

# **LEAD SCORING CASE-STUDY**

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### **Abstract**



#### **Problem Statement:**

An education company named X Education sells online courses to industry professionals. 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%.

#### **Business Goal:**

X Education need help in selecting the most promising leads, i.e. the leads that are most likely to convert into paying customers.

The company need 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.

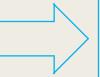
The CEO, in particular, has given a ballpark of the target lead conversion rate to be around 80%.

# Analysis Methodology



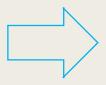
### Reading & Understanding the Leads.csv-file

- ✓ Importing the Leads.csv-file
- ✓ Examine the Leads.csv-file



#### **Data Quality**

- ✓ Checking Missing-value
- ✓ Checking Duplicate-data
- ✓ Checking Unique Value
- ✓ Imputation



#### **Data Transformation**

- ✓ Converting binary variables (Yes/No) to (1/0)
- ✓ Checking dtype of columns and if necessary convert it to required dtype.



- ✓ Dividing into X\_train and y\_train
- ✓ RFE
- Building model using statsmodel
- ✓ Calculating VIF
- ✓ Predicting value on the train set
- Metrics beyond simply accuracy



### Splitting the data into Train & Test Dataset

- ✓ Split into Train & Test
- ✓ Scaling the dataset
- ✓ Checking Conversion rate



#### **Data Preparation**

- ✓ Dummy variables
- ✓ Checking Outliers



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# Analysis Methodology Cont...



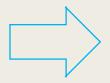
#### **Plotting the ROC Curve**

✓ plot roc curve with aucscore



#### **Finding Optimal Cut-Off Point**

- ✓ create columns with different probability cut-offs
- calculate accuracy sensitivity and specificity for various probability cut-offs
- ✓ plot Accuracy, Sensitivity,
   Specificity for various
   probabilities
- ✓ Metrics beyond simply accuracy



#### **Precision And Recall**

- ✓ Calculate Precision
- ✓ Calculate Recall



#### **Lead Score Assigning**

 creating new columns with lead number and lead score



### Making prediction on the Test set

- ✓ Scaling the test data-set
- ✓ Dividing into X test and y test
- ✓ Predicting
- ✓ Model Evaluation
  ¶

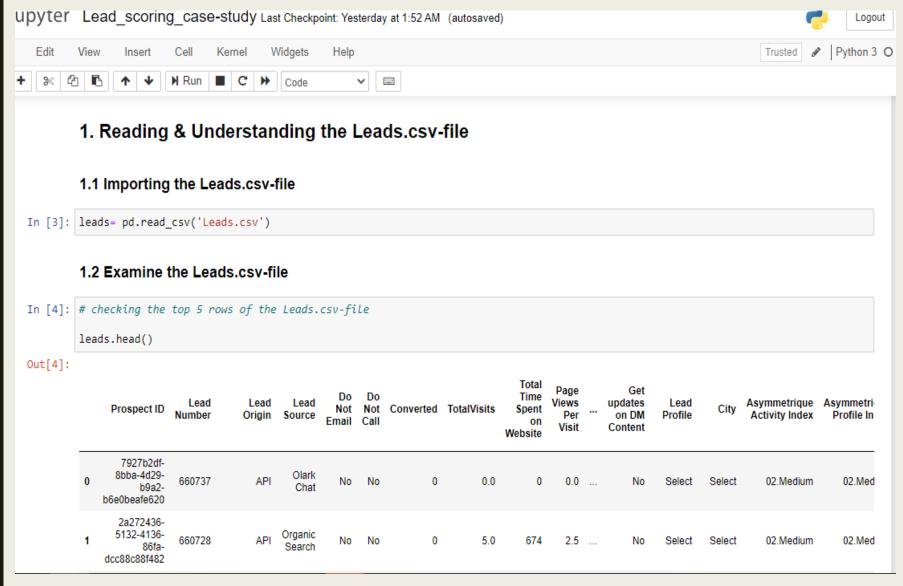


### Precision And Recall Trade-off

✓ creating precision recall curve Plotting

# Reading & Understanding the

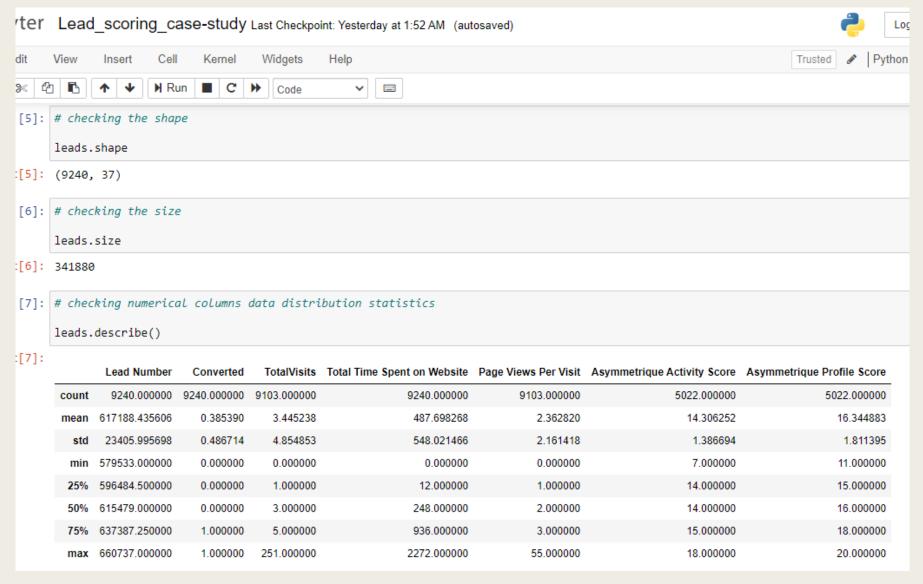




- ✓ Importing the leads.csv-file.
- ✓ Examine the leads.csv-file

# Reading & Understanding the Cont...

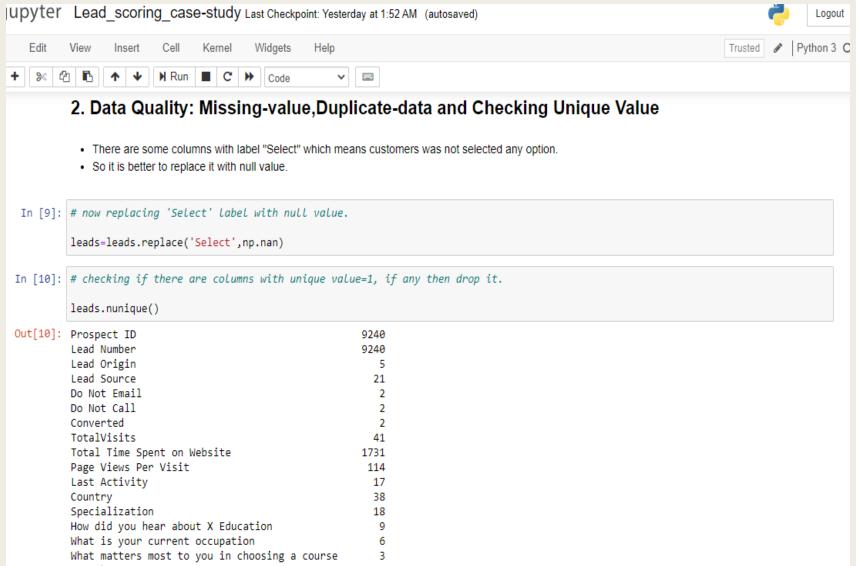




- √ Checking shape
- ✓ Checking size
- ✓ Checking describe (numerical columns distribution)
- ✓ Checking info.

### Data Quality





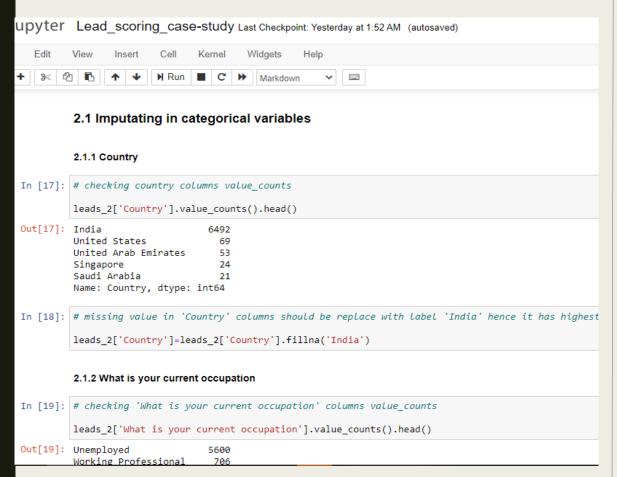
- ✓ replacing 'Select' label with null value.
- ✓ checking if there are columns with unique value=I, if any then drop it

#### Conclusion

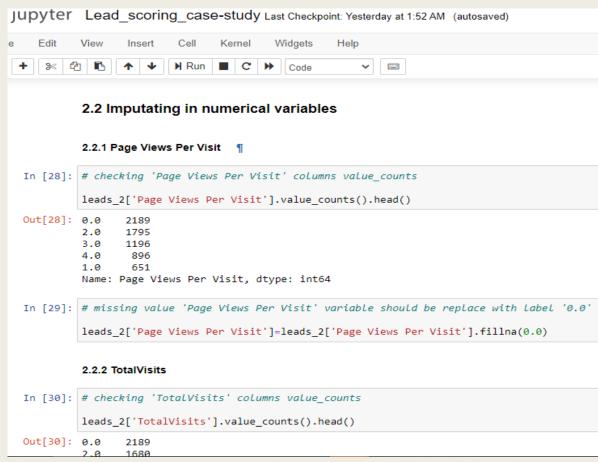
After seeing above we find that there are some columns with unique value = 1 are named as 'Magazine', 'Receive More Updates About Our Courses', 'Update me on Supply Chain Content', 'Get updates on DM Content', 'I agree to pay the amount through cheque'

### Data Quality Cont...





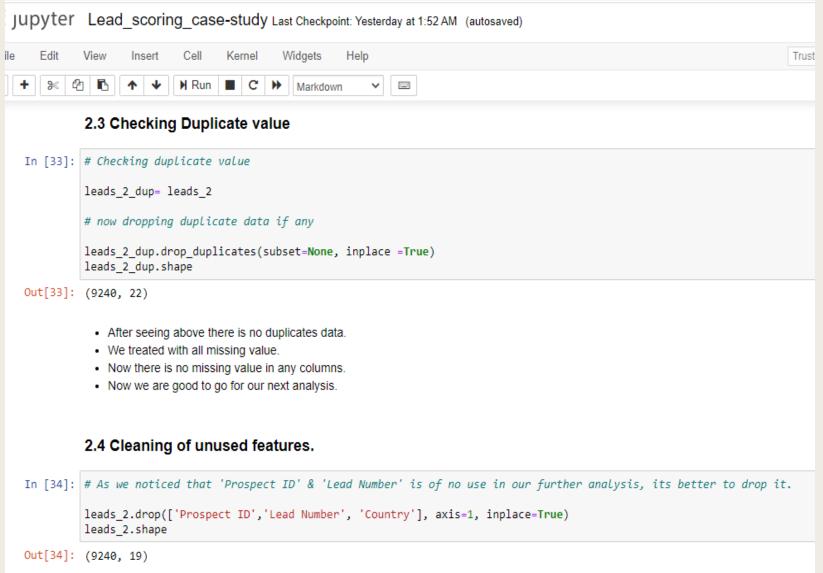




<u>Imputating in categorical variables</u>

# Data Quality Cont...

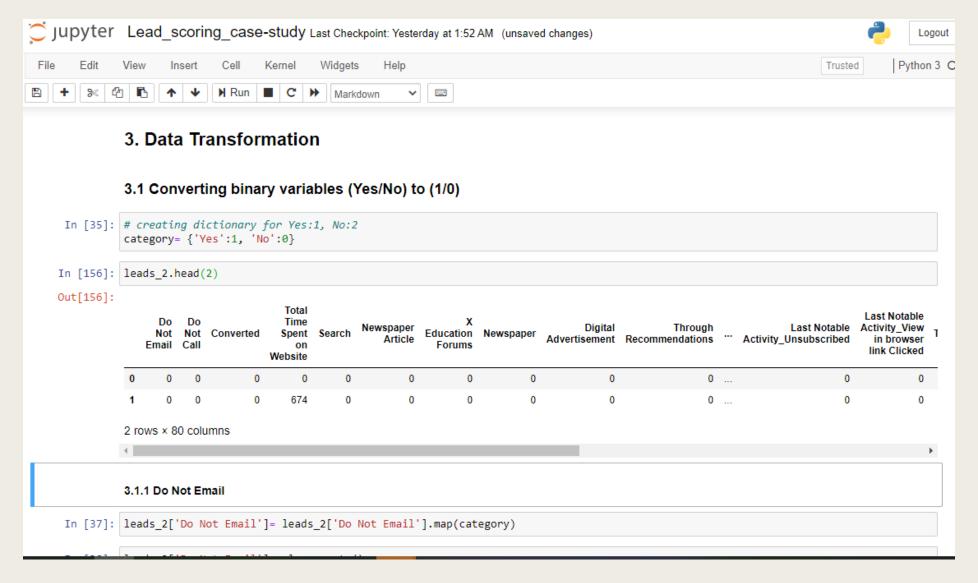




- ✓ There is no duplicates data.
- ✓ We treated with all missing value.
- ✓ Now there is no missing value in any columns.
- ✓ Now we are good to go for our next analysis.

### Data Transformation

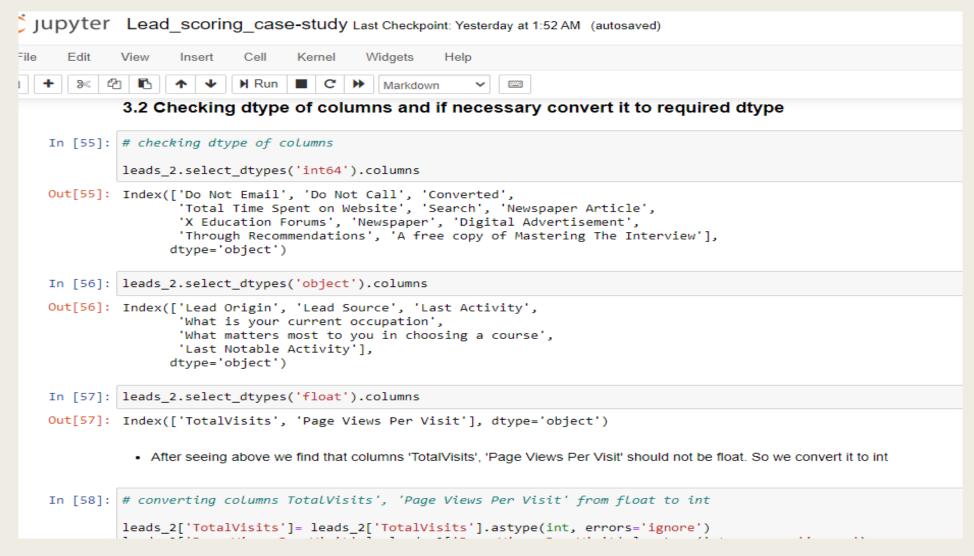




Converting binary variables (Yes/No) to (1/0)

### Data Transformation Cont...



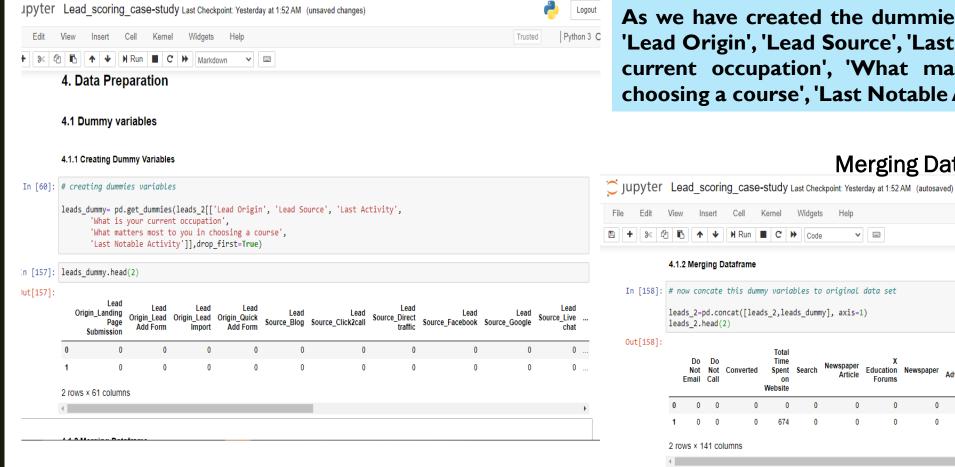


Checking dtype of columns and if necessary convert it to required dtype

### **Data Preparation**



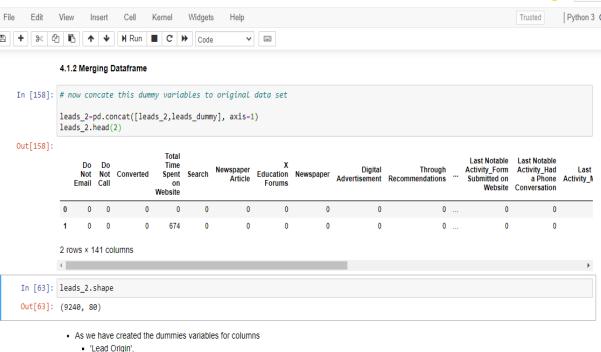
#### **Creating Dummy Variables**



And after that merge it with the original data and remove this above original columns as it is of no use.

As we have created the dummies variables for columns 'Lead Origin', 'Lead Source', 'Last Activity', 'What is your current occupation', 'What matters most to you in choosing a course', 'Last Notable Activity'

**Merging Dataframe** 



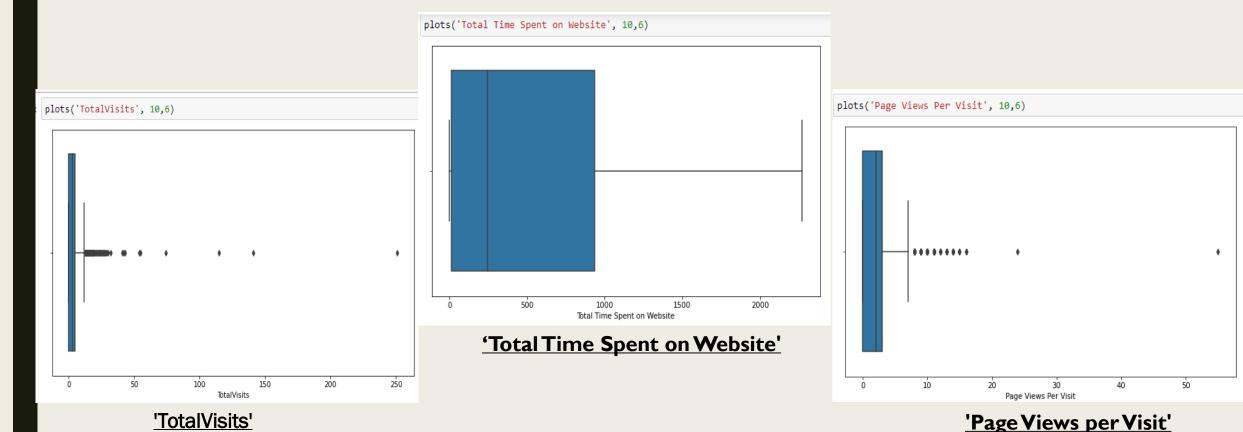
· 'Lead Source', 'Last Activity'

'What is your current occupation',

### Data Preparation Cont...

#### **Checking outliers by Plotting Boxplot**



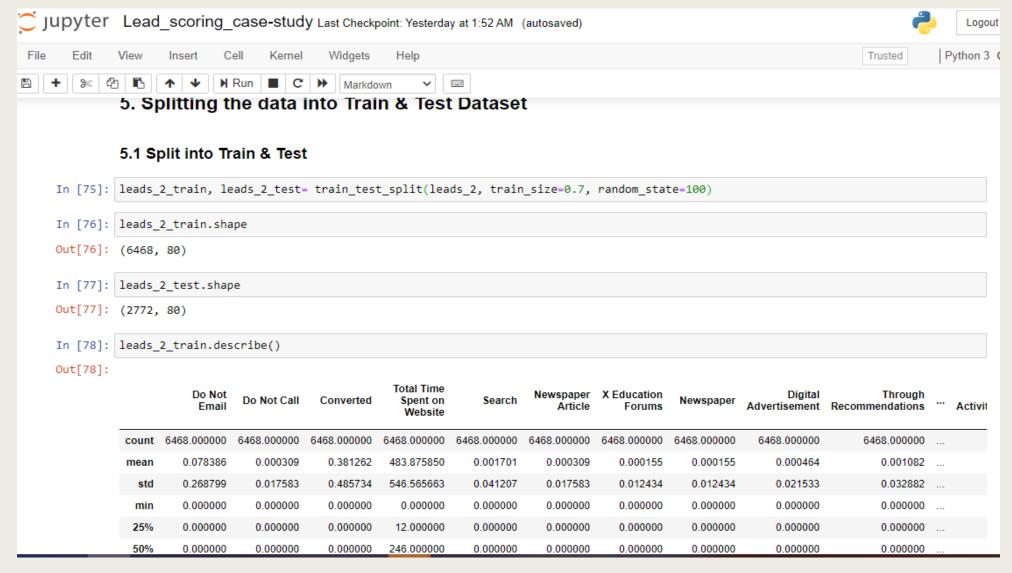


- ✓ After seeing boxplot we can clearly find that there is 2 outliers variables that's 'TotalVisits' and 'Page Views per Visit'.
- ✓ But as per business requirement we cannot drop these outliers as it may impact our analysis/model.
- ✓ So we will create bins for these outliers.

### Splitting the data into Train & Test Dataset



#### **Split into Train & Test**



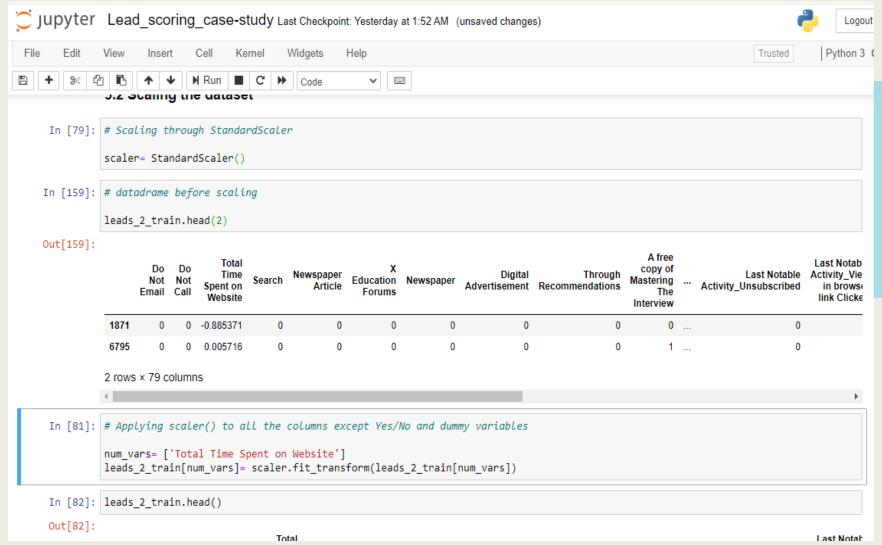
# Splitting the data into Train & Test Dataset





### Cont...

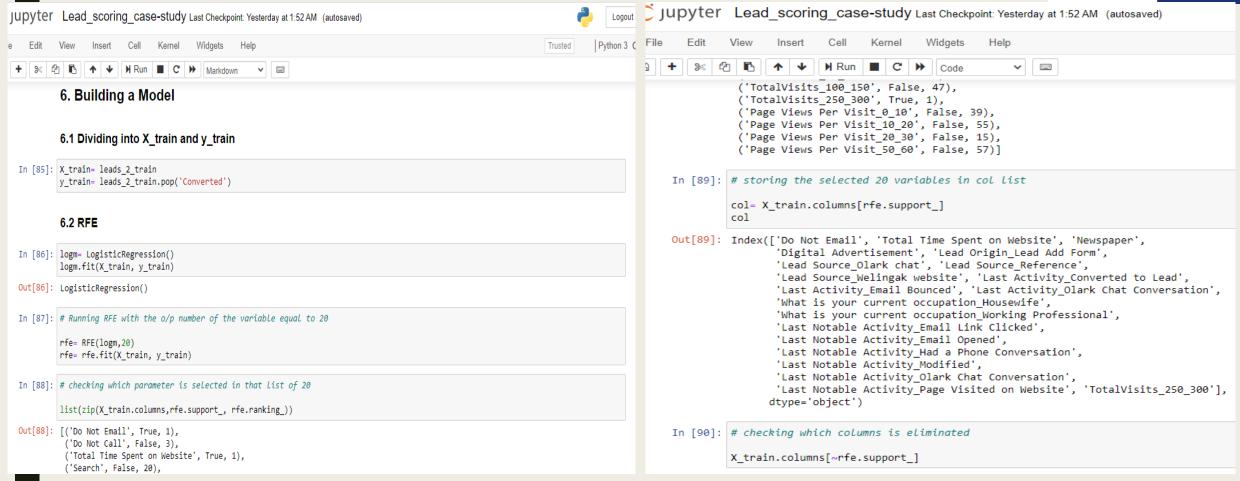
#### **Scaling the dataset**



- ✓ Scaling through StandardScale
- ✓ Applying scaler() to all the columns except Yes/No and dummy variables
- ✓ After that we should Check the Conversion rate and we get almost 39% of conversion rate

### Building a Model



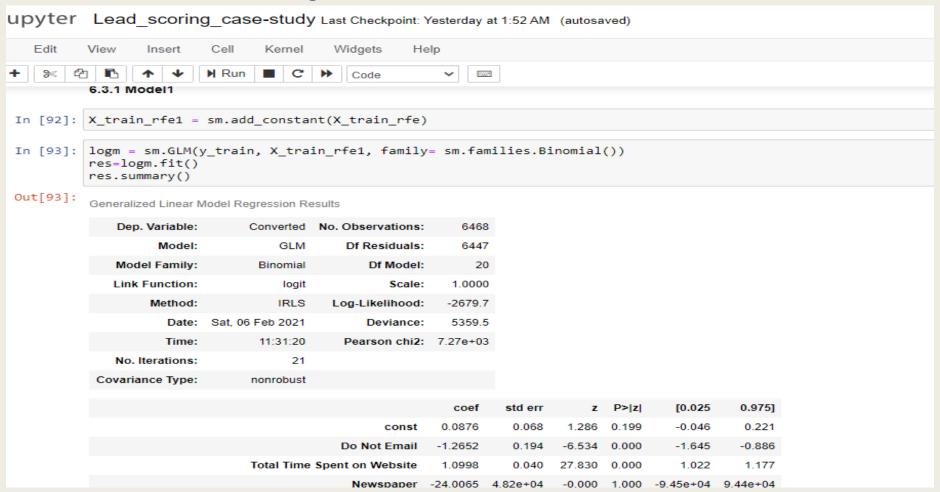


- ✓ Dividing into X train and y train
- $\checkmark$  Running RFE with the o/p number of the variable equal to  $\checkmark$  creating X\_train dataframe with RFE selected Variables 20.
- ✓ checking which parameter is selected in that list of 20.
- ✓ storing the selected 20 variables in col list.



#### Model I

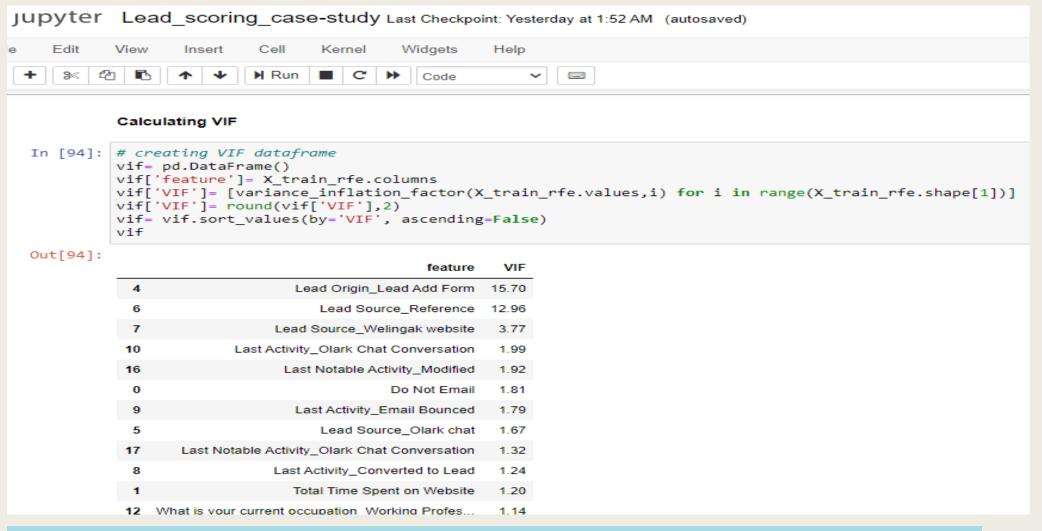
#### **Generalized Linear Model Regression**



- $\checkmark$  we see the p-value, there are some insignificant variables i.e p-value should be less than 5%(0.05).
- ✓ so it is good to drop that variables one by one and creating model again and again upto final model



#### **Calculating VIF**

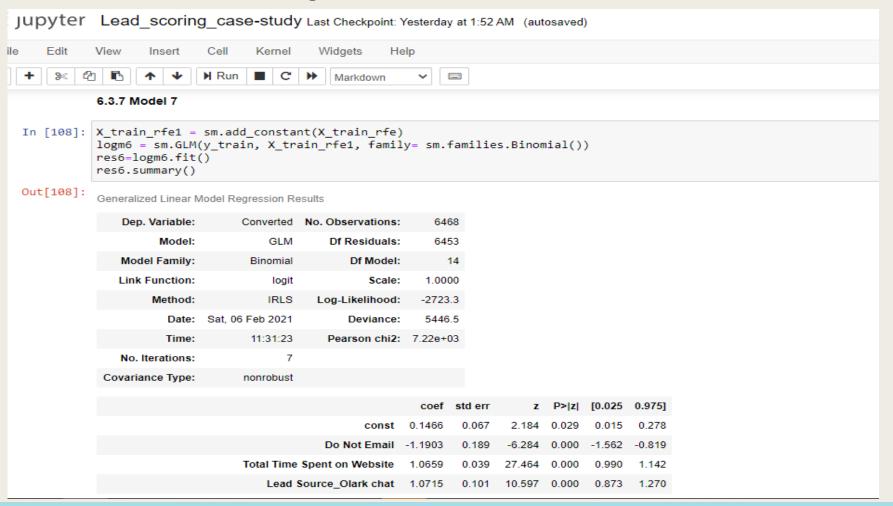


- ✓ As we seen there are few variables with high VIF.
- ✓ So it is better to drop that variables as they not going help more in prediction.
- ✓ So it is good to drop that variables one by one and creating model again and again up to final model

# UpGrad

#### Model I

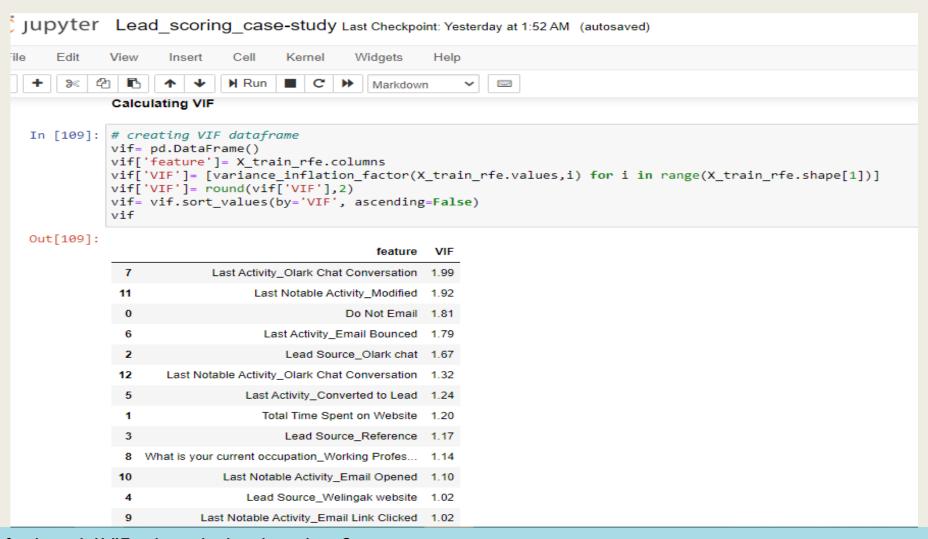
#### **Generalized Linear Model Regression**



- ✓ This is our final model(model 7).
- ✓ We removed all insignificants variables whose p-value more than 5%(0.05).
- ✓ Now it is good to go to our next analysis.



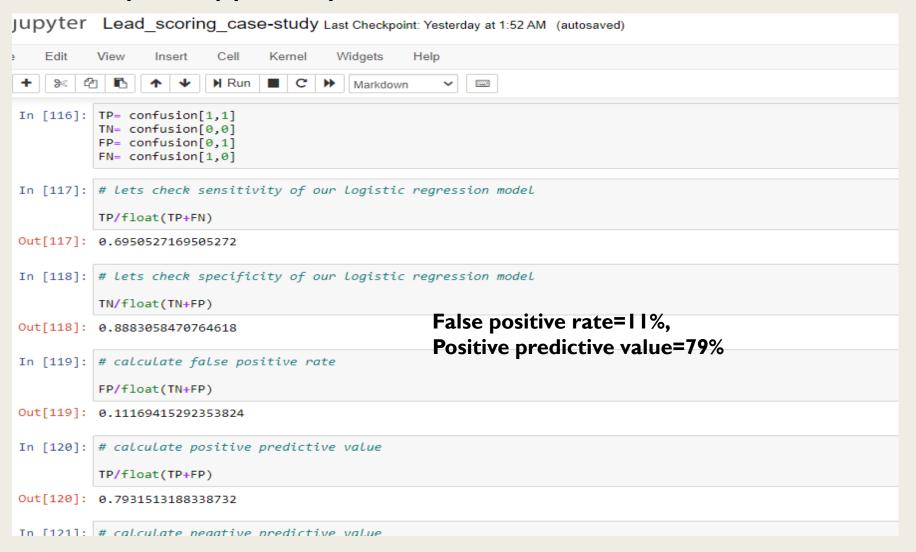
#### Model 7,VIF



- ✓ This is our final model VIF value which is less than 2.
- ✓ Now this model is good to go for further steps.
- ✓ Now we Predict value on the train set

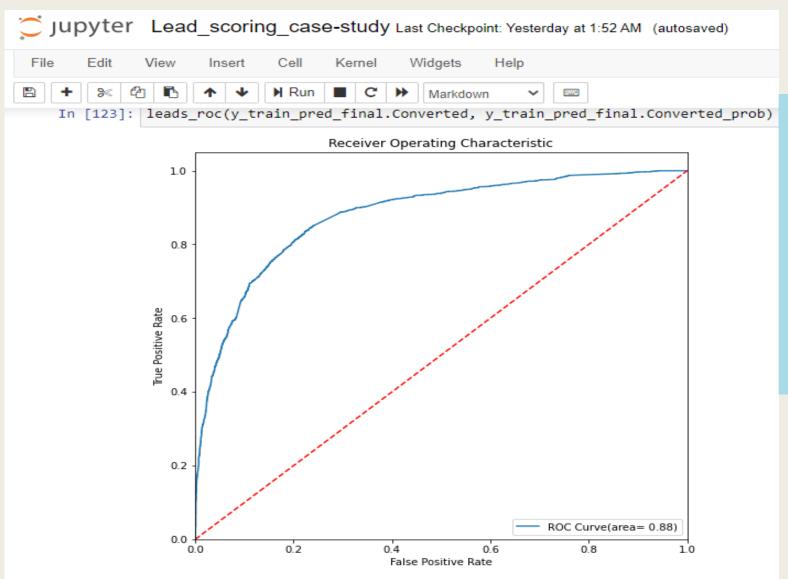


#### Metrics beyond simply accuracy



# Plotting the ROC Curve





### Point to be concluded from the above curve

- ✓ The curve is closer to the left side of the border of the roc curve than to the right curve.
- ✓ Hence our model is having great accuracy.
- ✓ The area under the curve is 88% of the total area.

### Finding Optimal Cut-Off Point



```
cutoff_df.plot.line(x='Probability', y= ['Accuracy', 'Sensitivity', 'Specificity'])
           plt.show()
             1.0
             0.8
             0.6
             0.4
             0.2
                                                         Accuracy
                                                         Sensitivity
                                                         Specificity
             0.0
                                     0.4
                                               0.6
                           0.2
                                                         0.8
                 0.0
                                     Probability
             . From the above curve, near 0.4 is the optimum point to take it as a cutoff probability.
           y_train_pred_final['Predicted_final'] = y_train_pred_final.Converted_prob.map(lambda x : 1 if x > 0.4 else 0)
           y train pred final.head()
Out[127]:
```

Plot Accuracy, Sensitivity, Specificity for various probabilities

Converted Converted\_prob CusID Predicted 0.0 0.1 0.2 0.3 0.4 0.5 0.6 0.7 0.8 0.9 Predicted\_final

0

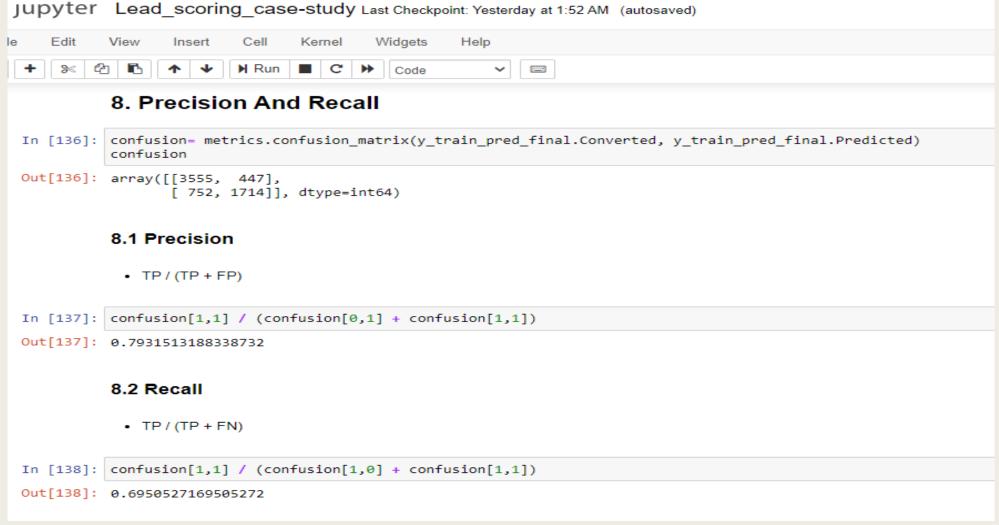
0.254566

1871

1871

### **Precision And Recall**



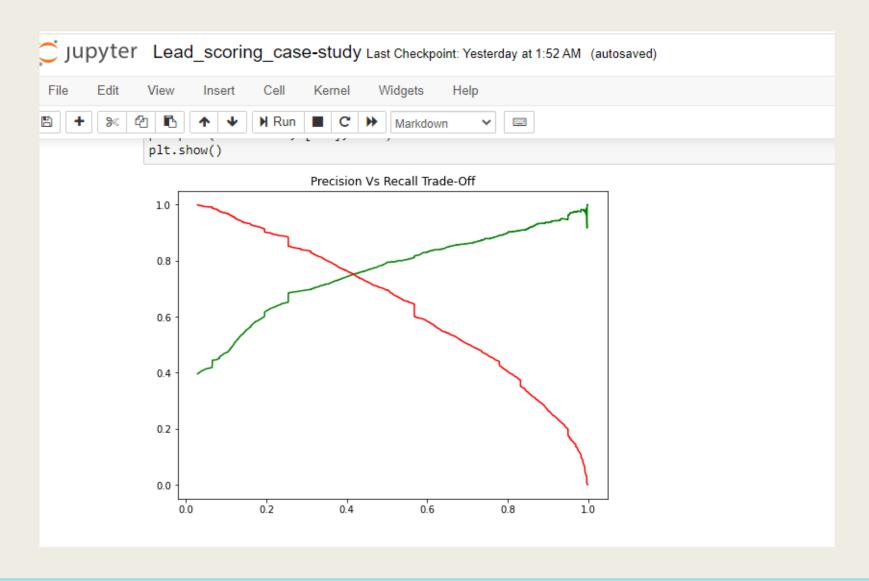


#### Important point to be noted from the outcomes for Precision and recall are:

- ✓ Our precision percentage is approximately 79%.
- ✓ And our recall percentage is approximately 69%.

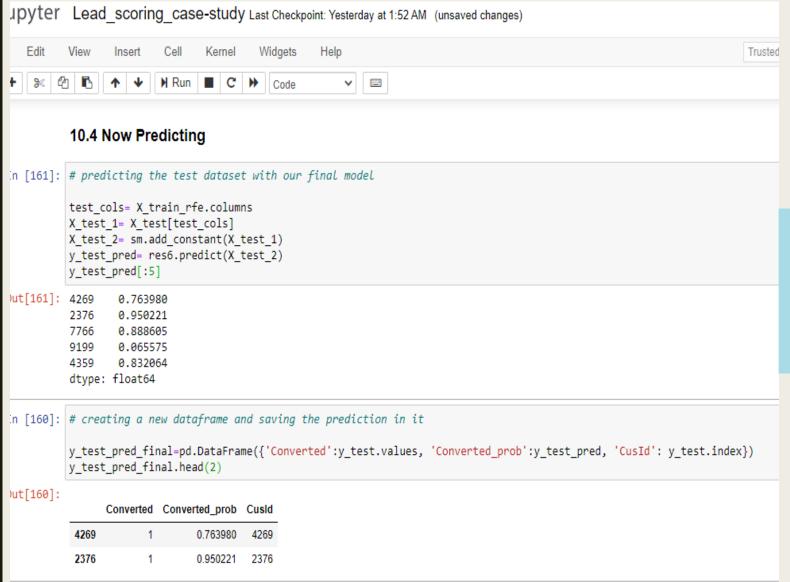
### Precision And Recall Trade-off





### Making prediction on the Test set

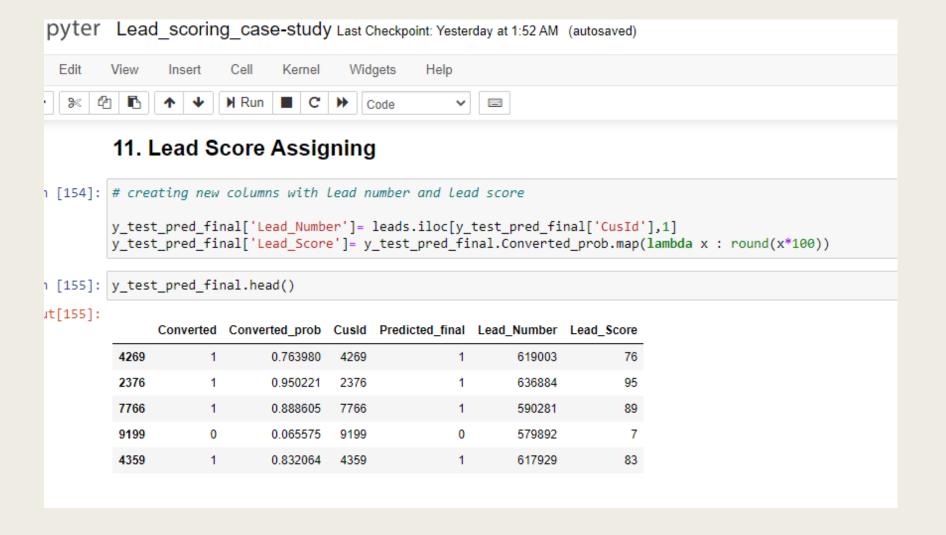




- ✓ Predicting the test dataset with our final train model
- ✓ Model Evaluation of this test data.
- ✓ Accuracy of the test\_pred data = 82%
- ✓ Precision\_score of the test\_pred data=77%
- ✓ Recall\_score of the test\_pred data =76%

# Lead Score Assigning





### **Conclusion**



- ✓ Accuracy (82%), Precision\_Score(77%) and Recall\_Score(76%) we got from test set in acceptable range.
- ✓ In business terms, this model has an ability to adjust with the company requirements in coming future.
- ✓ Model is in stable state.

#### Important features responsible for good conversion rate are:

- ✓ Lead Source\_Welingak website
- ✓ Lead Source\_Reference
- ✓ What is your current occupation\_Working Professional