LEADING SCORE CASE STUDY

IDENTIFYING HOT LEADS

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Lead Score Summary

Problem Description:

An education company named X Education sells online courses to industry professionals. On any given day, many professionals who are interested in the courses land on their website and browse for courses.

The company markets its courses on several websites and search engines like Google. Once these people land on the website, they might browse the courses or fill up a form for the course or watch some videos. When these people fill up a form providing their email address or phone number, they are classified to be a lead. Moreover, the company also gets leads through past referrals. 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%.

X Education has appointed you to help them select the most promising leads, i.e. the leads that are most likely to convert into paying customers. The company requires you 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%.

Goal of the Case Study is

Build a logistic regression model to assign a lead score between 0 and 100 to each of the leads which can be used by the company to target potential leads. A higher score would mean that the lead is hot, i.e. is most likely to convert whereas a lower score would mean that the lead is cold and will mostly not get converted.

Approach:

From above problem description we conclude that the above problem is the classification problem, hence we choose logistic Regression to calculate the Lead rate.

Below are the steps followed to solve this problem.

1. Data Reading and Understanding

Here we tried to get the look and feel of the data, we observed following things

- Number of rows and columns
- Data types of each columns
- Checking first few rows how data looks

Shape of Dataset

```
In [3]: lead_score.shape
Out[3]: (9240, 37)
```

Checking The Datatype Of Each Columns

```
In [4]: lead_score.info()
           <class 'pandas.core.frame.DataFrame'>
           RangeIndex: 9240 entries, 0 to 9239
           Data columns (total 37 columns):
                                                                              Non-Null Count Dtype
                 Lead Number
Lead Origin
                                                                               9240 non-null
                                                                                                    int64
                                                                               9240 non-null
                                                                                                    object
                 Lead Source
Do Not Email
                                                                               9204 non-null
                                                                               9240 non-null
                                                                                                    object
                 Do Not Call
Converted
                                                                               9240 non-null
9240 non-null
                                                                                                    object
int64
                 TotalVisits
Total Time Spent on Website
                                                                              9103 non-null
9240 non-null
                                                                                                    float64
                                                                                                    int64
                Page Views Per Visit
Last Activity
                                                                              9103 non-null
                                                                                                    float64
            10
                                                                               9137 non-null
                                                                                                    object
                Country
Specialization
                                                                               6779 non-null
            12
                                                                              7802 non-null
7033 non-null
                                                                                                    object
                 How did you hear about X Education
What is your current occupation
            14
                                                                               6550 non-null
                                                                                                    object
                 What matters most to you in choosing a course 6531 non-null
            16
                 Search
                                                                               9240 non-null
                                                                                                    object
                                                                               9240 non-null
                 Magazine
                                                                                                    object
                Newspaper Article
X Education Forums
            18
                                                                               9240 non-null
                                                                                                    object
            19
                                                                               9240 non-null
                                                                                                    object
                 Newspaper
Digital Advertisement
                                                                               9240 non-null
9240 non-null
                                                                                                    object
                                                                                                    object
            22
23
                 Through Recommendations
Receive More Updates About Our Courses
                                                                              9240 non-null
9240 non-null
                                                                                                    object
                                                                               5887 non-null
            25
                 Lead Ouality
                                                                               4473 non-null
                                                                                                    object
                 Update me on Supply Chain Content
Get updates on DM Content
                                                                               9240 non-null
            27
                                                                              9240 non-null
                                                                                                    object
                 Lead Profile
                                                                               6531 non-null
            29
                 city
                                                                               7820 non-null
                                                                                                    object
                 Asymmetrique Activity Index
                                                                               5022 non-null
                Asymmetrique Profile Index
Asymmetrique Activity Score
Asymmetrique Profile Score
            31
                                                                               5022 non-null
                                                                                                    object
                                                                               5022 non-null
                                                                                                    float64
            33
                                                                               5022 non-null
                                                                                                    float64
                I agree to pay the amount through cheque
A free copy of Mastering The Interview
Last Notable Activity
                                                                             9240 non-null
                                                                                                    object
                                                                             9240 non-null
9240 non-null
                                                                                                   object
           dtypes: float64(4), int64(3), object(30)
memory usage: 2.6+ MB
```

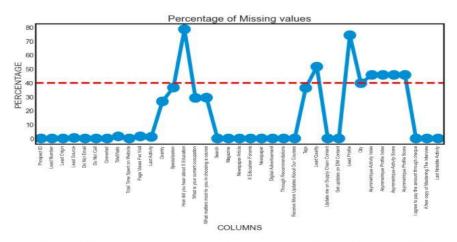
Checking how the data is spread.

Statistical Summary Of The Dataset

• For Numerical Columns

	count	mean	std	min	25%	50%	75%	max
Lead Number	9240.0	617188.435606	23405.995698	579533.0	596484.5	615479.0	637387.25	660737.0
Converted	9240.0	0.385390	0.488714	0.0	0.0	0.0	1.00	1.0
TotalVisits	9103.0	3.445238	4.854853	0.0	1.0	3.0	5.00	251.0
Total Time Spent on Website	9240.0	487.698268	548.021466	0.0	12.0	248.0	936.00	2272.0
Page Views Per Visit	9103.0	2.362820	2.161418	0.0	1.0	2.0	3.00	55.0
Asymmetrique Activity Score	5022.0	14.308252	1.386694	7.0	14.0	14.0	15.00	18.0
Asymmetrique Profile Score	5022.0	16.344883	1.811395	11.0	15.0	16.0	18.00	20.0

Checking for duplicates.



There are 17 columns with null values. 7 columns have more than 40% unknowns which we should drop as imputing these columns will introduce bias.

```
3.4 Duplicate Analysis duplicate
```

```
In [12]: print("Total number of duplicate values in Prospect ID column:", lead_score.duplicated(subset = 'Prospect ID').sum()) print("Total number of duplicate values in Lead Number column:", lead_score.duplicated(subset = 'Lead Number').sum())

Total number of duplicate values in Prospect ID column: 0

Total number of duplicate values in Lead Number column: 0
```

Both the Prospect ID and Lead number are unique columns and hence we wont need for prediction

2 Data Cleaning

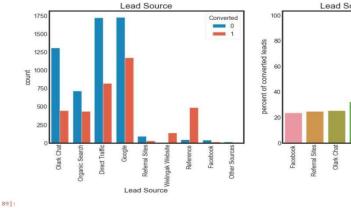
Here we checked for discrepancies in the Dataset

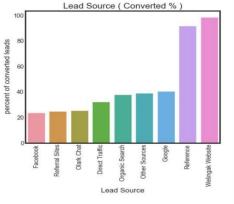
- Checking for any column names correction
- Checking for null values and imputing them with appropriate methods
- We used mode imputation for categorical columns.
- We used mean imputation for numerical columns, if there is no skewness in data.
- We used median imputation for numerical columns, if there is skewness in the data.



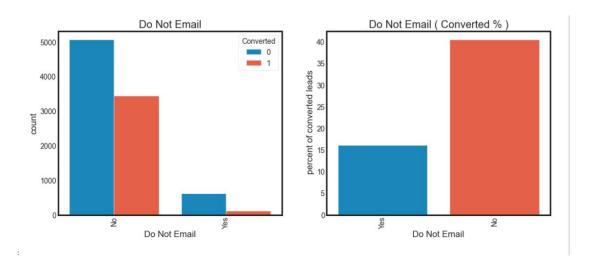
3 Data Visualization and Outlier Treatment

- We performed univariate analysis on categorical column to see which columns makes more sense and removed those columns whose variance is nearly zero.
- We performed bivariate analysis on categorical columns to see how they vary w.r.t Converted column.
- We performed univariate analysis on numerical columns by plotting box plots to see are there any outliers in the data or not.
- > We performed bivariate analysis on numerical columns with Converted column to see how the leads are related to these columns.
- > We have used IQR method to treat the outliers in the data set.
- In this step we also plotted the correlation matrix to identify the columns which are
- > correlated.

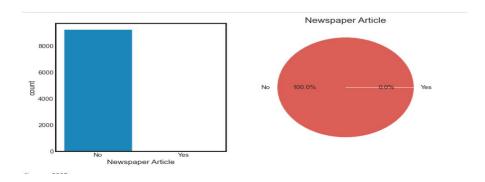




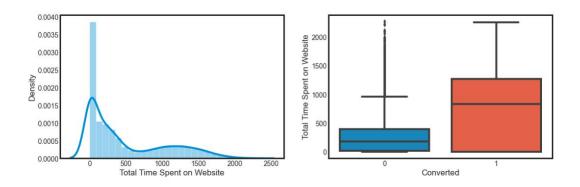
- The source of most leads was Google, and 40% of the leads converted, followed by Direct Traffic, Organic search and Olark chat where around 35%, 38% and 30% converted respectively.
- A lead that came from a reference has over 90% conversion from the total of 534.
- Welingak Website has almost 100% lead conversion rate. This option should be explored more to increase lead conversion



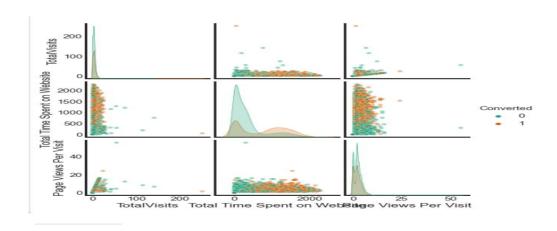
- ➤ Majority of the people are ok with receiving email (~92%)
- People who are ok with email has conversion rate of 40%
- People who have opted out of receive email has lower rate of conversion (only 15%)



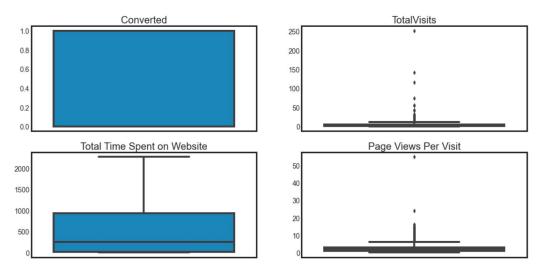
Newspaper Article data are very skewed and can be deleted as they will not add any value to the model.



The people who spend more time on website has more probability to converted in leads

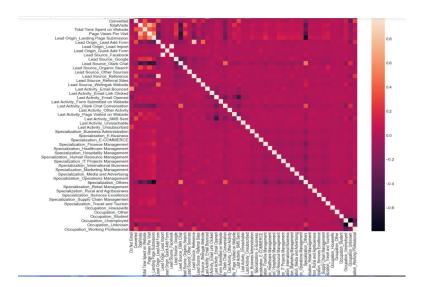


> Data is not normally distributed.



Though outliers in TotalVisits and Page Views Per Visit shows valid values, this will misclassify the outcomes and consequently create problems when making inferences with the wrong model. Logistic Regression is heavily influenced by outliers

	Converted	TotalVisits	Total Time Spent on Website	Page Views Per Visit
count	9240.000000	9240.000000	9240.000000	9240.000000
mean	0.385390	3.179221	487.698268	2.255105
std	0.486714	2.761219	548.021466	1.779471
min	0.000000	0.000000	0.000000	0.000000
10%	0.000000	0.000000	0.000000	0.000000
25%	0.000000	1.000000	12.000000	1.000000
50%	0.000000	3.000000	248.000000	2.000000
75%	1.000000	5.000000	936.000000	3.000000
90%	1.000000	7.000000	1380.000000	5.000000
95%	1.000000	10.000000	1562.000000	6.000000
99%	1.000000	10.000000	1840.610000	6.000000
max	1.000000	10.000000	2272.000000	6.000000

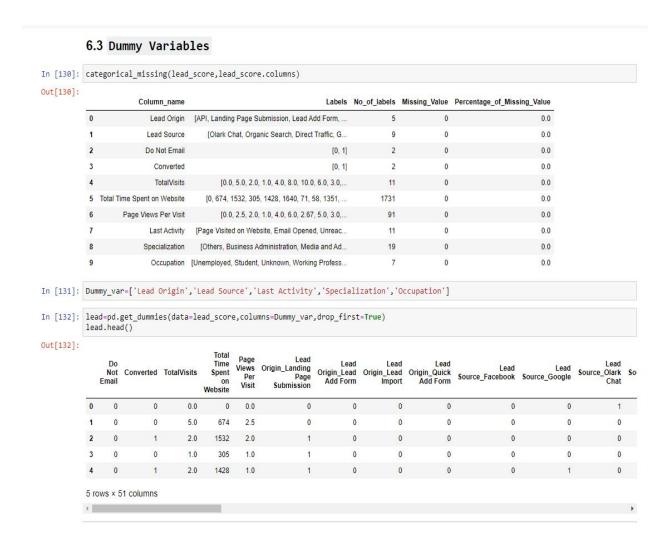


4 Feature Scaling

At this stage our data was very clean and no outliers. We know that logistic regression takes the input parameters as numerical values. Hence, we converted all the categorical columns to numerical.

Columns which have only two levels "Yes" and "No" were converted to numerical using binary mapping.

Columns which have more than two levels were converted to dummies using pd.get_dummies function.Now, the data contained only numerical columns and dummy variables.



Before proceeding for model building, we have rescaled all numerical columns by using standard Scaler method.

6.5 Feature Scaling



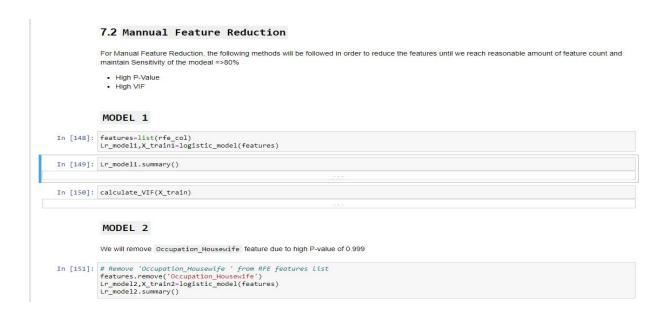
5 Model Building

We have used Recursive Feature Elimination Technique to remove attributes and built a model on those attributes that remain. RFE uses the model accuracy to identify which attributes (and combination of attributes) contribute the most to predicting the target attribute.

7.1 RFE for Feature Reduction

In this step we made the model stable by using stats library, where we checked the p-values to be less than 0.05 and vif values to be under 5.

Variance inflation factor(vif) is used to treat the multicollinearity.



Do Not Email	-1.1811	0.182	-6.492	0.000	-1.538	-0.824
Total Time Spent on Website	1.0651	0.040	26.711	0.000	0.987	1.143
Lead Origin_Landing Page Submission	-1.0227	0.128	-7.972	0.000	-1.274	-0.771
Lead Origin_Lead Add Form	2.8029	0.203	13.794	0.000	2.405	3.201
Lead Source_Olark Chat	1.0993	0.123	8.940	0.000	0.858	1.340
Lead Source_Welingak Website	2.4629	0.750	3.285	0.001	0.993	3.932
Last Activity_Email Opened	0.7288	0.110	6.636	0.000	0.514	0.944
Last Activity_Olark Chat Conversation	-0.6068	0.191	-3.169	0.002	-0.982	-0.231
Last Activity_Other Activity	2.2419	0.488	4.592	0.000	1.285	3.199
Last Activity_SMS Sent	1.8672	0.111	16.782	0.000	1.649	2.085
Last Activity_Unreachable	0.8487	0.368	2.303	0.021	0.126	1.571
Last Activity_Unsubscribed	1.3906	0.485	2.865	0.004	0.439	2.342
Specialization_Hospitality Management	-0.9951	0.327	-3.040	0.002	-1.637	-0.353
Specialization_Others	-0.9785	0.123	-7.927	0.000	-1.220	-0.737
Occupation_Unknown	-1.0818	0.088	-12.357	0.000	-1.253	-0.910
Occupation_Working Professional	2.3966	0.190	12.627	0.000	2.025	2.769

In [158]: calculate_VIF(X_train[features])
Out[158]:

VIF	Features	
2.97	Lead Origin_Landing Page Submission	2
2.77	Specialization_Others	13
2.55	Last Activity_Email Opened	6
2.28	Last Activity_SMS Sent	9
2.18	Lead Source_Olark Chat	4
1.77	Last Activity_Olark Chat Conversation	7
1.63	Lead Origin_Lead Add Form	3
1.61	Occupation_Unknown	14
1.27	Do Not Email	0
1.27	Lead Source_Welingak Website	5
1.25	Total Time Spent on Website	1
1.21	Occupation_Working Professional	15
1.08	Last Activity_Unsubscribed	11
1.03	Last Activity_Other Activity	8
1.03	Last Activity_Unreachable	10
1.02	Specialization_Hospitality Management	12

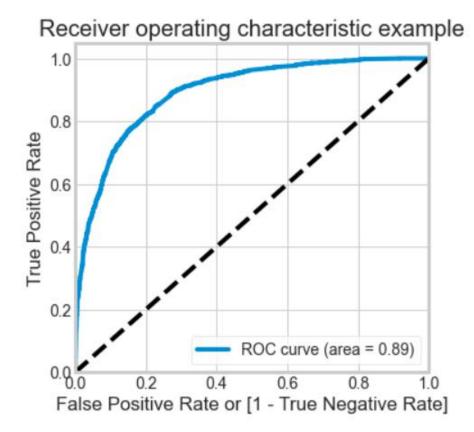
Once the stable model was created, we predicted probabilities on the train set and created a new column predicted with 1 if probability is greater than .5 else 0.

Creating new column 'predicted' with 1 if lead Prob > 0.5 else 0

```
In [163]: y train pred final['predicted(0.5)'] = y train pred final.Converted Prob.map(lambda x: 1 if x > 0.5 else 0)
           # Let's see the head
          y train pred final.head()
Out[163]:
              Converted_IND Converted_Prob Prospect_IND predicted(0.5)
                                 0.523486
           1
                                  0.113305
                                                 6795
           2
                                 0.336733
                                                 3516
                                 0.818686
           3
                         0
                                                 8105
                                 0.292254
                                                 3934
```

We calculated the confusion matrix on this predicted column to the actual converted column. We also calculated the metrics sensitivity, specificity, precision, recall and accuracy. We also plotted roc curve to find the area under the curve.

```
In [164]: matrix=confusion matrix(y true=y train pred final['Converted IND'],y pred=y train pred final['predicted(0.5)'])
Out[164]: array([[3548, 454],
                 [ 717, 1749]], dtype=int64)
In [165]: accuracy_score(y_true=y_train_pred_final['Converted_IND'],y_pred=y_train_pred_final['predicted(0.5)'])
Out[165]: 0.8189548546691404
In [166]: lg_metrics(matrix)
          Model Accuracy value is
                                              : 81.9 %
          Model Sensitivity value is
                                                 70.92 %
          Model Specificity value is
          Model Precision value is
                                              : 79.39 %
          Model Recall value is
          Model True Positive Rate (TPR)
                                              : 70.92 %
          Model False Positive Rate (FPR)
          Model Poitive Prediction Value is
          Model Negative Prediction value is : 83.19 %
```



6 Model Evaluation on Train Test

In the step 5 we took 0.5 as the cut-of. To confirm that it was the best cut, we calculated the probabilities with different cut-offs.

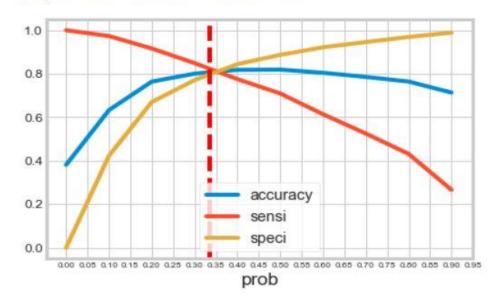
	Converted_IND	Converted_Prob	Prospect_IND	predicted(0.5)	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9
0	0	0.523486	1871	1	1	1	1	1	1	1	0	0	0	0
1	0	0.113305	6795	0	1	1	0	0	0	0	0	0	0	0
2	0	0.336733	3516	0	1	1	1	1	0	0	0	0	0	0
3	0	0.818686	8105	1	1	1	1	1	1	1	1	1	1	0
4	0	0.292254	3934	0	1	1	1	0	0	0	0	0	0	0

With probabilities from 0.0 to 0.9, we calculated the 3 metrics -accuracy, sensitivity and specificity.

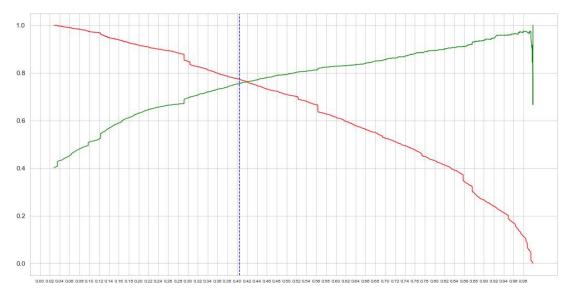
	prob	accuracy	sensi	speci	Precision	Recal
0.0	0.0	0.381262	1.000000	0.000000	1.000000	0.000000
0.1	0.1	0.632653	0.973236	0.422789	0.509554	0.973236
0.2	0.2	0.763760	0.916058	0.669915	0.631006	0.916058
0.3	0.3	0.800402	0.848743	0.770615	0.695118	0.848743
0.4	0.4	0.817718	0.775345	0.843828	0.753646	0.775345
0.5	0.5	0.818955	0.709246	0.886557	0.793917	0.709246
0.6	0.6	0.804267	0.613950	0.921539	0.828228	0.613950
0.7	0.7	0.785250	0.525142	0.945527	0.855915	0.525142
8.0	0.8	0.764069	0.431468	0.969015	0.895623	0.431468
0.9	0.9	0.713358	0.266423	0.988756	0.935897	0.266423

➤ To make predictions on the train dataset, optimum cutoff of 0.35 was found from the intersection of sensitivity, specificity and accuracy as shown in below figure:

<Figure size 1800x864 with 0 Axes>



➤ To make predictions on the test dataset, optimum cutoff was considered as obtained from Precision recall graph of the train dataset as shown below figure:



Inferences:

Based on Precision- Recall Trade off curve, the cutoff point seems to 0.40 We will use this threshold value for Test Data Evaluation

7 Prediction On Test Datastet

After finalizing the optimum cutoff and calculating the metrics on train set, we predicted the data on test data set. Below are the observations:

Train Data:

```
In [173]: lg_metrics(s)
         Model Accuracy value is
                                            : 80.71 %
         Model Sensitivity value is
                                          : 81.79 %
         Model Specificity value is
                                         : 80.03 %
         Model Precision value is
                                          : 71.63 %
         Model Recall value is
                                         : 81.79 %
         Model True Positive Rate (TPR) : 81.79 %
         Model False Positive Rate (FPR) : 19.97 %
         Model Poitive Prediction Value is : 71.63 %
         Model Negative Prediction value is : 87.71 %
In [174]: # Classification Record : Precision, Recall and F1 Score
         print(classification_report( y_train_pred_final['Converted_IND'], y_train_pred_final['final_predicted_1(0.35)'] ) )
                      precision recall f1-score support
                   0
                           0.88
                                    0.80
                                              0.84
                                                       4002
                   1
                           0.72
                                    0.82
                                              0.76
                                                       2466
                                              0.81
                                                       6468
             accuracy
                                              0.80
            macro avg
                           0.80
                                    0.81
                                                       6468
         weighted avg
                                    0.81
                                              0.81
                                                       6468
                           0.82
```

In [175]: print("F1 Score: {}".format(f1_score(y_train_pred_final['Converted_IND'], y_train_pred_final['final_predicted_1(0.35)']

F1 Score: 0.7637258614161304

Test Data:

```
In [195]: lg_metrics(s)
        Model Accuracy value is
                                     : 80.7 %
        Model Sensitivity value is
                                    : 81.83 %
                                    : 79.96 %
        Model Specificity value is
        Model Precision value is
                                     : 72.73 %
                                    : 81.83 %
        Model Recall value is
        Model True Positive Rate (TPR)
                                       : 81.83 %
                                     : 20.04 %
        Model False Positive Rate (FPR)
        Model Poitive Prediction Value is : 72.73 %
        Model Negative Prediction value is : 87.08 %
In [197]: # Classification Record : Precision, Recall and F1 Score
        print(classification_report( y_pred_final['Converted_IND'], y_pred_final['final_predicted'] ) )
                    precision recall f1-score support
                                         0.83
                 0
                        0.87
                              0.80
                                                 1677
                        0.73 0.82 0.77
                 1
                                                 1095
           accuracy
                                         0.81
                                                 2772
           macro avg 0.80 0.81 0.80
                                                 2772
        weighted avg 0.81 0.81 0.81
                                                 2772
```

Inferences:

The sensitivity value on Test data is 81.83% vs 80.79% in Train data. The accuracy values is 80.7%. It shows that model is performing well in test data set also and is not over-trained.

8 Final Model Feature

Let's look into final model features and coefficients

```
ut[199]: Do Not Email
                                               -1.18
         Total Time Spent on Website
                                                1.07
         Lead Origin Landing Page Submission
                                               -1.02
        Lead Origin_Lead Add Form
                                                2.80
        Lead Source_Olark Chat
                                                1.10
        Lead Source_Welingak Website
                                                2.46
        Last Activity Email Opened
                                               0.73
        Last Activity Olark Chat Conversation -0.61
        Last Activity Other Activity
                                                2.24
         Last Activity SMS Sent
                                                1.87
        Last Activity_Unreachable
                                                0.85
        Last Activity_Unsubscribed
                                                1.39
        Specialization_Hospitality Management
                                               -1.00
         Specialization_Others
                                               -0.98
         Occupation_Unknown
                                               -1.08
         Occupation_Working Professional
                                                2.40
         dtype: float64
```

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