Description of the Problem and a Discussion of the Background:

Finding the Optimal Location for a Veterinary Clinic in Toronto

In today's world it is of utmost importance to perform detailed analysis of the market and design a thorough business plan before launching a new enterprise. The times when skills and craftsmanship were sufficient for a success in business have long gone. Part of the market analysis is to collect and process the data relevant to the business one is planning on starting and use them to make a sound, fact-based business decision. One interesting example might be the idea to open a veterinary clinic in a large city. Finding an office space, making sure it is fit for the purpose and within the available budget is the groundwork done the old way. However, finding out how many veterinary clinics already exist in the city, how distributed they are and what affect it will have on the new business may be the crucial factor when it comes to deciding on the optimal location of the business. It would not be to difficult to walk around and a count exactly how many similar businesses are there in a small city. In a large city that spans over hundreds of square miles it would be an impossible mission. From the clients' perspective having more choices is good as it gives clients many options to choose from; from the business owners perspective though it is clearly a disadvantage as they need to take a chunk of the market while competing with many other similar businesses.

In summary, I would like to address the following hypothetical problem:

A person wants to open a veterinary clinic in Toronto. Before deciding on the optimal location, the person wants to find out:

- how many veterinary clinics exist in Toronto?
- where they are located?
- what is the distribution, i.e. how many clinics there are in each city area?

In the end, the decision on where the new veterinary clinic will be open is going to be based on the assumption that for a small start-up business it is best to have a small number of similar businesses in the same area. In the real world this would not be the only nor the most important factor in the decision, but for the purpose of this analysis it will serve as a good scenario.