

SUMMARY REPORT

To solve the lead conversion efficiency problem for X Education, we developed a logistic regression model using Python and applied it to identify "Hot Leads" — leads with a high probability of conversion.

Step-by-Step Process:

1. Data Import & Exploration

- Loaded the leads dataset in Jupyter Notebook.
- Understood variable types and assessed the distribution of target variable Converted.

2. Missing Value & Outlier Handling

- Dropped columns with over 70% missing values.
- Replaced categorical 'Select' values with NaN.
- Removed irrelevant and low-variance features.
- Treated outliers in numeric variables where necessary.

3. EDA (Exploratory Data Analysis)

- Performed univariate and bivariate analysis.
- Dropped highly imbalanced categorical variables (e.g., >95% one class).

4. Data Preparation

- Applied `get_dummies()` for categorical variables.
- Scaled numeric features using `StandardScaler`.
- Split the dataset into training and testing sets (70:30 ratio).

5. Feature Selection & Model Building

- Applied Recursive Feature Elimination (RFE) to select top 15 features.
- Built a logistic regression model using `statsmodels.GLM()`.
- Iteratively removed features with high p-values and multicollinearity (checked using VIF).

6. Model Evaluation – Train Set

- Used 0.5 as initial cutoff; evaluated performance using confusion matrix.
- Metrics at 0.5 cutoff:
 - Accuracy: 92%
 - Sensitivity: 86%
 - Specificity: 96%
- Plotted ROC Curve; AUC: **0.96** (excellent model quality).

7. Cutoff Optimization

- Analyzed performance across thresholds from 0.0 to 0.9.
- Chose 0.2 as the optimal cutoff for balanced sensitivity and specificity.

8. Model Validation – Test Set

- Transformed test data with the same scaler.
- Evaluated model using the optimized cutoff (0.2).
- Test set metrics:
 - Accuracy: 92%
 - Sensitivity: 87%
 - Specificity: 94%
- Model performed consistently on unseen data.

9. Lead Scoring

- Final lead score = predicted probability \times 100
- Helps business rank and target leads more effectively.

Key Learnings

- Effective handling of missing data and outliers.
- Importance of categorical encoding and scaling.
- Use of logistic regression for classification.
- Model evaluation using ROC, sensitivity, and specificity.
- Business insight generation through lead scoring.
- Collaboration and end-to-end problem solving in a real-world context.