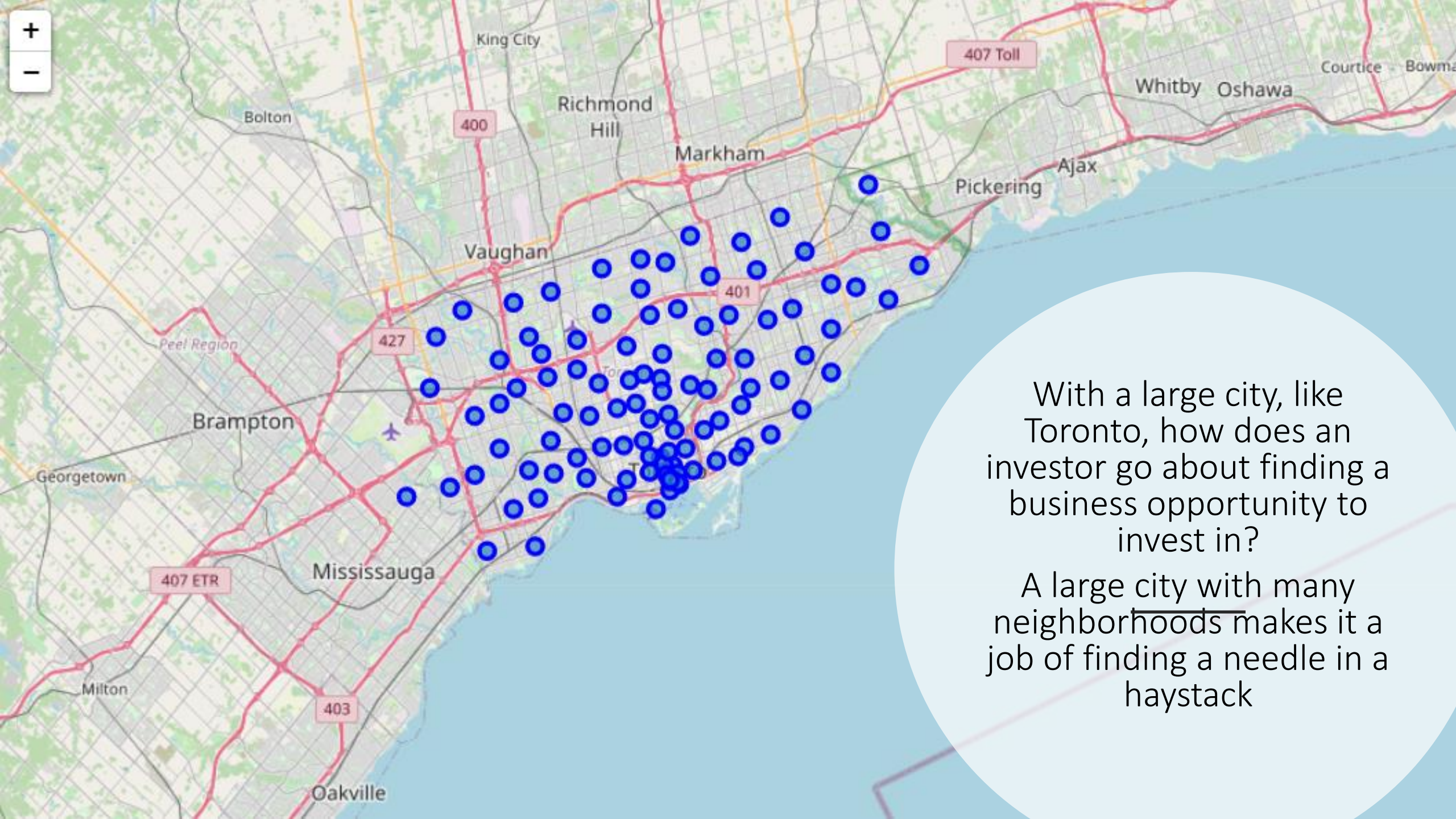


Analysis of the Business Opportunities in Toronto

IBM Capstone Final Submission

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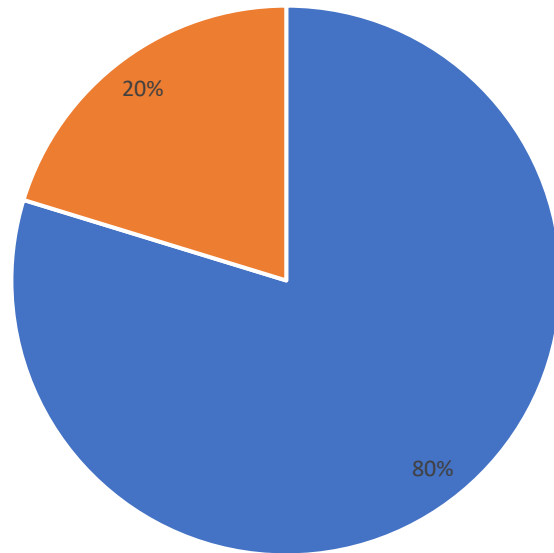


With a large city, like Toronto, how does an investor go about finding a business opportunity to invest in?

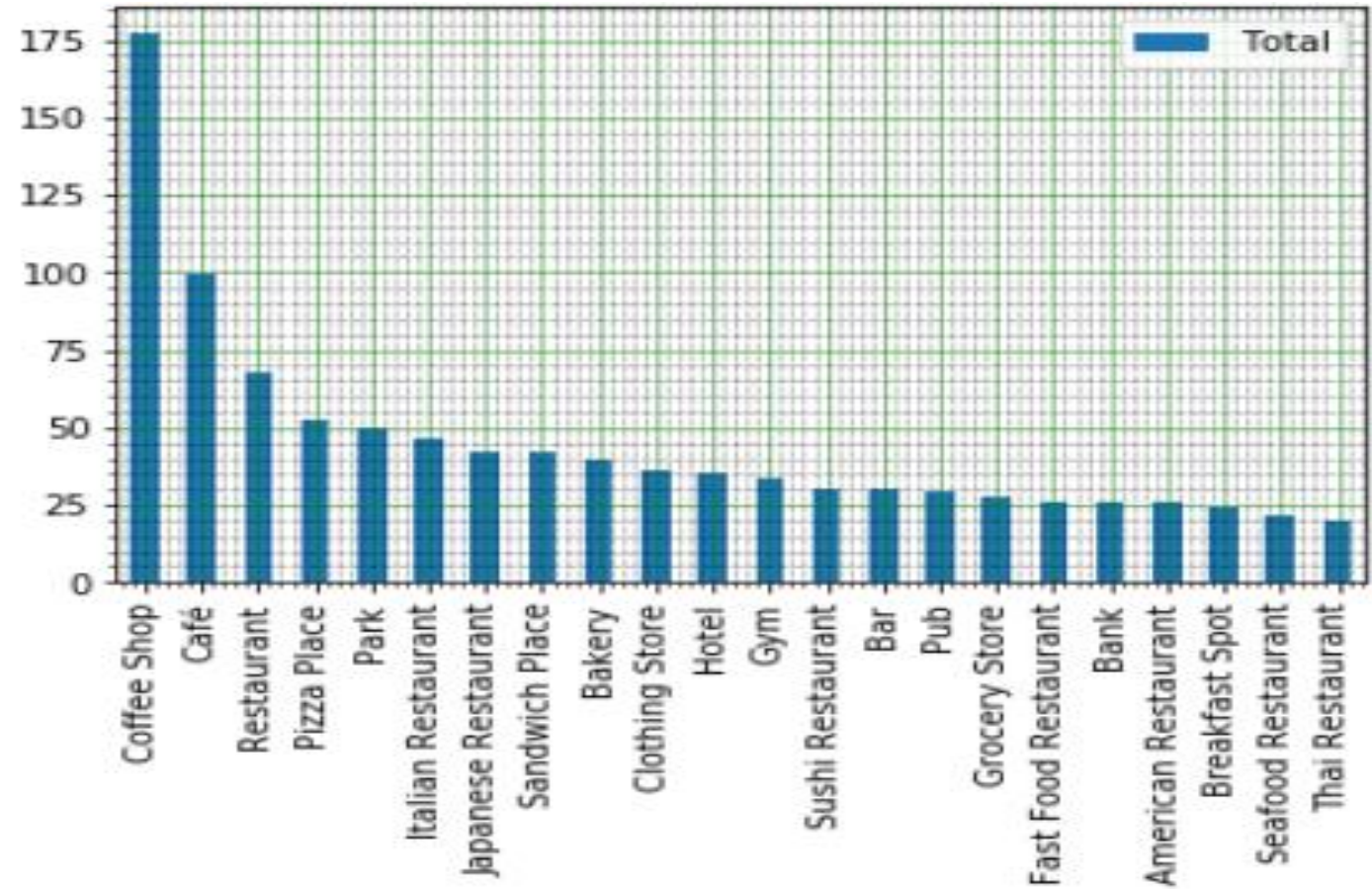
A large city with many neighborhoods makes it a job of finding a needle in a haystack

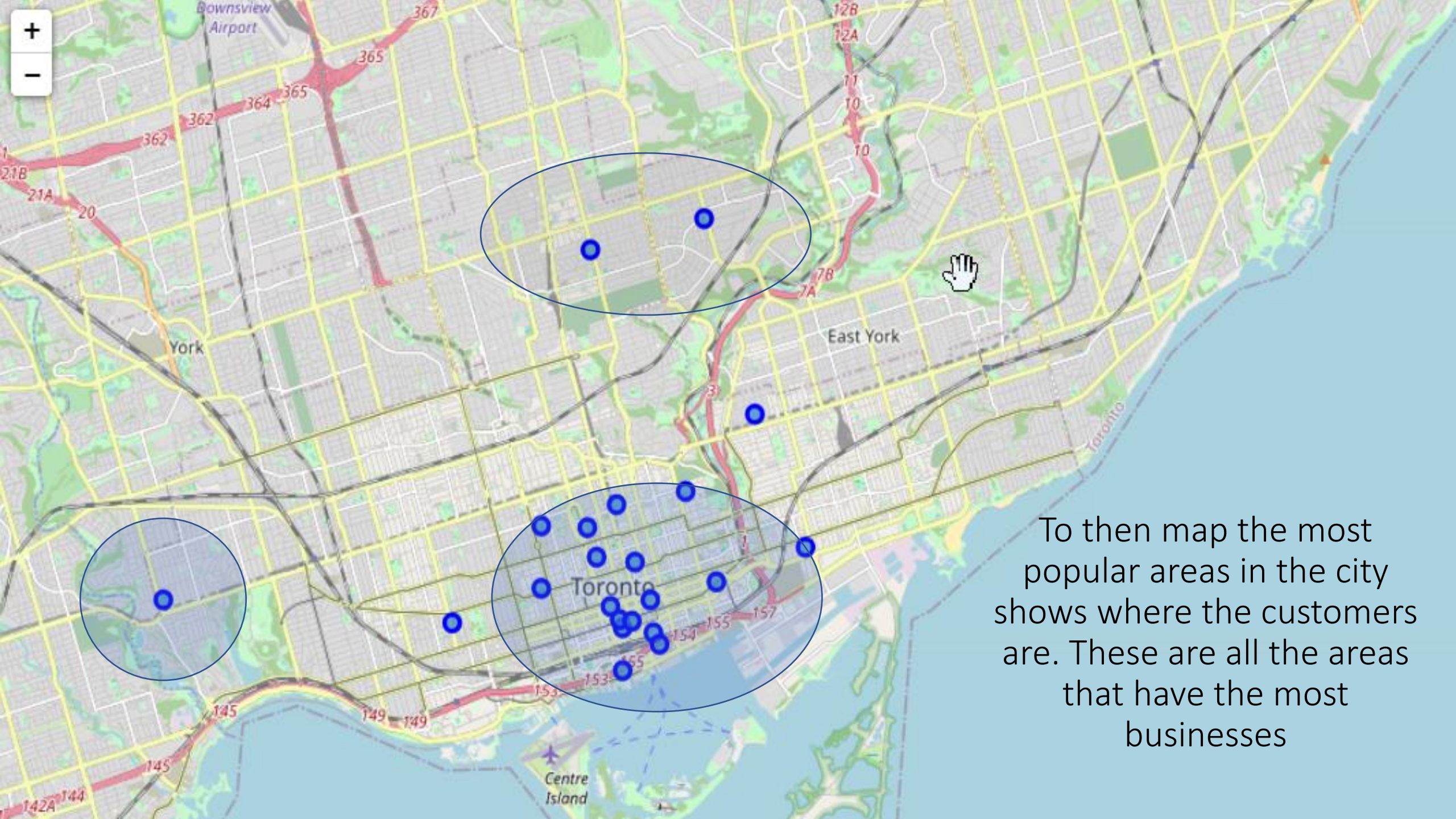
A first step is to identify the popular businesses in the city.

The analysis reveals that 80% of popular businesses are of the restaurant type.



■ Restaurant ■ Non- Restaurant

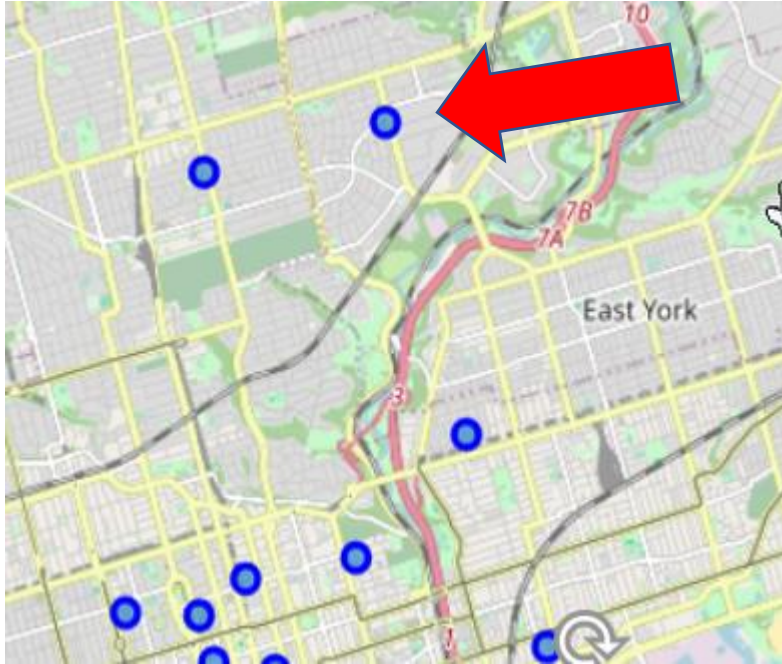




To then map the most popular areas in the city shows where the customers are. These are all the areas that have the most businesses

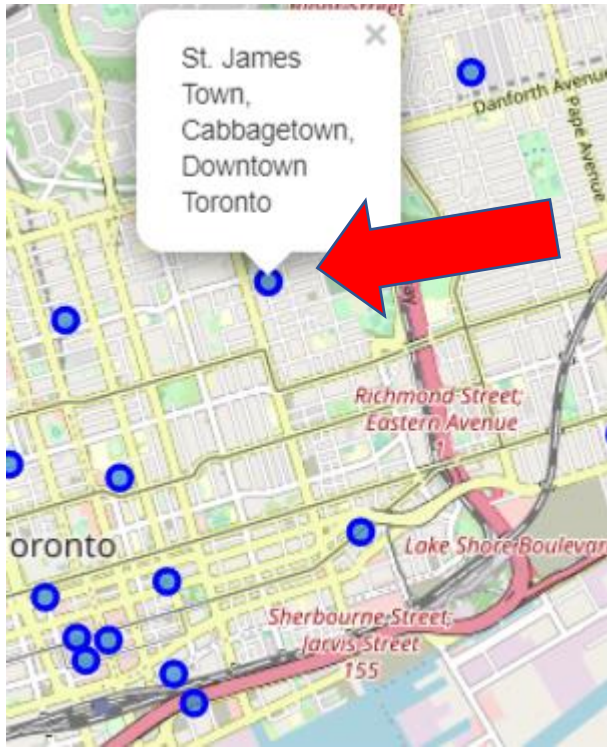
Using the business popularity and the area popularity we can then identify areas that are underserved by specific business type.

	Neighborhood	Coffee Shop	Café	Restaurant	Hotel	Japanese Restaurant	Clothing Store	Italian Restaurant	Seafood Restaurant	Bakery	Gym	American Restaurant	Beer Bar
0	Toronto Dominion Centre, Design Exchange	1.46808	1.69764	1.63807	3.01194	1.50597	0.555775	2.12205	2.33425	1.63807	0.864539	2.59362	1.94521
1	First Canadian Place, Underground city	1.46808	2.26352	1.63807	2.00796	2.00796	0	0.70735	2.33425	0.819037	3.45815	2.59362	1.94521
2	Commerce Court, Victoria Hotel	1.61489	1.98058	2.86663	2.50995	1.50597	0	2.12205	2.33425	1.63807	3.45815	3.45815	1.94521
3	Garden District, Ryerson	1.17447	0.84882	0.409518	1.00398	1.50597	5.00197	2.12205	0.778085	1.63807	0.864539	0	0.972606
4	Harbourfront East, Union Station, Toronto Islands	1.88942	1.12044	1.21627	1.98788	0.49697	0	2.10083	0.770304	0.810846	0.855893	0	0.96288
5	Stn A PO Boxes	1.22879	1.05254	1.14256	0.933702	1.40055	0.516871	1.97351	2.17086	1.52341	1.60804	0.804021	2.71357
6	Richmond, Adelaide, King	1.35064	1.30152	1.50703	1.38549	0.461831	1.53394	0	0.715838	1.50703	2.38613	1.59075	0
7	St. James Town	0.579893	1.11761	0.970558	0.396572	0.396572	0.878124	1.11761	1.22937	0.647039	1.36597	2.04896	1.53672
8	Church and Wellesley	0.695872	0.447045	0.970558	0.793144	1.98286	0.439062	0	0	0	0	0.682985	0.768359
9	Fairview, Henry Farm, Oriole	0.491808	0	0.823132	0	1.009	3.72369	0	0	0.548754	0	0.579241	0
10	Central Bay Street	1.01738	0.713009	0.257997	0.316254	0.632508	0	1.78252	0.490193	0	0	0	0



Fairview Opportunity

- Fairview (9th most popular area) is in the north east of the city. It is richly served with clothing stores but underserved in coffee shops and eateries. This suggests that there is an opportunity to invest here. Japanese restaurants are overserved, but all other restaurant types are underserved.



St James Town Opportunity

- This is the 7th most popular area and is well served with Cafes, but is underserved with Coffee Shops. Coffee Shops are the most popular business in Toronto.



Church & Wellesley Opportunity

- This is a region on the north border of the downtown district. It is well served with Japanese restaurants but has no Italian or Seafood restaurants.



Central Bay Street Opportunity

- This region is overserved with Italian restaurants but underserved on all other types.

Conclusion

- Ingesting and analysing the data from a city can produce valuable insights. There is no question that the Toronto data provides clear insights into where there are potential business opportunities in the city. By looking at popular areas that are underserved with popular businesses an investor would have a shortlist of areas to investigate.
- A similar analysis could be conducted in any city that has the data available.
- It would also be possible to do specific analysis around niche businesses. So, a focused analysis could be undertaken on Italian restaurants for example. It may be desirable to find the most popular area for niche restaurants that is underserved in niche suppliers.