



# Selecting Neighbourhoods in Toronto for Establishing a New Coffee Shop

Applied Data Science Capstone Project

# Introduction: Business Problem



# BUSINESS PROBLEM

## QUESTIONS TO BE ANSWERED BY THE REPORT

A business organization is considering to setup a new coffee shop in Toronto. The are questions:

1. Which **neighbourhoods** in Toronto have high business activity in terms of existing outlets and venues?
2. Is coffee shop a **viable business** category in Toronto?
3. What are **popular business venues** in Toronto? Are some coffee shops popular venues?
4. Which neighbourhoods in Toronto have **highest and lowest number of coffee shops**?
5. Which neighbourhoods in Toronto are **potential places** for establishing a new coffee shop?

1. List of postal codes of Canada: This is a list of postal codes in Canada where the first letter is M. Postal codes beginning with M are located within the city of Toronto in the province of Ontario.  
[https://en.wikipedia.org/wiki/List\\_of\\_postal\\_codes\\_of\\_Canada:\\_M](https://en.wikipedia.org/wiki/List_of_postal_codes_of_Canada:_M)
2. Geospatial data: This comma separated value (CSV) file contains geographical coordinates (latitude and longitude values) of the postal codes in Toronto.  
[https://cocl.us/Geospatial\\_data](https://cocl.us/Geospatial_data)
3. Information of venues, venue categories, location latitude and location longitude have been collected through API calls to Foursquare website.  
<https://api.foursquare.com/>

# METHODOLOGY AND ANALYSIS



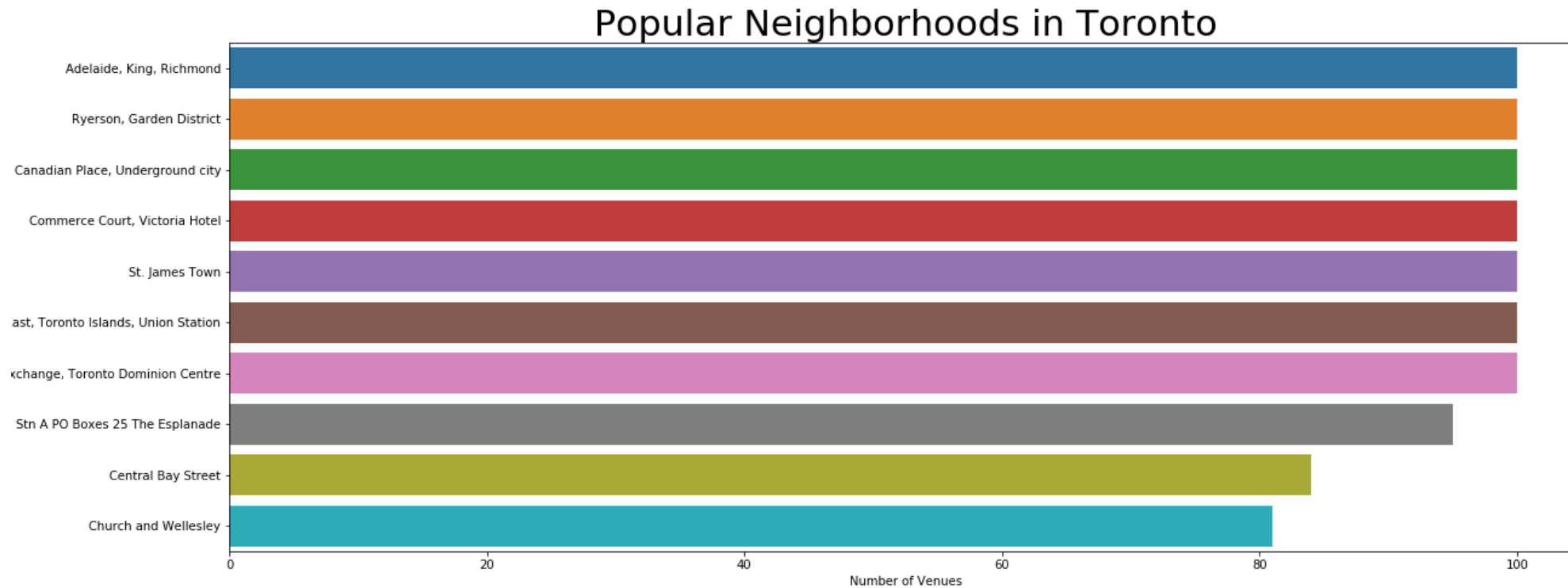


# THE MARKET

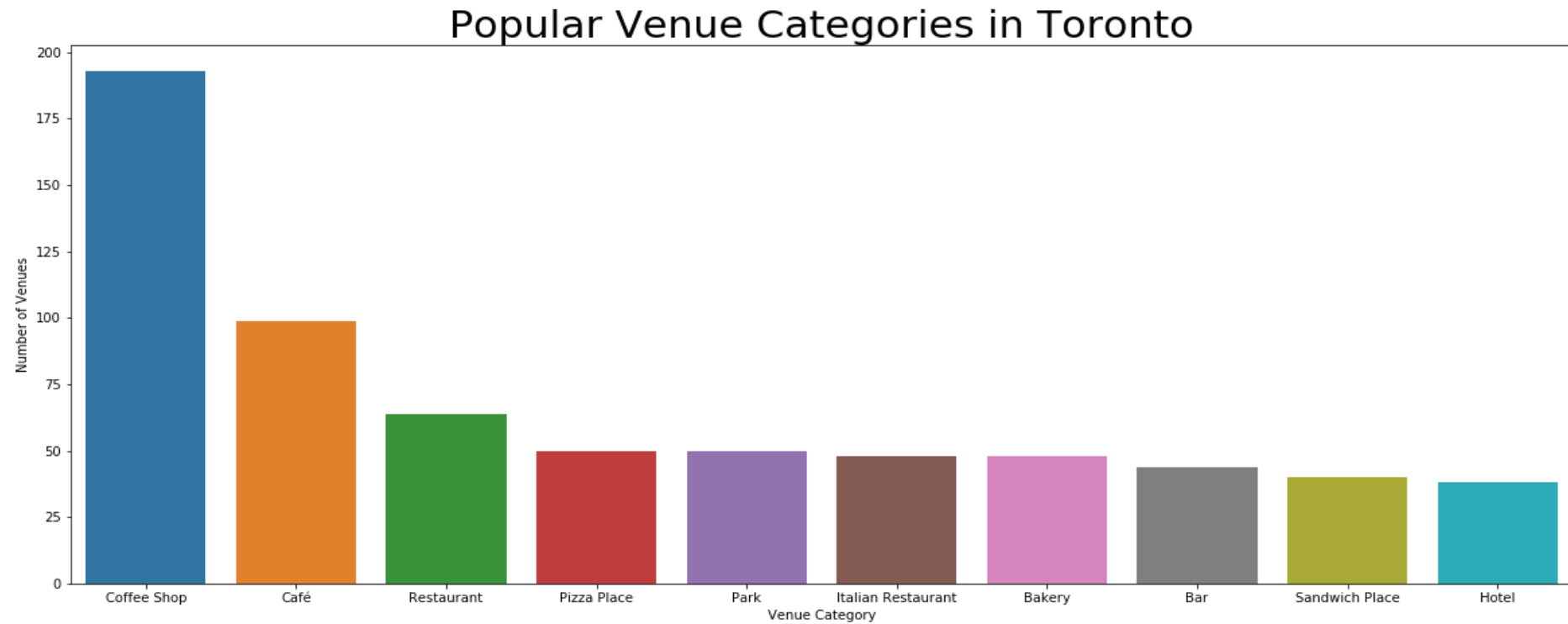
## ALL NEIGHBOURHOODS IN TORONTO



# POPULAR NEIGHBOURHOODS IN TORONTO

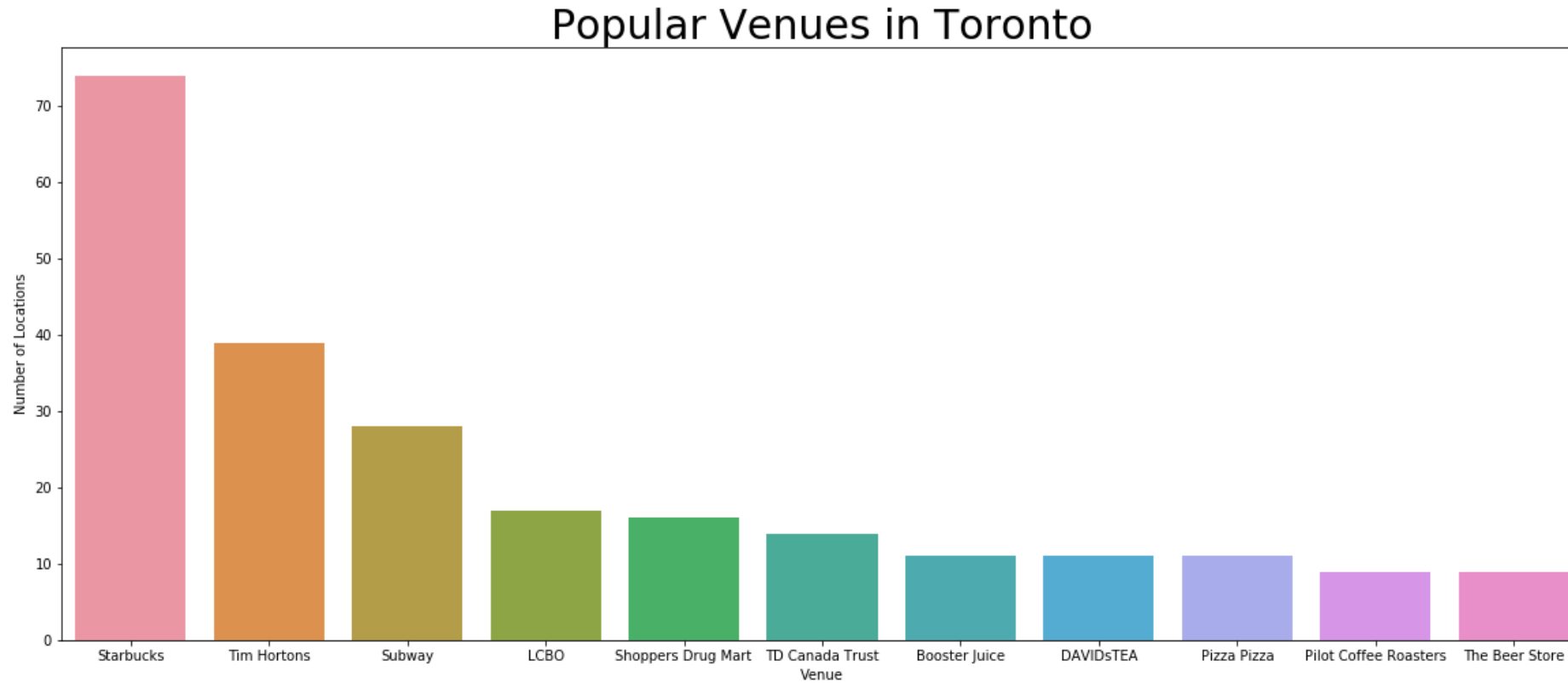


# POPULAR VENUE CATEGORIES IN TORONTO

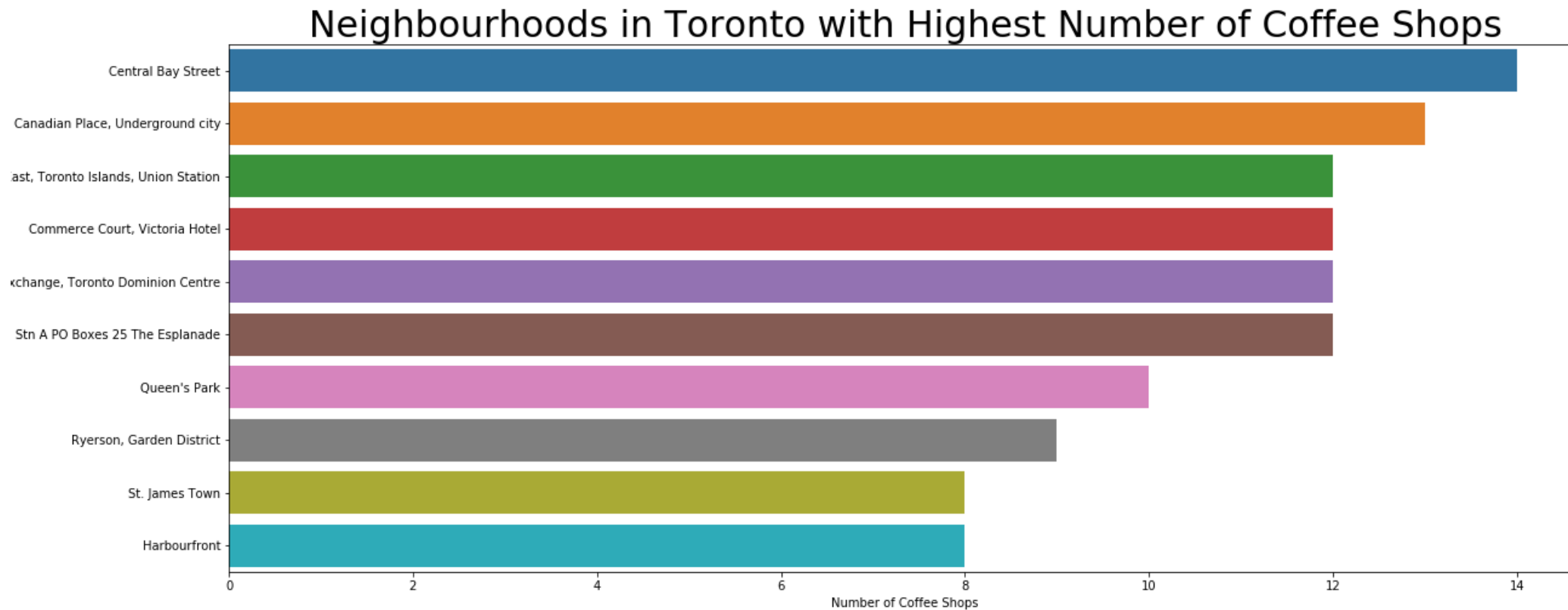




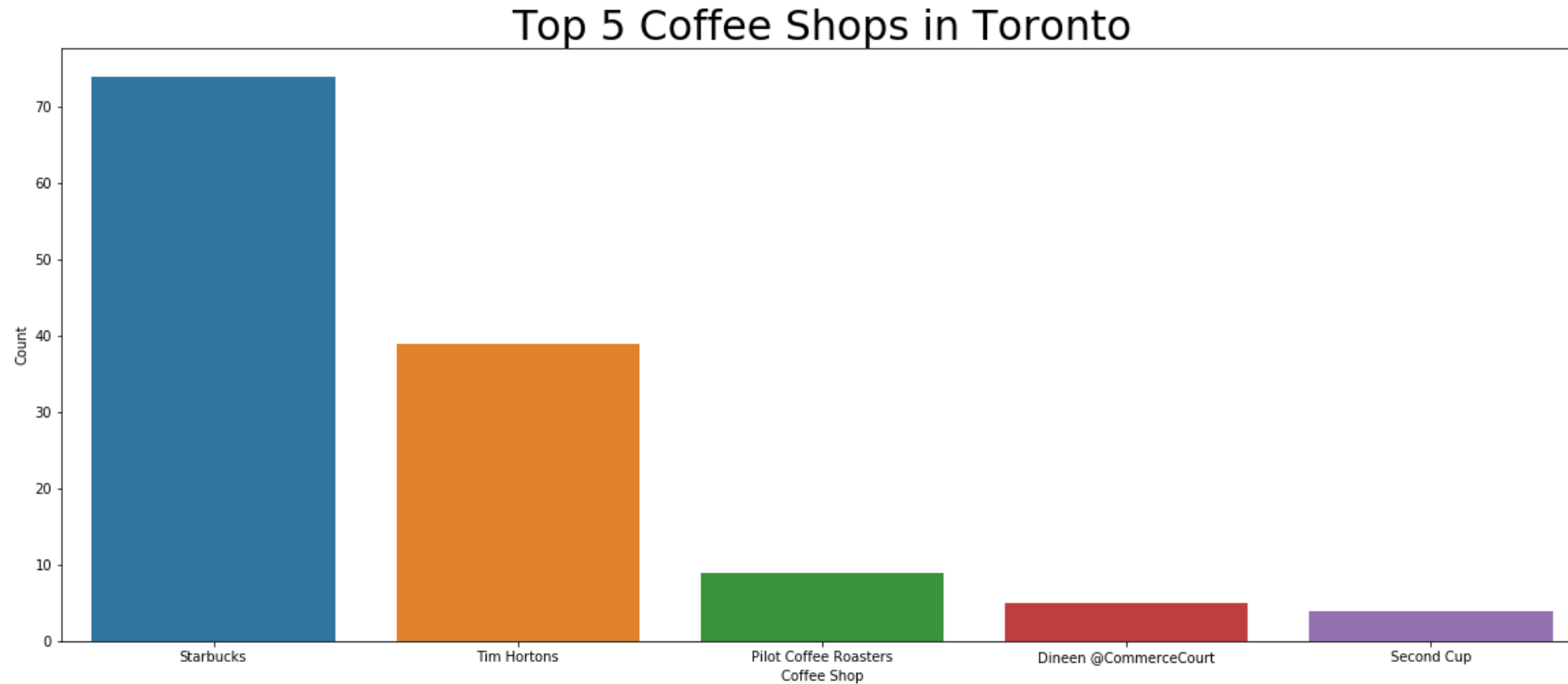
# POPULAR VENUES IN TORONTO



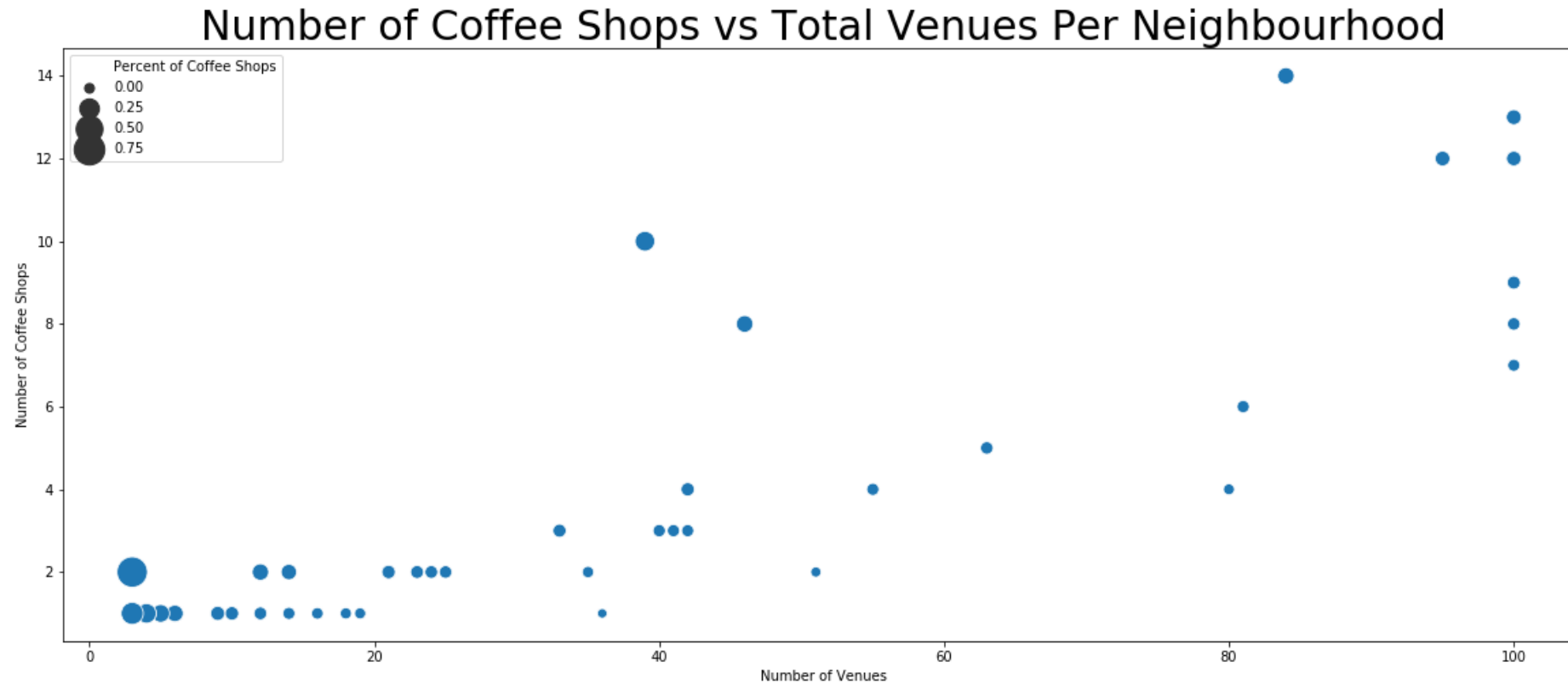
# NEIGHBOURHOODS IN TORONTO WITH HIGHEST NUMBER OF COFFEE SHOPS



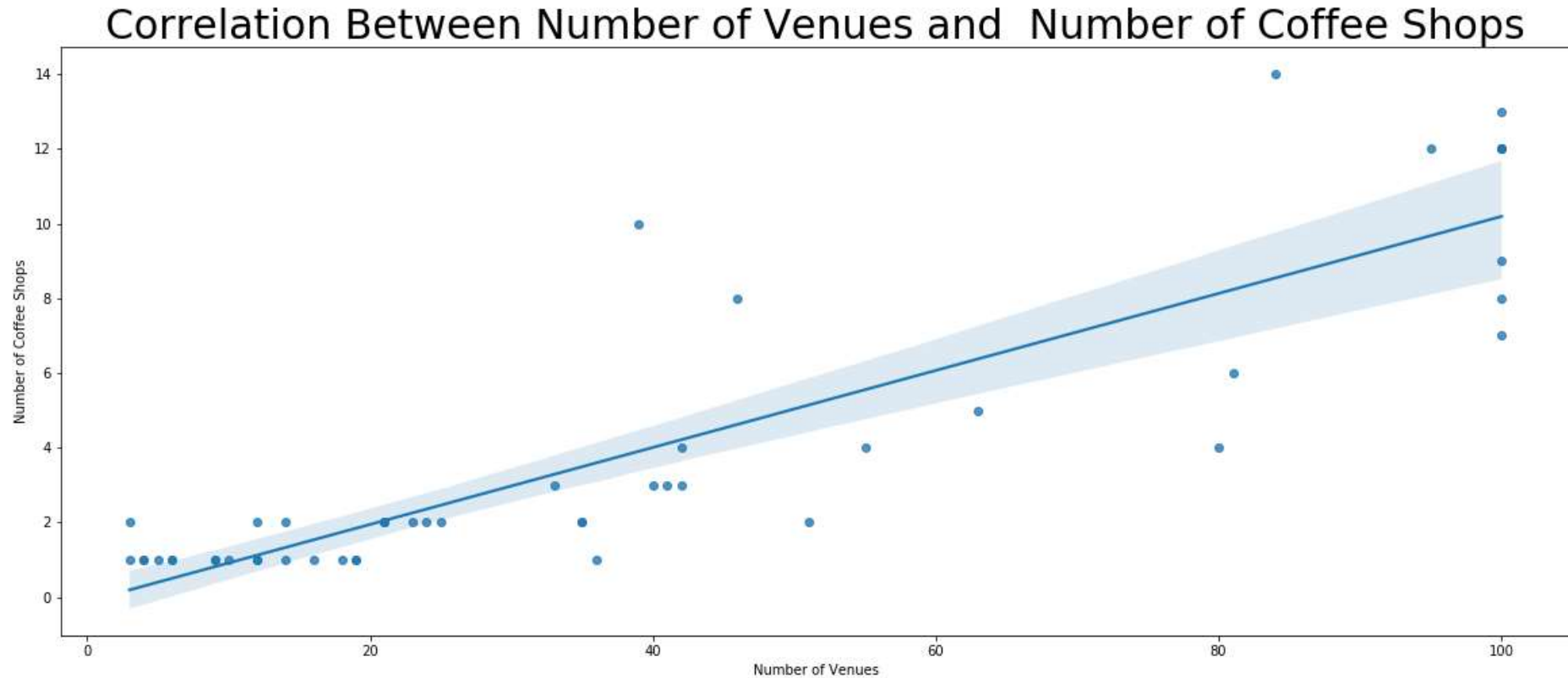
# TOP 5 COFFEE SHOPS IN TORONTO



# NUMBER OF COFFEE SHOPS VS TOTAL VENUES PER NEIGHBOURHOOD



# CORRELATION BETWEEN NUMBER OF VENUES AND NUMBER OF COFFEE SHOPS





# LIST OF POTENTIAL NEIGHBOURHOODS



# SELECTION OF POTENTIAL NEIGHBOURHOODS

## METHODOLOGY

Our criteria for selection of a potential neighbourhood for opening a new coffee shop are:

1. The **number of total venues** in the neighbourhood must be **50 or more**. This is to ensure that ample commercial activity and customer base exists in the neighbourhood.
2. The **number of existing coffee shops** should be **less than 20%** of the total venues in that neighbourhood. This is to avoid entering a market which is already crowded by competing coffee shops.

# POTENTIAL NEIGHBOURHOODS

## LIST OF NEIGHBOURHOODS FOR OPENING A COFFEE SHOP

Sr.	Neighbourhood	Number of Venues	Number of Coffee Shops	Percent of Coffee Shops
0	St. James Town	100	8	8%
1	Ryerson, Garden District	100	9	9%
2	Commerce Court, Victoria Hotel	100	12	12%
3	First Canadian Place, Underground city	100	13	13%
4	Design Exchange, Toronto Dominion Centre	100	12	12%
5	Harbourfront East, Toronto Islands, Union Station	100	12	12%
6	Adelaide, King, Richmond	100	7	7%
7	Stn A PO Boxes 25 The Esplanade	95	12	13%
8	Central Bay Street	84	14	17%
9	Church and Wellesley	81	6	7%
10	Chinatown, Grange Park, Kensington Market	80	4	5%
11	Fairview, Henry Farm, Oriole	63	5	8%
12	Berczy Park	55	4	7%
13	Little Portugal, Trinity	51	2	4%

# SELECTION OF POTENTIAL NEIGHBOURHOODS

## MAP OF NEIGHBOURHOODS FOR OPENING A COFFEE SHOP





# THANK YOU!

