

Peer-graded Assignment: Capstone Project - The Battle of Neighborhoods (Week 2)

Introduction:

Coffee has evolved from a luxury in the past to a commodity - to some a need in the world today

Quoting it has been that over 2.25 billion cups of coffee are consumed in the world every day worldwide. Coffee has been an important part of human life's, be it for its caffeine, aroma, or other functions. Nonetheless, it might have also become an international tool for connecting people

Problem:

Since the early 2010s, cafe business has been a strong interest till date. As such, this project will try to recommend new cafe ventures to select ideal locations to set up cafes by

- Location population
- Surrounding businesses concerns around region of Toronto, Canada

Location

Toronto, Canada

Data

The following data will be acquired

- Postal codes of districts/regions in Toronto
- Point of Interest (POI)s or establishments in the regions using clustering

The regions/district names will be attained by using Wikipedia, while the clustering and mapping be done using Foursquare API.

Approach: The data will allow us to obtain clusters, and from the clusters to decide if the locations are likely ideal for a cafe business to thrive there. Analysis will be more geographical approach than evaluation of the k-clusters; as such only observations can be provided, not full recommendations

Methodology

- Obtaining dataset

	Postal Code	Borough	Neighborhood	Latitude	Longitude
0	M4E	East Toronto	The Beaches	43.676357	-79.293031
1	M4K	East Toronto	The Danforth West, Riverdale	43.679557	-79.352188
2	M4L	East Toronto	India Bazaar, The Beaches West	43.668999	-79.315572
3	M4M	East Toronto	Studio District	43.659526	-79.340923
4	M4N	Central Toronto	Lawrence Park	43.728020	-79.388790
5	M4P	Central Toronto	Davisville North	43.712751	-79.390197
6	M4R	Central Toronto	North Toronto West, Lawrence Park	43.715383	-79.405678
7	M4S	Central Toronto	Davisville	43.704324	-79.388790
8	M4T	Central Toronto	Moore Park, Summerhill East	43.689574	-79.383160
9	M4V	Central Toronto	Summerhill West, Rathnelly, South Hill, Forest...	43.686412	-79.400049
10	M4W	Downtown Toronto	Rosedale	43.679563	-79.377529
11	M4X	Downtown Toronto	St. James Town, Cabbagetown	43.667967	-79.367675
12	M4Y	Downtown Toronto	Church and Wellesley	43.665860	-79.383160
13	M5A	Downtown Toronto	Regent Park, Harbourfront	43.654260	-79.360636
14	M5B	Downtown Toronto	Garden District, Ryerson	43.657162	-79.378937
15	M5C	Downtown Toronto	St. James Town	43.651494	-79.375418
16	M5E	Downtown Toronto	Berczy Park	43.644771	-79.373306
17	M5G	Downtown Toronto	Central Bay Street	43.657952	-79.387383
18	M5H	Downtown Toronto	Richmond, Adelaide, King	43.650571	-79.384568
19	M5J	Downtown Toronto	Harbourfront East, Union Station, Toronto Islands	43.640816	-79.381752
20	M5K	Downtown Toronto	Toronto Dominion Centre, Design Exchange	43.647177	-79.381576
21	M5L	Downtown Toronto	Commerce Court, Victoria Hotel	43.648198	-79.379817

- Obtain coordinates of Toronto, CA for mapping focus

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In [7]: address = 'Toronto, CA'

geolocator = Nominatim(user_agent="ny_explorer")
location = geolocator.geocode(address)
latitude = location.latitude
longitude = location.longitude
print('The geograpical coordinate of Toronto,CA are {}, {}'.format(latitude, longitude))

The geograpical coordinate of Toronto,OH are 43.6534817, -79.3839347.
```

- Data showing top 10 POIs for each neighbourhood

	Postal Code	Borough	Neighborhood	Latitude	Longitude	Cluster Labels	1st Most Common Venue	2nd Most Common Venue	3rd Most Common Venue	4th Most Common Venue	5th Most Common Venue
0	M4E	East Toronto	The Beaches	43.676357	-79.293031	5	Trail	Asian Restaurant	Health Food Store	Pub	Doner Restau
1	M4K	East Toronto	The Danforth West, Riverdale	43.679557	-79.352188	1	Greek Restaurant	Italian Restaurant	Coffee Shop	Restaurant	Ice Cr Shop
2	M4L	East Toronto	India Bazaar, The Beaches West	43.668999	-79.315572	8	Sandwich Place	Park	Pizza Place	Steakhouse	Ice Cr Shop
3	M4M	East Toronto	Studio District	43.659526	-79.340923	1	Café	Coffee Shop	Bakery	Gastropub	Brewe
4	M4N	Central Toronto	Lawrence Park	43.728020	-79.388790	3	Park	Photography Studio	Bus Line	Swim School	Depar Store
5	M4P	Central Toronto	Davisville North	43.712751	-79.390197	8	Park	Pizza Place	Breakfast Spot	Hotel	Sandv Place
6	M4R	Central Toronto	North Toronto West, Lawrence Park	43.715383	-79.405678	1	Clothing Store	Coffee Shop	Yoga Studio	Chinese Restaurant	Spa
7	M4S	Central Toronto	Davisville	43.704324	-79.388790	8	Dessert Shop	Café	Sandwich Place	Pizza Place	Sushi Restau
8	M4T	Central Toronto	Moore Park, Summerhill East	43.689574	-79.383160	6	Trail	Park	Gym	Tennis Court	Doner Restau
9	M4V	Central Toronto	Summerhill West, Rathnelly, South Hill, Forest...	43.686412	-79.400049	1	Coffee Shop	Pub	Pizza Place	Sushi Restaurant	Bank
10	M4W	Downtown Toronto	Rosedale	43.679563	-79.377529	0	Park	Playground	Trail	Yoga Studio	Deli / Bodeç
11	M4X	Downtown Toronto	St. James Town, Cabbagetown	43.667967	-79.367675	1	Coffee Shop	Pizza Place	Italian Restaurant	Bakery	Park

- Clustering Map using foursquare and folium clustering



Legends -

Cluster 1 = Purple

Cluster 2 = Dark

Cluster 3 = Blue

Cluster 4 = Light Blue

Cluster 5 = Green

Cluster 6 = Cyan

Cluster 8 = Beige

Cluster 9 = Blood orange

Cluster 0 = Red

Results

- Café and Coffee shops has one of the highest frequency appearing in the table of top 10, which implies that coffee culture in Toronto is strong and ideal for venturing into the coffee business
- Based on the clustering outcome, setting up a business in District 1 is ideal, especially near the Toronto downtown
- However, rentals around downtown is expected to be high so low risk ventures can try the region between cluster 2, 4, 8 centred at Ellington

Discussion

- The mapping and clustering has its limitations as there are other factors to be considered, such as business legislatures and standard of living
- Business trends are always changing, so such a one-time off analysis is not sufficient enough to band it in a good confidence interval of expectation

Conclusion

Toronto has been shown to be an ideal location for cafe business based on the data's revelations of the popularity of cafes and coffee shops, however there are more indepth business constrains and concerned to be considered. A more indepth regression study will be needed to have a better prediction and a display of CBA (Cost Benefit Analysis)

In []: