

Summary

X Education has appointed us to help them select the most promising leads, i.e. the leads that are most likely to convert into paying customers. We are required to build a logistic regression binary classification model and assign a lead score to each of the leads such that the customers with a higher lead score have a higher conversion chance and the customers with a lower lead score have a lower conversion chance. The target lead score as mandated by CEO of X Education is around 80%

The following approach was adopted to build the model:-

1. Data Sourcing:

- Leads dataset was imported from the Leads.csv data file provided for this study.

2. Data Preparation:

- First step to clean the dataset we choose to remove the redundant variables/features.
- The data set was partially clean except for a few null values and the option 'Select' has to replace with a null value since it did not give us much information.
- Dropped the high percentage of missing values more than 45%.
- Checked for number of unique Categories for all Categorical columns.
- From that Identified the Highly skewed columns and dropped them.
- Treated the missing values by imputing the favourable aggregate function like (Mean, Median, and Mode).
- Outlier treatment by removing the outliers.

3. Exploratory Data Analysis:

- A quick EDA was done to check the condition of our data. It was found that a lot of elements in the categorical variables were irrelevant.
- Performed Univariate Analysis for both Continuous and Categorical variables.
- Performed Bivariate Analysis with respect to Target variable.

4. Dummy Variables:

- The dummy variables are created for all the categorical columns.

5. Scaling:

- Used Standard scalar to scale the data for Continuous variables.

6. Train-Test Split:

- The Split was done at 70% and 30% for train and test the data respectively.

7. Model Building:

- By using RFE with provided 15 variables. It gave top 15 relevant variables. Later the irrelevant features were removed manually depending on the VIF values and p-value (The variables with $VIF < 5$ and p-value 0.05 were kept).

8. Model Evaluation:

- A confusion matrix was made. Later on the optimum cut-off value by using ROC curve was used to find the accuracy, sensitivity and specificity of 92%.

9. Prediction:

- Prediction was done on the test data frame an optimum cut-off as 0.37 with accuracy, sensitivity and Specificity of 92%.

10. Precision-Recall:

- The method was also used to recheck and a cut-off of 0.42.

11. Conclusion:

Top 3 features that contribute to lead conversion are:

- Total Time Spent on Website
- Leads that have come through source as reference
- Leads that have come through source as Welingak Website

Top 3 features that need to be improved are:

- Last Notable Activity_Olark Chat Conversation
- Last Notable Activity_Modified
- Tags_Will revert after reading the email