

Lead Scoring Assignment

Subjective Questions

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

Ans:

Based on the various models, the Top 3 contributors to the leads getting converted are:

- **Lead Source (Coefficient: 3.6104)**: This variable has the highest positive coefficient, indicating that it strongly increases the likelihood of conversion. A higher value of Lead Source is associated with a much higher probability of conversion.
- **Total Time Spent on Website (Coefficient: 4.1034)**: This feature also has a strong positive relationship with conversion. More time spent on the website increases the log-odds of conversion, indicating that engaged leads are more likely to convert.
- **Last Notable Activity (Coefficient: 1.9260)**: The Last Notable Activity also significantly contributes to the model. A higher value of Last Notable Activity increases the probability of conversion, suggesting that certain activities in the lead's journey are strongly linked to conversions.

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

Ans:

- **Lead Source**: Understanding which sources generate the highest-converting leads is crucial. More resources should be allocated to these sources.
- **Do Not Email**: Minimizing the impact of leads that have opted out of emails could help; alternatively, approach should be tailored for these leads to increase their conversion likelihood.
- **Lead Origin**: Investigate which lead origins are performing best in terms of conversions and refine the acquisition strategies for these sources.

3) X Education has a period of 2 months every year during which they hire some interns. The sales team 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 make lead conversion more aggressive during the two-month intern phase, X Education can implement the following strategy:

1. Focus on High-Probability Leads (Predicted as 1)

- **Target Leads Predicted as 1:** Focus on leads predicted as having a high likelihood of conversion (those with predicted probabilities close to 1). These are the leads the model identifies as most likely to convert.
- **Prioritize Leads with High Confidence:** Prioritize leads with higher confidence scores (e.g., those with a probability above 0.8) to maximize the impact of the outreach.

2. Use Interns for Aggressive Phone Outreach

- **Phone Calls as the Primary Outreach Method:** Interns should use phone calls as the main channel for outreach to these high likelihood leads. Phone calls are personal and can help build a stronger connection, increasing the chances of conversion.
- **Personalize the Approach:** Train interns to tailor their pitch based on available lead data (e.g., **Total Time Spent on Website**, **Last Notable Activity**, etc.) to make the conversation feel more relevant and compelling.

3. Optimize Interns' Efforts

- **Allocate Interns Efficiently:** Distribute leads among interns based on priority (higher likelihood leads should be given to more experienced interns). Ensure each intern has a manageable number of leads to contact.
- **Maximize Call Time:** Use **time-blocking techniques** to ensure interns are reaching out to leads during optimal hours (e.g., mornings or evenings based on the leads' time zones).

4. Segment Leads for Targeted Outreach

- **Lead Segmentation:** Group the high likelihood leads based on characteristics like **Lead Source**, **Lead Origin**, and **Last Notable Activity**. This will help tailor the messaging for different segments (e.g., leads from webinars may be approached differently than those from paid ads).
- **Customize the Call Script:** Develop customized scripts for each lead segment to increase engagement and make the outreach feel more personalized.

5. Use Follow-Up Strategies

- **Multichannel Follow-Ups:** In case a lead is unreachable via phone, interns should follow up with emails or text messages to ensure no potential lead is missed.
- **Create Urgency:** Encourage urgency in the conversation by mentioning time-sensitive offers or highlighting limited-time benefits. This can nudge leads to take immediate action.

6. Track Performance and Adjust in Real-Time

- **Monitor Conversion Rates:** Track how well the leads are converting after being contacted by interns. Adjust the strategy based on which methods (call times, message personalization, etc.) are yielding the best results.
- **Iterative Improvement:** Interns should provide feedback on their calls, including common objections or successful approaches, so the outreach process can be continuously refined.

7. Maintain Positive Relationships for Future Engagement

- Even if some leads do not convert immediately, interns should aim to **build rapport** and leave the door open for future engagement, as some leads may convert later.

This approach helps X Education efficiently maximize conversions during the intern phase.

- 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:

To minimize useless phone calls when the company reaches its target early and the goal is to focus on new work, X Education should implement the following strategy:

1. Prioritize High-Value Leads

- Focus on Leads with High Conversion Potential: Only engage with leads that are highly likely to convert (e.g., those predicted as 1 by the model with a high confidence score, e.g., >0.8 probability).
- Segment and Rank Leads: Prioritize based on additional factors such as Lead Source, Lead Origin, or Lead Activity (e.g., leads who spent more time on the website or recently interacted with the brand).

2. Automate Outreach

- Use Emails and SMS: Automate the first level of outreach through personalized emails and SMS. These can be tailored based on lead characteristics and help engage leads without requiring immediate phone calls.
- Follow-up Sequences: Implement automated follow-up sequences (emails or text messages) for leads that do not respond to the initial message, further reducing the need for phone calls.

3. Set Clear Criteria for Phone Calls

- Phone Calls Only for Specific Cases: Phone calls should only be made for leads who:
 - Show high interest but do not respond to automated messages.
 - Have already shown significant engagement and are on the verge of converting.
- Establish a Phone Call Threshold: Define a clear threshold for phone calls—e.g., leads with a conversion probability below 0.8 or leads who have not interacted with email/SMS outreach after multiple attempts should not be contacted by phone unless there's a clear reason.

4. Shift Focus to New Work

- Market Research: Redirect sales team efforts to market research, identifying new customer segments or improving the lead scoring model.
- Customer Retention and Engagement: Focus on maintaining and nurturing existing customers to encourage repeat business and long-term engagement.
- Content Creation: Sales teams can contribute to creating content (e.g., blog posts, case studies, webinars) that can help generate leads for the next quarter.

5. Use Data-Driven Insights

- Monitor Engagement Metrics: Track the success of email and SMS outreach. Adjust communication strategies (e.g., timing, subject lines, personalization) based on which methods are most successful.
- Adjust Lead Scoring: Continuously monitor lead behaviour and adjust the lead scoring algorithm to ensure only the most promising leads are being contacted.

6. Implement a Feedback Loop

- Feedback from Sales Team: Sales interns or team members should regularly provide feedback on the outcomes of phone calls, email campaigns, and SMS outreach to understand what works and optimize strategies moving forward.