Analysis of Toronto neighborhoods for an optimal new restaurant location

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1. Introduction

With the proliferation of data and services in the modern world, it is sometimes hard to analyze all the information and decide on an optimal course of action. However, when used correctly, massive amounts of information can be become a powerful tool in the hands of a knowledgeable person. In this report, one will see how the use of geolocation data along with other information can help in deciding on an optimal location to open a new restaurant in Toronto.

Toronto is the provincial capital of Ontario and the most populous city in Canada, with a population of 2,731,571 in 2016. Toronto is the fastest growing city in North America, and is the anchor of an urban agglomeration. Toronto is an international center of business, finance, arts, and culture, and is recognized as one of the most multicultural and cosmopolitan cities in the world.[1]

One of the biggest factors contributing to growth of Toronto is immigration and the city is quickly establishing itself as one of the most diverse in its region. Therefore, there is ample opportunity for a quick entry into the restaurant business as the population is growing more diverse and demand for novelty increases.

1.1. Business problem

The scenario we will analyze further is the following – someone is looking to open a restaurant in Toronto and he or she cannot decide on where to open it. Through our analysis of available data, we will provide recommendations on the optimal location to open a restaurant. We will use geolocation data and open datasets provided by city of Toronto to analyze competition, potential demand and other relevant factors in different neighborhoods of the city.

1.2. Stakeholders

This report will be interesting to several groups of stakeholders:

1. Someone who is looking to open a new restaurant. This might be a newcomer to the restaurant business, someone expanding their current business or big chains looking to establish a presence.

2. This report might be interesting to banks or financial institutions when making decisions on assessing loan applications for restaurants. The likelihood of loan defaults decreases if a restaurant has more chances of success due to a convenient location. Banks might even encourage loans in a certain area to maximize chances of success.

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[1] https://en.wikipedia.org/wiki/Toronto