



# Lead Scoring Case Study using logistic regression

Shatrughan

Mukund Sharma

Shiva Samala

# Contents

**Problem statement**

**Problem approach**

**EDA**

**Correlations**

**Model Evaluation**

**Observations**

**Conclusion**

# Problem Statement

---



An education company named X Education sells online courses to industry professionals.



Once these leads are acquired, employees from the sales team start making calls, writing emails, etc. Through this process, some of the leads get converted while most do not.



The typical lead conversion rate at X education is around **30%**. Now, this means if, say, they acquire 100 leads in a day, only about 30 of them are converted. To make this process more efficient, the company wishes to identify the most potential leads, also known as Hot Leads.



If they successfully identify this set of leads, the lead conversion rate should go up as the sales team will now be focusing more on communicating with the potential leads rather than making calls to everyone

# Business Objective

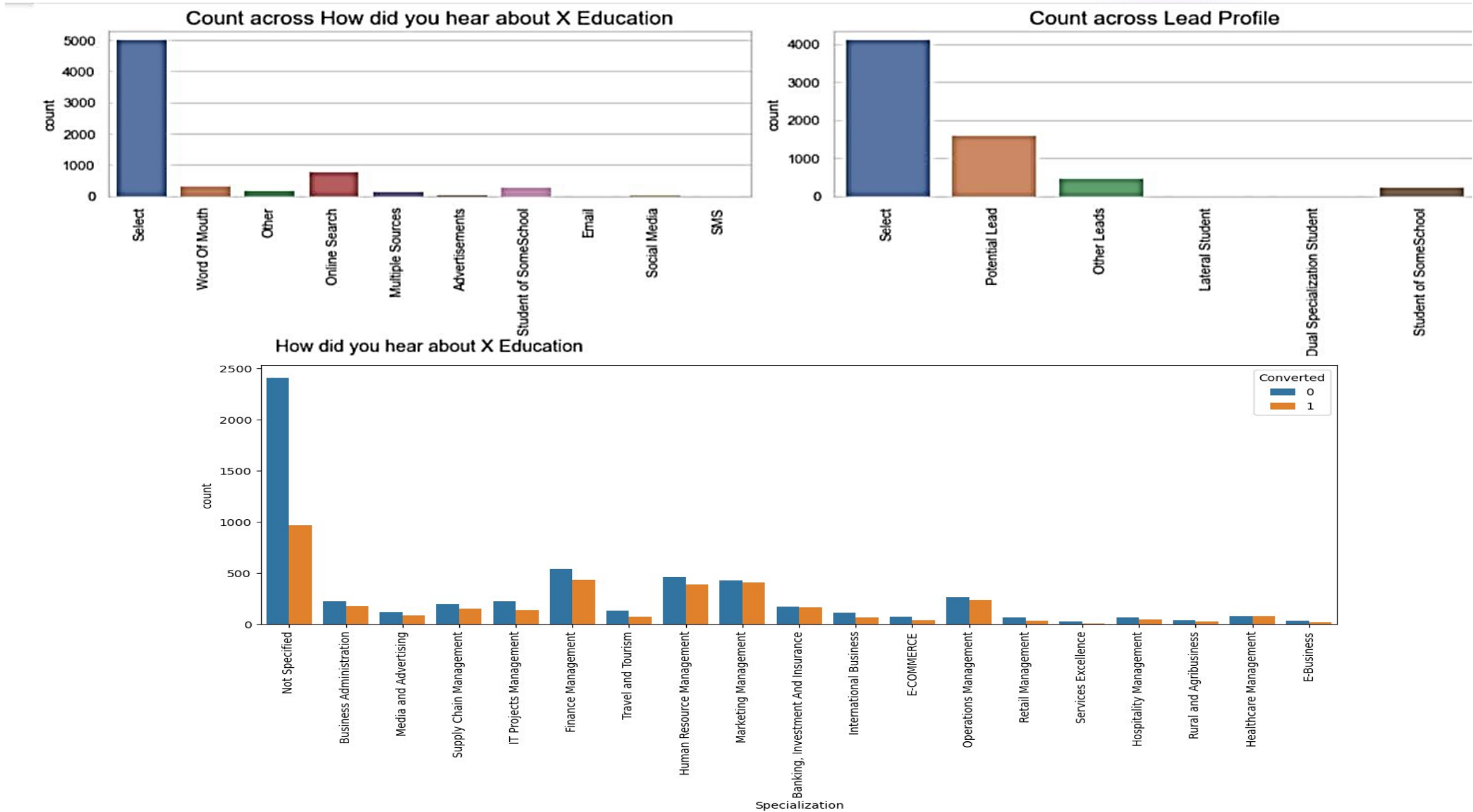
---

- Lead X wants us to build a model to give every lead a lead score between 0 - 100 . So that they can identify the Hot leads and increase their conversion rate as well.
- The CEO want to achieve a lead conversion rate of 80%.
- They want the model to be able to handle future constraints as well like Peak time actions required, how to utilize full man power and after achieving target what should be the approaches.

# Problem Approach

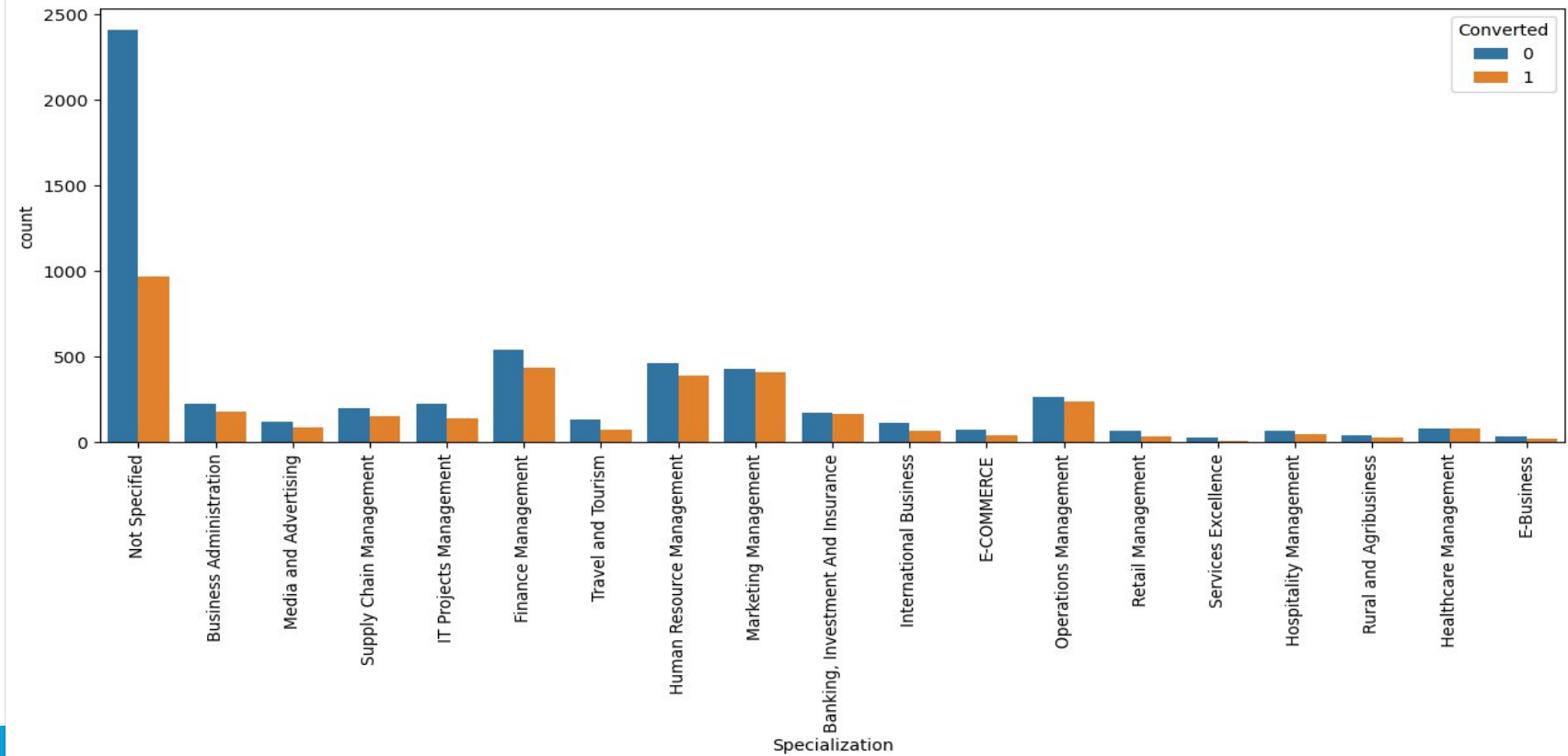
- Importing the data and inspecting the data frame
- Data preparation
- EDA
- Dummy variable creation
- Test-Train split
- Feature scaling
- Correlations
  - Model Building (RFE Rsquared VIF and p-values)
- Model Evaluation
- Making predictions on test set

# EDA – Data Cleaning



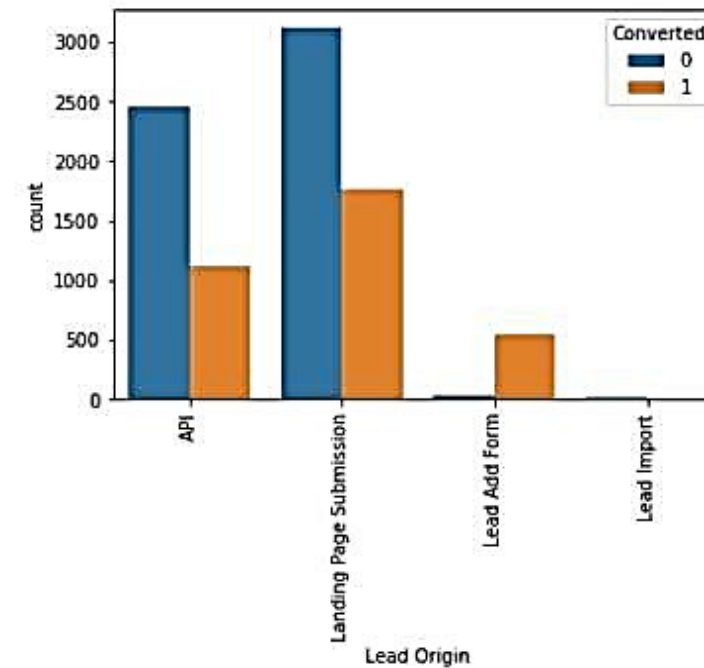
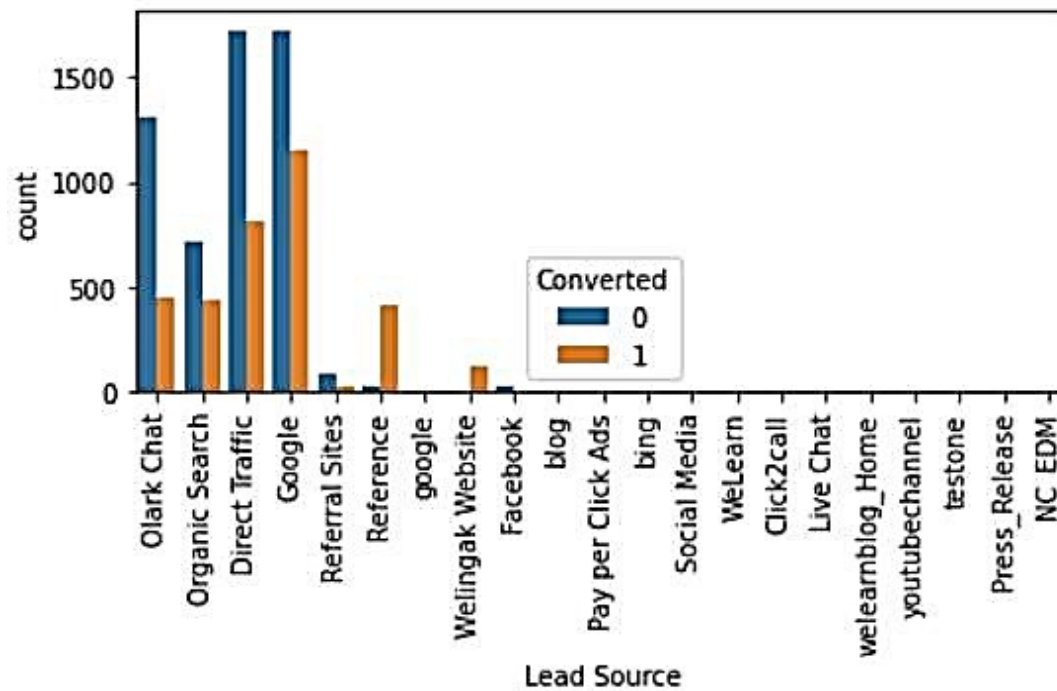
# Specialization

- Leads from HR, Finance & Marketing management specializations are high probability to convert



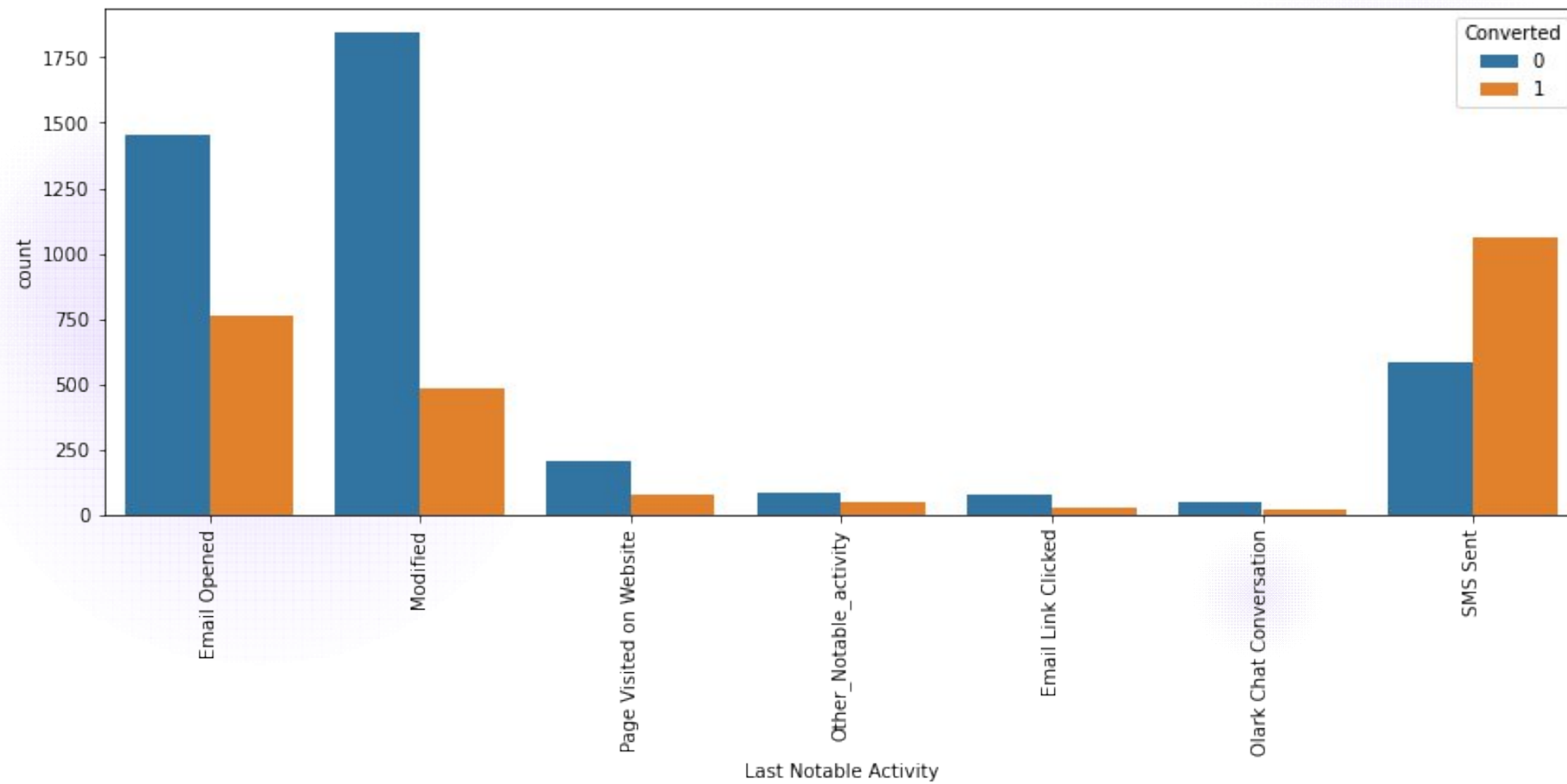
# Lead Source & Lead origin

Whereas in Lead origin most number of leads are landing on submission

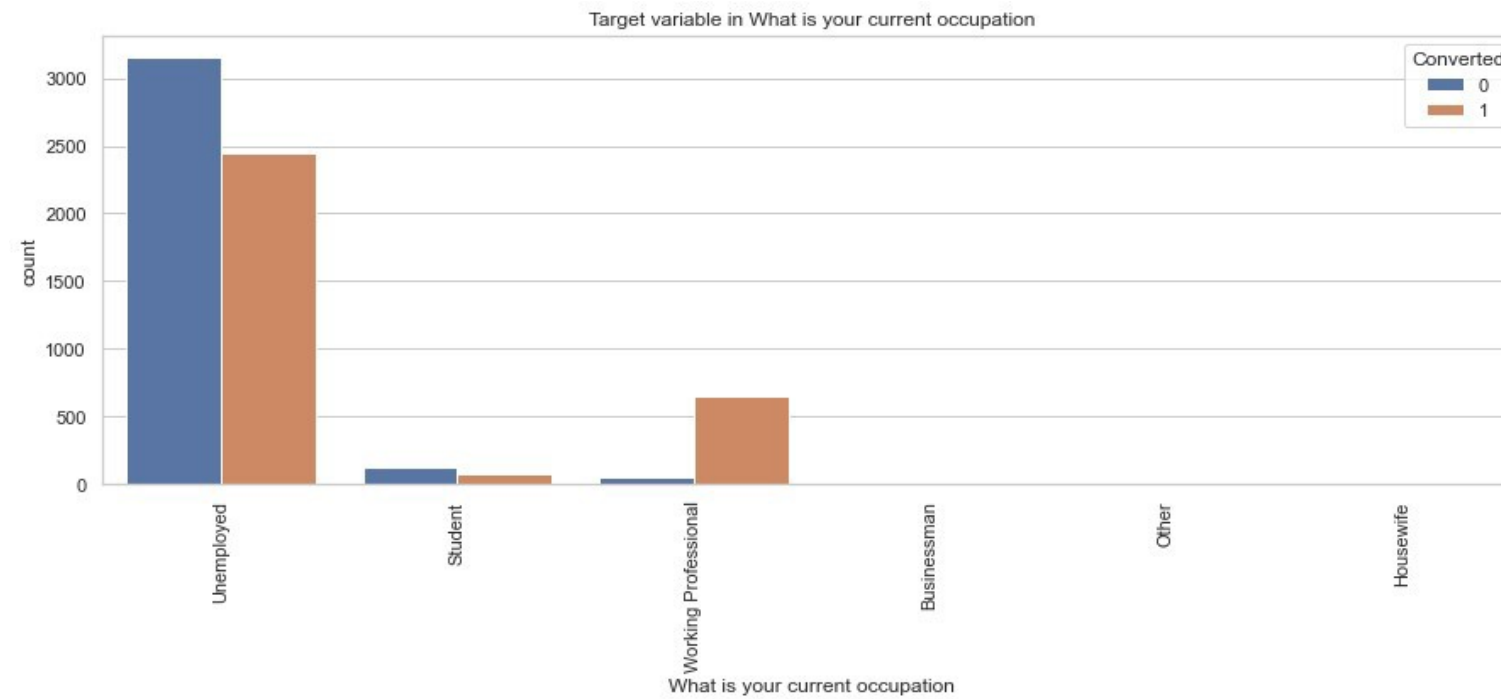




# Last lead Activity



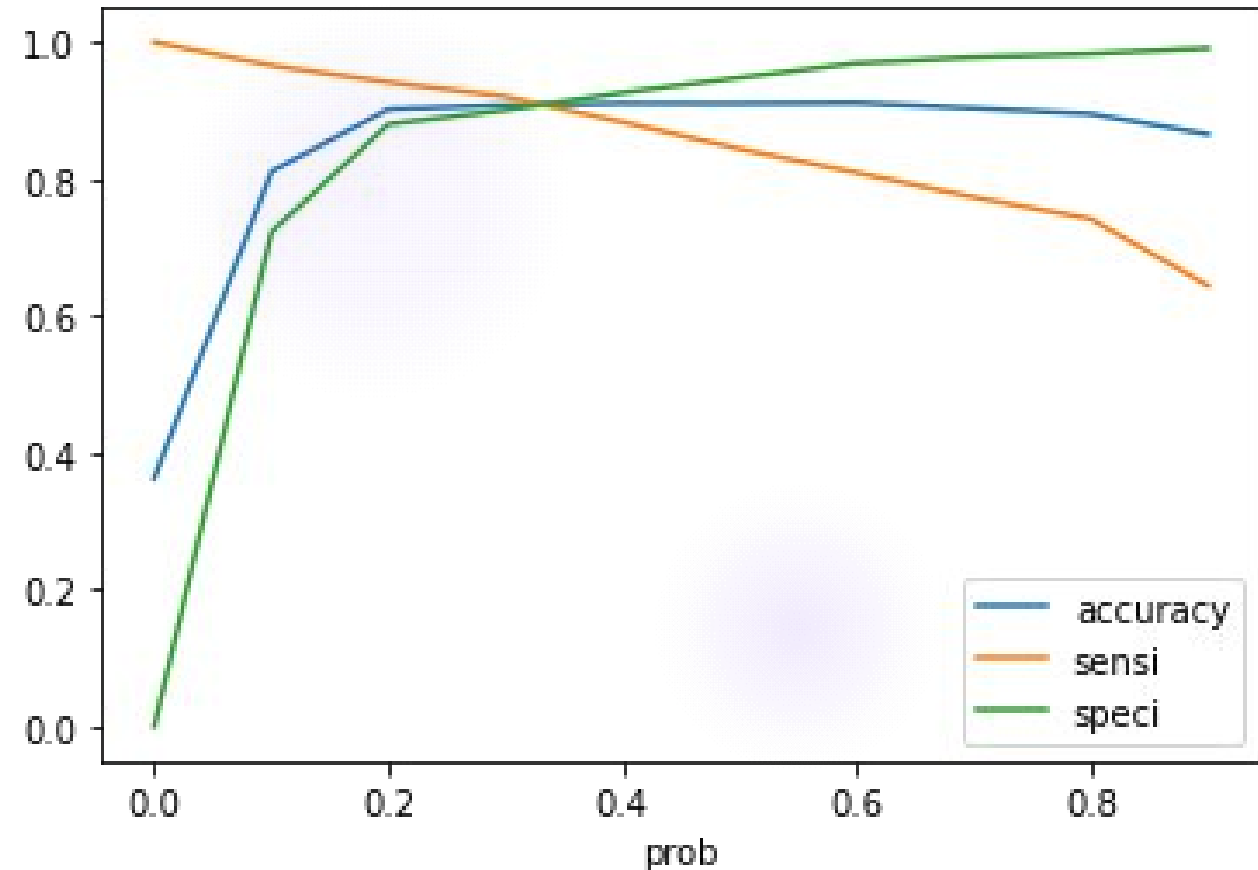
# Last What is Your Occupation



# Correlation



# Model Evaluation



- **0.3 is the tradeoff between Precision and Recall -**  
Thus we can safely choose to consider any Prospect Lead with Conversion **Probability higher than 30 %** to be a hot Lead

# Observations

## **Train Data:**

Accuracy : 90.81%  
Sensitivity : 92.05%  
Specificity : 90.10%

## **Test Data:**

Accuracy : 90.92%  
Sensitivity : 91.41%  
Specificity : 90.62%

## **Final Features list:**

- Lead Source\_Olark Chat
- Specialization Others
- Lead Origin\_Lead Add Form
- Lead Source\_Welingak Website
- Total Time Spent on Website
- Lead Origin\_Landing Page Submission
- What is your current occupation\_Working Professionals
- Do Not Email

# Conclusion



We see that the conversion rate is 30-35% (close to average) for API and Landing page submission. But very low for Lead Add form and Lead import. Therefore we can intervene that we need to focus more on the leads originated from API and Landing page submission.



We see max number of leads are generated by google / direct traffic. Max conversion ratio is by reference and welingak website.



Leads who spent more time on website, more likely to convert.



Most common last activity is email opened. highest rate = SMS Sent. Max are unemployed. Max conversion with working professional.



THANK YOU



--END--