

## **The description of problem and background**

American flavor of restaurant is very popular in Toronto in Canada. So investors are looking to open an American flavor of restaurant. However, they don't know where he should open it in Toronto in Canada. They hope some suggestions and insights can be given through exploring Foursquare location data.

According to some experienced businessmen who had or have run restaurants for many years, the following three factors should be considered in the selection of location of this flavor of restaurant.

### **1. The less American flavor of restaurants.**

There are the less similar flavor restaurants in a neighborhood, there are the less competitors. Therefore, the less similar restaurants, the less risks of competition.

### **2. The less other flavor of restaurants.**

If there are more other flavor of restaurants in a neighborhood, it is more possible that diners may choose to enter other flavor of restaurants when they cannot find an American flavor of restaurant. If there are less other flavor of restaurants, there are more opportunities for customers to choose the American flavor of restaurants. Therefore, the less other flavor of restaurants, the more opportunities for American flavor of restaurant to be chosen by diners.

### **3. The more entertainment spots.**

A neighborhood has more entertainment spots which don't cater for food and meals means more people could become the customers of restaurants. For example, most people prefer to eating in restaurants after entertainment activities. Therefore, the more entertainment spots, the more potential diners.

Based on the above analysis, investors must find a neighborhood which meets the above three factors at the same time. The problem to be solved is how to find a neighborhood in which there are the least American flavor of restaurants and other flavor of restaurants to reduce competition, and at the same time there are the most entertainment spots which don't cater for food and meals to increase potential diners.