

CAPSTONE PROJECT

The Battle of Neighborhood



REPORT

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INTRODUCTION

BACKGROUND

Toronto demographics show that it is a large and ethnically diverse metropolis. It is the largest city in the Canada with a long history of international immigration. Toronto was home to nearly 2.93 million people in 2018. Over the last decade, the city has been growing faster than the region. The Toronto region continues to be by far the leading metropolitan gateway for legal immigrants admitted into the Canada.

This final project explores the best locations for restaurants throughout the city of Toronto. Potentially the owner of the new restaurant can have great success and consistent profit. However, as with any business, opening a new restaurant requires serious considerations and is more complicated than it seems from the first glance. In particular, the location of the restaurant is one of the most important factors that will affect whether it will have success or a failure. So our project will attempt to answer the questions "Where should the investor open a Restaurant?", "Where should I go If I want good restaurant?" and "Which type of restaurant is most famous?"

BUSINESS PROBLEM

The objective of this Capstone project is to analyse and select the best locations in the city of Toronto to open a new restaurant. Using Data Science methodology and instruments such as Data Analysis and Visualization, this project aims to provide solutions to answer the business question: Where in the city of Toronto, where should the investor open a new Restaurant?

INTEREST

Expats who are considering to open Restaurant in Toronto will be interested to identify the place in Toronto and explore its neighbourhoods and common venues, types of restaurant in Toronto.

DATA ACQUISITION AND CLEANING

Data Acquisition

The data acquired for this project is a combination of data from two sources.

The first source of data is scraped from a Wikipedia page that contains the list of Toronto boroughs. This page contains additional information about the boroughs, the following are the columns:

Postal Code: Postal code of Neighbourhoods

Borough: Name of Borough

- Neighbourhood: Name of Neighbourhoods
- Link: https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M

The second data source of the project uses a Toronto latitude and longitude according to the Postal Code. The dataset contains the following columns:

- Postal Code: Postal code of Neighbourhoods
- Latitude: Latitude of Neighbourhoods
- Longitude: Longitude of Neighbourhood
- Link: http://cocl.us/Geospatial_data

Data Cleaning

The data preparation for each of the two sources of data is done separately. Neighbourhoods are merged according to their Postal Code. (See fig 2.1).

Out[112]:

	PostalCode	Borough	Neighborhood
0	МЗА	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
5	M9A	Etobicoke	Islington Avenue, Humber Valley Village
6	M1B	Scarborough	Malvern, Rouge
7	мзв	North York	Don Mills
8	M4B	East York	Parkview Hill, Woodbine Gardens
9	M5B	Downtown Toronto	Garden District, Ryerson

Fig 2.1 Borough with Postal Code

The second data is scraped from a Wikipedia page using the Beautiful Soup library in python. Using this library we can extract the data in the tabular format as shown in the website. After the web scraping, string manipulation is required to get the names of the boroughs in the correct form (see fig 2.2). This is important because we will be merging the two datasets together using Postal Code.

Out[117]:

	PostalCode	Borough	Neighborhood	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
5	M9A	Etobicoke	Islington Avenue, Humber Valley Village	43.667856	-79.532242
6	M1B	Scarborough	Malvern, Rouge	43.806686	-79.194353
7	M3B	North York	Don Mills	43.745906	-79.352188
8	M4B	East York	Parkview Hill, Woodbine Gardens	43.706397	-79.309937
9	M5B	Downtown Toronto	Garden District, Ryerson	43.657162	-79.378937

Fig 2.2 List of Toronto Boroughs

The two datasets are merged on the Postal Code to form a new dataset that combines the necessary information in one dataset (see fig 2.3). The purpose of this dataset is to select the neighbourhoods only in Toronto.

Out[119]:

	PostalCode	Borough	Neighborhood	Latitude	Longitude
0	M5A	Downtown Toronto	Regent Park, Harbourfront	43.654260	-79.360636
1	M7A	Downtown Toronto	Queen's Park, Ontario Provincial Government	43.662301	-79.389494
2	M5B	Downtown Toronto	Garden District, Ryerson	43.657162	-79.378937
3	M5C	Downtown Toronto	St. James Town	43.651494	-79.375418
4	M4E	East Toronto	The Beaches	43.676357	-79.293031
5	M5E	Downtown Toronto	Berczy Park	43.644771	-79.373306
6	M5G	Downtown Toronto	Central Bay Street	43.657952	-79.387383
7	M6G	Downtown Toronto	Christie	43.669542	-79.422564
8	M5H	Downtown Toronto	Richmond, Adelaide, King	43.650571	-79.384568
9	M6H	West Toronto	Dufferin, Dovercourt Village	43.669005	-79.442259

Fig 2.3 Neighbourhoods in Toronto

As dataframe is sorted only for Toronto, now we can explore Toronto. Folium is used visualise neighbourhood of Toronto on map. (see fig 2.4).



Fig 2.4 Map of neighbourhoods of Toronto

Foursquare API is used get venues and venue category of all neighbourhoods of Toronto. Two new columns with venue and its category is added. (See Fig 2.5).

59]:							
	Neighborhood	Neighborhood Latitude	Neighborhood Longitude	Venue	Venue Latitude	Venue Longitude	Venue Category
0	Regent Park, Harbourfront	43.65426	-79.360636	Roselle Desserts	43.653447	-79.362017	Bakery
1	Regent Park, Harbourfront	43.65426	-79.360636	Tandem Coffee	43.653559	-79.361809	Coffee Shop
2	Regent Park, Harbourfront	43.65426	-79.360636	Cooper Koo Family YMCA	43.653249	-79.358008	Distribution Center
3	Regent Park, Harbourfront	43.65426	-79.360636	Body Blitz Spa East	43.654735	-79.359874	Spa
4	Regent Park, Harbourfront	43.65426	-79.360636	Impact Kitchen	43.656369	-79.356980	Restaurant
5	Regent Park, Harbourfront	43.65426	-79.360636	Corktown Common	43.655618	-79.356211	Park
6	Regent Park, Harbourfront	43.65426	-79.360636	The Distillery Historic District	43.650244	-79.359323	Historic Site
7	Regent Park, Harbourfront	43.65426	-79.360636	Morning Glory Cafe	43.653947	-79.361149	Breakfast Spot
8	Regent Park, Harbourfront	43.65426	-79.360636	The Extension Room	43.653313	-79.359725	Gym / Fitness Center
9	Regent Park, Harbourfront	43.65426	-79.360636	Dominion Pub and Kitchen	43.656919	-79.358967	Pub

Fig 2.5 Neighbourhoods with it venues

Using above dataframe, venues category is sorted which are present in high number. It is done to obtain the trend of venue category in these neighbourhood. (See Fig 2.6).

131]:		Neighborhood	Neighborhood Latitude	Neighborhood Longitude	Venue	Venue Latitude	Venue Longitude
	Venue Category						
	Coffee Shop	159	159	159	159	159	159
	Café	89	89	89	89	89	89
	Restaurant	55	55	55	55	55	55
	Hotel	37	37	37	37	37	37
	Italian Restaurant	37	37	37	37	37	37
	Park	35	35	35	35	35	35
	Japanese Restaurant	32	32	32	32	32	32
	Bakery	30	30	30	30	30	30
	Pizza Place	29	29	29	29	29	29
	Bar	28	28	28	28	28	28

Fig 2.6 Venue category with maximum number

Now new dataset is formed with only restaurant and neighbourhood. It is sorted according to neighbourhood with maximum number of restaurant. Along with these type of restaurant which are in high number in each neighbourhood is obtained. (See Fig 2.7)

Out[133]:										
		Restaurant	Japanese Restaurant	Seafood Restaurant	American Restaurant	Italian Restaurant	Sushi Restaurant	Asian Restaurant	Total	
	Neighborhood									
	Commerce Court, Victoria Hotel	7	2	3	4	2	0	2	20	
	First Canadian Place, Underground city	4	4	3	3	1	2	3	20	
	Toronto Dominion Centre, Design Exchange	4	3	3	3	2	2	2	19	
	Richmond, Adelaide, King	4	1	1	2	0	2	1	11	
	Harbourfront East, Union Station, Toronto Islands	3	1	1	0	3	1	0	9	
	Garden District, Rverson	1	3	1	0	2	1	0	8	

Fig 2.7 Neighbourhoods with maximum number of restaurant

The new dataset is used to generate the 10 most common venues for each neighbourhood using the Foursquare API, finally using k means clustering algorithm to cluster similar neighbourhoods together.

METHODOLOGY

EXPLORATORY DATA ANALYSIS

Graphical analysis of Top 6 Neighbourhoods

Matplotlib function is used to plot top 6 neighbourhood which have maximum number of restaurant. Type of restaurant along with it number in each neighbourhood is also plotted in bar graph. It will give clear idea about people interest in that neighbourhood (See fig 3.1.1).

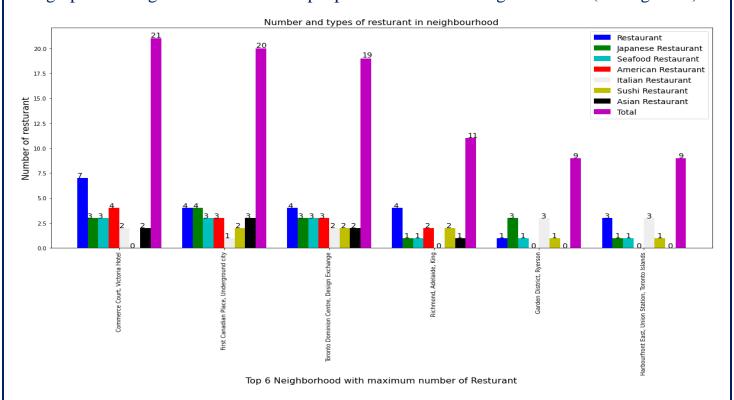


Fig 3.1.1 Statistical description of the London crimes

Popular type of restaurant

By plotting the dataframe we can visualize which type of restaurant has the highest number. It is clearly visible that Italian and Japanese restaurant are more famous in Toronto followed by Seafood and American.

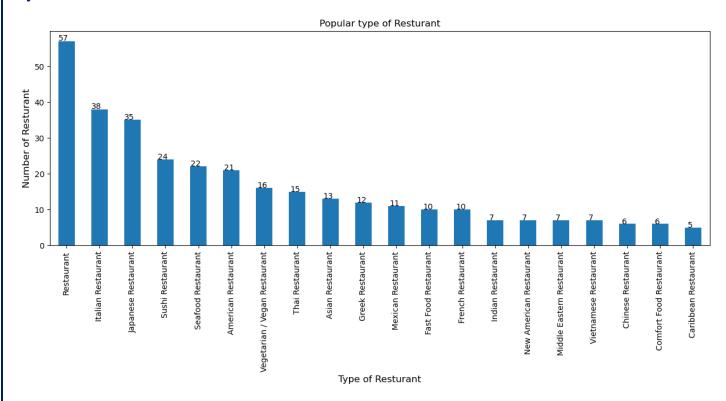


Fig 3.1.2 Popular type of restaurant

Neighbourhoods with maximum number of hotel

Location of restaurant is affected by many factor. If it located near to the hotel then probability of visitor is very high. Toronto Dominion Centre, Commerce court and First Canadian place have most number of hotel. (See fig 3.1.3).

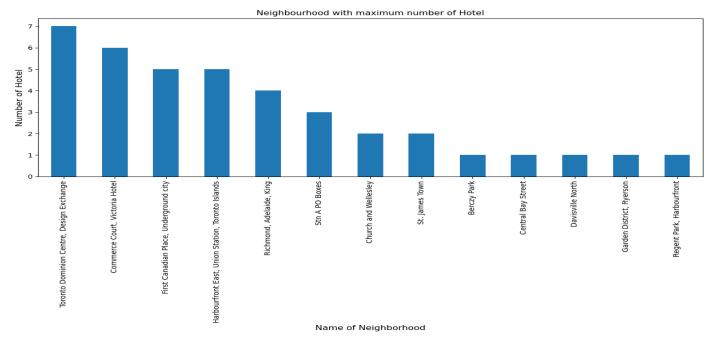


Fig 3.1.3 Neighbourhood with maximum number of hotel

Neighbourhoods with maximum number of Office

Location of restaurant is affected by many factor. If it located near to the hotel then probability of visitor is very high. Richmond, Adelaide, Commerce court, Garden District, Toronto Dominion Centre have most number of hotel.

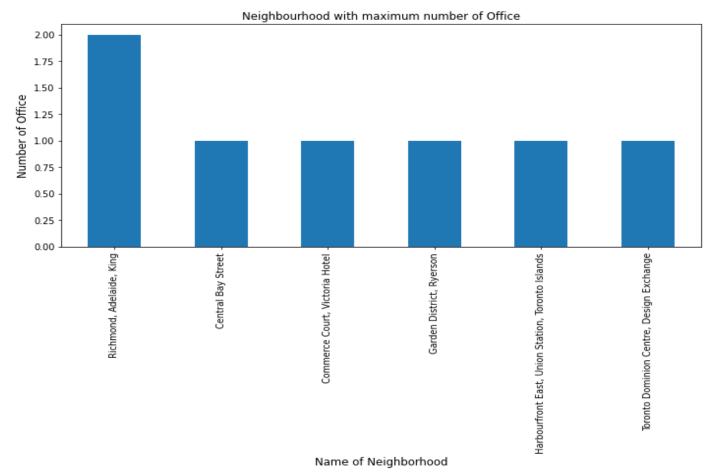


Fig 3.1.3.1 Neighbourhood with maximum number of Office

Neighbourhoods with maximum number of Office

Location of restaurant is affected by many factor. If it located near to the Concert Hall then probability of visitor is very high. Toronto Dominion Centre, Richmond, Adelaide, First Canadian place (see fig 3.1.4).

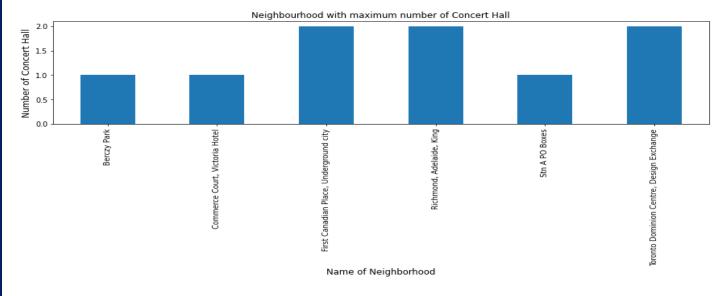


Fig 3.1.4 Neighbourhoods with maximum number of Concert Hall

MODELLING

Using the final dataset containing the neighbourhoods in Toronto along with the latitude and longitude, we can find all the venues within a 500 meter radius of each neighbourhoods by connecting to the Foursquare API. This returns a json file containing all the venues in each neighbourhoods which is converted to a pandas dataframe. This data frame contains all the venues along with their coordinates and category (see fig 3.2.1).

Venue Category	Venue Longitude	Venue Latitude	Venue	Neighborhood Longitude	Neighborhood Latitude	Neighborhood	
Bakery	-79.362017	43.653447	Roselle Desserts	-79.360636	43.65426	Regent Park, Harbourfront	0
Coffee Shop	-79.361809	43.653559	Tandem Coffee	-79.360636	43.65426	Regent Park, Harbourfront	1
Distribution Center	-79.358008	43.653249	Cooper Koo Family YMCA	-79.360636	43.65426	Regent Park, Harbourfront	2
Spa	-79.359874	43.654735	Body Blitz Spa East	-79.360636	43.65426	Regent Park, Harbourfront	3
Restaurant	-79.356980	43.656369	Impact Kitchen	-79.360636	43.65426	Regent Park, Harbourfront	4
Park	-79.356211	43.655618	Corktown Common	-79.360636	43.65426	Regent Park, Harbourfront	5
Historic Site	-79.359323	43.650244	The Distillery Historic District	-79.360636	43.65426	Regent Park, Harbourfront	6
Breakfast Spot	-79.361149	43.653947	Morning Glory Cafe	-79.360636	43.65426	Regent Park, Harbourfront	7
Gym / Fitness Center	-79.359725	43.653313	The Extension Room	-79.360636	43.65426	Regent Park, Harbourfront	8
Pub	-79.358967	43.656919	Dominion Pub and Kitchen	-79.360636	43.65426	Regent Park, Harbourfront	9

Fig 3.2.1 Venue details of each Neighbourhood

One hot encoding is done on the venues data. (One hot encoding is a process by which categorical variables are converted into a form that could be provided to ML algorithms to do a better job in prediction). The Venues data is then grouped by the Neighbourhoods and the mean of the venues are calculated, finally the 10 common venues are calculated for each of the neighbourhoods.

Out[151]:											
	Neighborhood	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
0	Toronto Dominion Centre, Design Exchange	Hotel	Restaurant	American Restaurant	Seafood Restaurant	Japanese Restaurant	Concert Hall	Sushi Restaurant	Italian Restaurant	Office	Thai Restaurant
1	Commerce Court, Victoria Hotel	Restaurant	Hotel	American Restaurant	Seafood Restaurant	Japanese Restaurant	Italian Restaurant	Concert Hall	Office	Thai Restaurant	Sushi Restaurant
2	Forest Hill North & West, Forest Hill Road Park	Sushi Restaurant	Concert Hall	Office	Hotel	Thai Restaurant	American Restaurant	Seafood Restaurant	Japanese Restaurant	Italian Restaurant	Restaurant
3	Moore Park, Summerhill East	Restaurant	Concert Hall	Office	Hotel	Thai Restaurant	American Restaurant	Seafood Restaurant	Sushi Restaurant	Japanese Restaurant	Italian Restaurant
4	First Canadian Place, Underground city	Hotel	Japanese Restaurant	Restaurant	American Restaurant	Seafood Restaurant	Concert Hall	Sushi Restaurant	Italian Restaurant	Office	Thai Restaurant

To help people find similar neighbourhoods in the safest borough we will be clustering similar neighbourhoods using K - means clustering which is a form of unsupervised machine learning algorithm that clusters data based on predefined cluster size. We will use a cluster size of 5 for this project that will cluster the 15 neighbourhoods into 5 clusters. The reason to conduct a K- means clustering is to cluster neighbourhoods with similar venues together so that people can shortlist the area of their interests based on the venues/amenities around each neighbourhood.

RESULTS

After running the K-means clustering we can access each cluster created to see which neighbourhoods were assigned to each of the five clusters. Looking into the neighbourhoods in the first cluster (see fig 4.1)

The cluster one is the biggest cluster with 9 of the 15 neighbourhoods in the Toronto. Upon closely examining these neighbourhoods we can see that the most common venues in these neighbourhoods are Restaurants, Seafood Restaurants, Hotels and Italian Restaurants. Looking into the neighbourhoods in the second, third and fifth clusters, we can see these clusters have only one neighbourhoods in each. This is because of the unique venues in each of the neighbourhoods, hence they couldn't be clustered into similar neighbourhoods (see figures 4.2, 4.3 and 4.4).

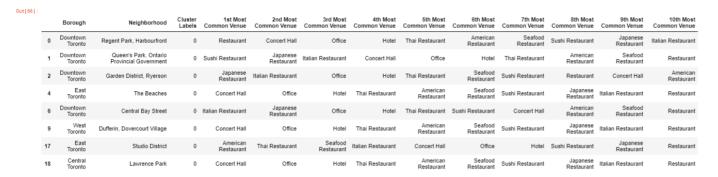


Fig 4.1 Cluster 1

The second cluster has one neighbourhoods which consists of Venues such as Sushi Restaurants, Concert Hall and Office.



Fig 4.2 Cluster 2

The third cluster has one neighbourhoods which consists of Venues such as Restaurant, Concert Hall and Office.



Fig 4.3 Cluster 3

The fourth cluster has only one neighbourhoods in it, these neighbourhoods have common venues such as Restaurant, Concert Hall, Office, Hotel etc. Visualising the clustered neighbourhoods on a map using the folium library (see fig 4.6).



Fig 4.4 Cluster 4

The fifth cluster has one neighbourhoods which consists of Venues such as Italian Restaurant, Sushi Restaurant and Japanese Restaurant. We will look into the neighbourhoods in the fourth cluster (see fig 4.5).

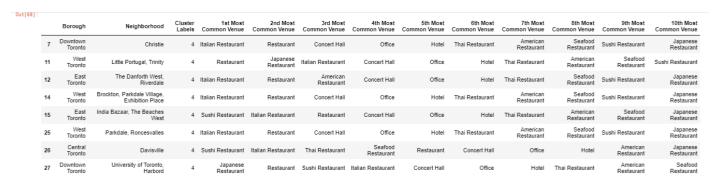


Fig 4.5 Cluster 5

Clustered neighbourhoods in City of Toronto each cluster is colour coded for the ease of presentation, we can see that majority of the neighbourhood's falls in the red cluster which is the first cluster. Three neighbourhoods have their own cluster (Light Green, Purple and Orange), these are clusters two three and five. The green cluster consists of only one neighbourhoods which is the 4th cluster.

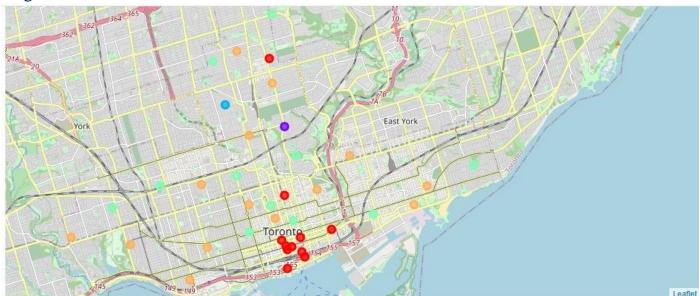


Fig 4.6

DISCUSSION

The aim of this project is to help individual or businessmen to find a location to build a restaurant in a city of Toronto. Preference of choice may vary person to person. If a person want to open Italian Restaurant, American Restaurant or Japanese Restaurant then Downtown Toronto is best place to open it. Also we find that Italian and Japanese restaurant are more famous in Toronto followed by Seafood and American. Toronto Dominion Centre, Commerce court and First Canadian place these are the places with most number of Hotel, Offices and Concert Hall along with the variety of restaurant. These places have more number of people than other area so Restaurant is more likely to succeed here. We can take many other factor in account for more accurate prediction.

CONCLUSION

This project helps a person get a better understanding of the neighbourhoods with respect to the most common venues in that neighbourhood. It is always helpful to make use of technology to stay one step ahead i.e. finding out more about places to establish there restaurant business. We have just taken venue in our project for finding the best location for restaurant. In future more factor like parking, population, traffic and many other factor can be taken into account.