

Locating a new Coffee Shop in Toronto

Introduction & Business Problem

Let's assume that a new coffee company would like to enter the Toronto market with a chain of coffee shops. Because the coffee shop market is quite competitive, they would like to place their first coffee shops in neighborhoods where local consumers so far are relatively dissatisfied with their existing choices of coffee shops. If they can place their first coffee shops in these neighbourhoods, consumers will be more likely to try their new coffee shop and the company launch in Toronto is more likely to be successful.

Data

We will use two main data sources to complete the analysis:

1) *Listing of Toronto Postal Codes*

'[https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada: M](https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M)'

We will gather the centroids of these postal codes in order to define neighborhoods around the city of Toronto. Each neighborhood will be evaluated for suitability to set up a new coffee shop.

2) FourSquare Data

'<https://api.foursquare.com/v2/venues/search?>'

We will use the FourSquare developer API to search for coffee shops near each postal code centroid and calculate the average ratings of those coffee shops.