

Summary:

Problem Statement

An X Education need help to select the most promising leads, i.e., the leads that are most likely to convert into paying customers. The company requires us to build a model wherein you need to assign a lead score to each of the leads such that the customers with higher lead score have a higher conversion chance and the customers with lower lead score have a lower conversion chance. The CEO, in particular, has given a ballpark of the target lead conversion rate to be around 80%.

The following are the steps used:

Cleaning data:

The data was partially clean except for a few null values and the option select had to be replaced with a null value since it did not give us much information. Few of the null values were changed to 'not provided' so as to not lose much data. Although they were later removed while making dummies. Since there were many from India and few from outside, the elements were changed to 'India', 'Outside India' and 'not provided'.

EDA:

A quick EDA was done to check the condition of our data. It was found that a lot of elements in the categorical variables were irrelevant. The numeric values seem good and no outliers were found.

Dummy Variables:

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Train-Test split:

The split was done at 70% and 30% for train and test data respectively.

Model Building:

Firstly, RFE was done to attain the top 15 relevant variables. Later the rest of the variables were removed manually depending on the VIF values and p-value (The variables with $VIF < 5$ and $p\text{-value} < 0.05$ were kept).

Model Evaluation:

A confusion matrix was made. Later on, the optimum cut off value (using ROC curve) was used to find the accuracy, sensitivity and specificity which came to be around 80% each.

Prediction:

Prediction was done on the test data frame and with an optimum cut off as 0.35 with accuracy, sensitivity and specificity around 80% to 81%.

Precision – Recall:

This method was also used to recheck and a cut off of 0.41 was found with Precision around 75% and recall around 76% on the test data frame.

Conclusion

It was found that the variables that mattered the most in the potential buyers are (In descending order):

1. The total time spend on the Website.

2. Total number of visits.

3. When the lead source was:

a) Google

b) Direct traffic

c) Organic search

d) Welingak website

4. When the last activity was:

a) SMS

b) Olark chat conversation

5. When the lead origin is Lead add format.

6. When their current occupation is as a working professional.

Keeping these in mind the X Education can flourish as they have a very high chance to get almost all the potential buyers to change their mind and buy their courses.