Location prediction of the eastern European cuisine restaurant in the Toronto area

Introduction/Business problem

Author

Vladimir Dikić

coursera

IBM

Report issued   :   02-20-2020

1. Introduction

Starting and running a successful business is a multifactor dependant process, which requires both good initial screening, marketing and continuous improvement.

The market analysis is an important first step in predicting the viability of an endeavour. Accordingly, opening a restaurant with a niche cuisine is highly dependent on the target group of customers to help the business grow, before expanding and capturing the customers that are outside of the target culture. Likewise, it is important to capture the market where the income level of customers matches the offer business provides. Last but not least, it is important to evaluate the competition in the targeted area.

1.1 Problem statement

Stakeholder description/ interest

The family of immigrants from an eastern European country that are the residents of Toronto for past 25 years have decided to pursue their own business and open a restaurant in Toronto area. The idea is to open an affordable restaurant for the middle-income customers that would especially cater to the customers of the similar background. For this reason, the family has hired a data analyst to help them determine the best location for opening the venue.

Problem tackling through data

The best restaurant location is dependent on several factors. The data required to tackle the issue needs to contain the geographical parameters necessary to utilize the Foursquare platform to obtain the competing venues. It also needs to contain the demographic data for each neighbourhood: population, average income, ethnic makeup (or similar). The acquisition of aforementioned data is described in the next chapter.