LEAD SCORE FOR X EDUCATION USING LOGISTIC REGRESSION

BY DINESH BANAHATTI

BUSINESS PROBLEM

- X Education is facing challenges with low conversion rates of leads into customers.
- Goal: Identify key factors influencing lead conversion and build a predictive model to improve targeting and conversion rates.

DATASET SUMMARY

- The Leads.csv dataset contains:
 - Rows: 9,240
 - Features: 37
- Business Impact: The data can help identify which leads have the highest probability of converting into customers.
- Calculated the null values for each column.

DATA PREPROCESSING

- Columns with over 30% missing data removed and also the columns that are not useful(e.g., City, Country).
- Irrelevant columns like 'Magazine,' 'Newspaper,' and 'Do Not Call' were dropped.
- Business Insight: Removing irrelevant data reduces noise,
 making the model more accurate in predicting conversions.

FEATURE SELECTION AND ENCODING

- Dummy variables created for categorical columns (Lead Source, Specialization, etc).
- The selected features provide insights into what factors significantly impact the conversion.

SCALING SPLITTING DATA

- Imported MinMax.
- The column like 'TotalVisits', 'Total Time Spent on Website', 'Page Views Per Visit' applied sacling.
- Min-Max Scaling standardizes data for machine learning models, improving accuracy and efficiency in business decision-making by ensuring all features contribute equally to predictions.
- Split the dataset into test and train in 70% and 30% respectively.

LOGISTIC REGRESSION APPROACH

- Logistic Regression is used to model the probability of lead conversion (I = Converted, 0 = Not Converted).
- Used Recursive Feature Elimination (RFE) to select top 15 most relevant features.
- Recursive Feature Elimination helped us identify the top predictive features.
- Business Insight: This approach helps pinpoint the exact features that influence conversion, allowing for better resource allocation in lead nurturing.

VIF AND PVALUE

- Use statsmodels to fit a regression model.
- Calculate VIF and check p-values via model.summary().
- Helps ensure robust models for effective business decision-making.

MODEL PERFORMANCE ON TRAINING DATA

- Accuracy: 71%
- Sensitivity (Recall): 65%
- Specificity: 77%
- ROC Curve: AUC score of 0.79
- Business Insight: The model performs well on training data, meaning it can effectively differentiate between converting and non-converting leads.

MODEL PERFORMANCE ON TEST DATA

Accuracy: 71%

• Sensitivity: 65%

Specificity: 75%

 Business Insight: The model generalizes well to unseen data, indicating it can be reliably used in production for lead scoring.

STRATEGIC RECOMMENDATIONS

- Optimize Lead Generation Channels: Enhance the Lead Add Form and improve visibility on the Welingak Website to attract high-quality leads.
- Tailor Communication Strategies: Develop SMS and phone call campaigns for leads marked as Do Not Email to increase engagement.
- Segment Marketing Efforts: Create targeted marketing campaigns addressing the specific needs of Unemployed and Student leads to improve conversion rates.
- Monitor and Adjust Based on Engagement Metrics: Implement tracking systems for engagement metrics to adapt strategies based on lead behavior.
- Regularly Review and Update the Model: Continuously reassess and refine the logistic regression model to ensure relevance and effectiveness in changing market conditions.

FINAL THOUGHTS

- Predictive model helps X Education identify high-potential leads, improving sales efficiency.
- The model provides actionable insights for targeted marketing and resource allocation.
- Next steps: Continuously update the model with new data and track performance in real-time.