

SUBJECTIVE QUESTIONS

1. Which are the top three variables in your model that contribute most towards the probability of a lead getting converted?

Ans:

- Tags_Closed by Horizon
- Lead Source_Welingak Website
- Tags_Lost to EINS

2. What are the top 3 categorical/dummy variables in the model which should be focused the most on in order to increase the probability of lead conversion?

Ans:

- Lead Origin
- Lead Quality
- Last Notable Activity

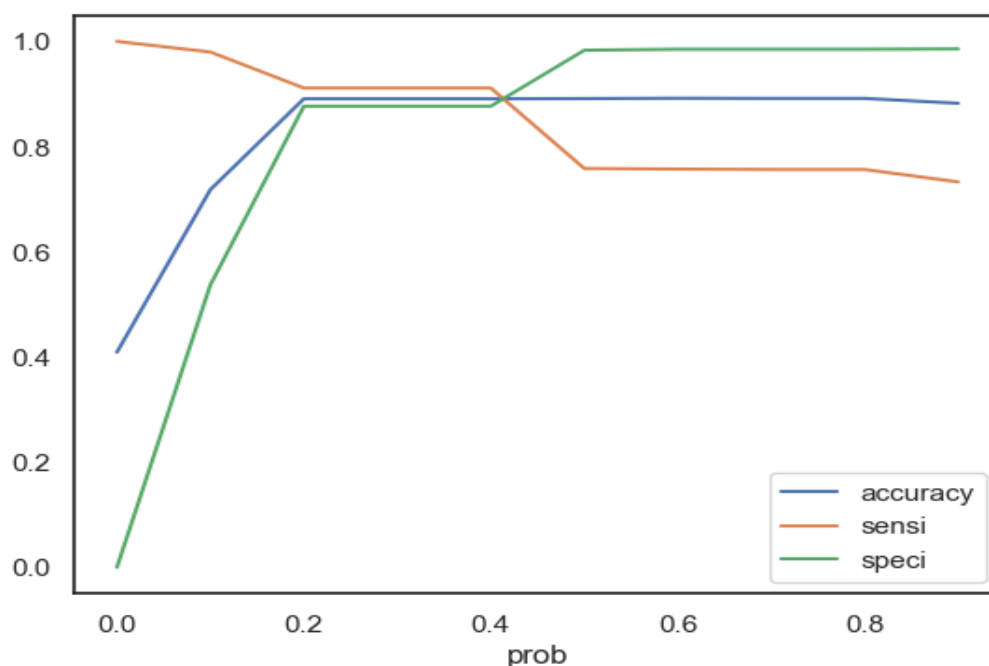
3. X Education has a period of 2 months every year during which they hire some interns. The sales team, in particular, has around 10 interns allotted to them. So, during this phase, they wish to make the lead conversion more aggressive. So, they want almost all of the potential leads (i.e., the customers who have been predicted as 1 by the model) to be converted and hence, want to make phone calls to as much of such people as possible. Suggest a good strategy they should employ at this stage.

Ans:

To calculate sensitivity:

$$\text{Sensitivity} = \text{True Positive} / (\text{True Positive} + \text{False Negative})$$

In our model, sensitivity is defined as the percentage of right predictions out of the total number of correct predictions. The model's sensitivity may be adjusted by altering the cut-off criterion for the likelihood of lead conversion. The graph below shows the changes in Sensitivity, Specificity, and Accuracy for our model when the threshold is changed:



As we can see, as the threshold is raised, sensitivity declines. In this case, we'll need a high sensitivity because it means that our model will properly forecast practically all leads who are likely to convert. Simultaneously, it may overstate and misclassify certain non-conversions as conversions.

However, because the organization has additional staff for two months and wants to increase lead conversion by making phone calls to as many potential leads as

possible, going for high sensitivity is a sensible plan. To obtain great sensitivity, we must set the Conversion Probability threshold to a low number.

This will guarantee that the Sensitivity rating is very high, ensuring that practically all leads who are likely to convert are accurately recognised and the agents may make as many phone calls as feasible.

4. Similarly, at times, the company reaches its target for a quarter before the deadline.

During this time, the company wants the sales team to focus on some new work as well.

So, during this time, the company's aim is to not make phone calls unless it's extremely necessary, i.e., they want to minimize the rate of useless phone calls. Suggest a strategy they should employ at this stage.

Ans:

- When the company meets its quarterly target ahead of schedule, the sales team can shift its focus to other activities such as lead nurturing (personalised emails, SMS, targeted newsletters) or engaging with existing customers by collecting feedback to improve. Additionally, upgrading their website and delivering offers can assist to preserve client happiness and perhaps lead to future upsell chances.
- To reduce the number of unnecessary phone calls, the organisation can develop a lead scoring system that classifies leads based on their proclivity to convert. The sales team may then focus their outreach efforts on the highest-scoring prospects, boosting the likelihood of a successful conversion.