Summary Lead score

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Problem Statement

X Education sells online courses to industry professionals. X Education needs help in selecting the most promising leads, i.e. the leads that are most likely to convert into paying customers.

The company needs a model wherein you a lead score is assigned 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%

Steps followed :

Step 1: Load and inspect the data.

Step 2: Data Cleaning: We dropped the variables that had high percentage of missing values in them. This step also included imputing the missing values as and where required with median values in case of numerical variables and creation of new classification variables in case of categorical variables. The outliers were identified and removed.

Step 3: Exploratory Data Analysis :

Analysis of the data set to get a feel of how the data is oriented.

Step 4: Creating Dummy Variables we went on with creating dummy data for the categorical variables and preparing the data for model building.

Step 5: Test Train Split: The next step was to divide the data set into test and train sections with a proportion of 70-30% values.

Step 6: Feature scaling We used the Min Max Scaling to scale the original numerical variables. Then using the stats model we created our initial model, which would give us a complete statistical view of all the parameters of our model.

Step 7: Feature selection using RFE: Using the Recursive Feature Elimination we went ahead and selected the 15 top important features. Using the statistics generated, we recursively tried looking at the P-values in order to select the most significant values that should be present and dropped the insignificant values.

We then created the data frame having the converted probability values and we had an initial assumption that a probability value of more than 0.5 means 1 else 0. Based on the above assumption, we derived the Confusion Metrics and calculated the overall Accuracy of the model.

We also calculated the 'Sensitivity' and the 'Specificity' matrices to understand how reliable the model is.

Step 8: Plotting the ROC Curve We then tried plotting the ROC curve for the features and the curve came out be pretty decent with an area coverage.

Step 9: Finding the Optimal Cutoff Point Then we plotted the probability graph for the 'Accuracy', 'Sensitivity', and 'Specificity' for different probability values. The intersecting point of the graphs was considered as the optimal probability cutoff point.

Step 10: Computing the Precision and Recall metrics we also found out the Precision and Recall metrics values.

Step 11: Making Predictions on Test Set Then we implemented the learnings to the test model and calculated the conversion probability based on the Sensitivity and Specificity metrics and found out the accuracy value.

Thank you