1 and 2 are the most appropriate when opening a restaurant, specifically, in our case, a Mediterranean food restaurant.

➢ For cluster 1, we observed Mediterranean food restaurants in the boroughs of Scarborough and Central Toronto, so establishing our restaurant in those boroughs would be the most appropriate for our business.

➢ Cluster 2 is the cluster that contains the most neighborhoods in the city of Toronto, with a total of 84 neighborhoods. In particular, the Hillcrest Village neighborhood, belonging to the borough of North York, has Mediterranean food restaurants in the third place.

➢ It is worth mentioning that the boroughs of Etobicoke, Scarborough, and York would also be good options to open the restaurant as they also have Mediterranean cuisine.

➢ Finally, cluster 3 would not be an option when it comes to opening our restaurant because as seen in these neighborhoods, they are more inclined to healthy living as the most common venues. Although it seems that Moroccan food has also had a good acceptance.

6. Conclusion

➤ We have successfully analyzed the neighborhoods of Toronto, Canada, to determine which would be the most suitable neighborhood to open our Mediterranean cuisine restaurant.

➤ Taking into account the analysis and the results obtained, the most propitious neighborhood is Hillcrest Village, located in the borough of North York, since it has a restaurant of this style among the 3 most common venues.

➤ On the other hand, as a future work, it would be good to know other factors such as associated costs or transportation. These were not considered because they were out of scope.

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