

LEAD SCORING CASE STUDY

PRESENTED BY

NAVEEN UPADHYAY(DSC-43)

YERRA RESHMITHA (DSC-43)

DATE:18 OCT 22

PROBLEM STATEMENT

- An education company X Education sells online courses to industry professionals.
- The company wishes to make the process more efficient by making use of a ML model in order 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%.

GOALS OF THE CASE STUDY

- 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 most likely to convert whereas a lower score would mean that the lead will mostly not get converted.
- Our model should be able to adjust to if the company's requirement changes in the future.

SOURCING AND UNDERSTANDING DATA

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- Importing the given dataset
- Converting the dataset into a dataframe
- Understanding the data dictionary

READING AND EXPLORING THE DATA

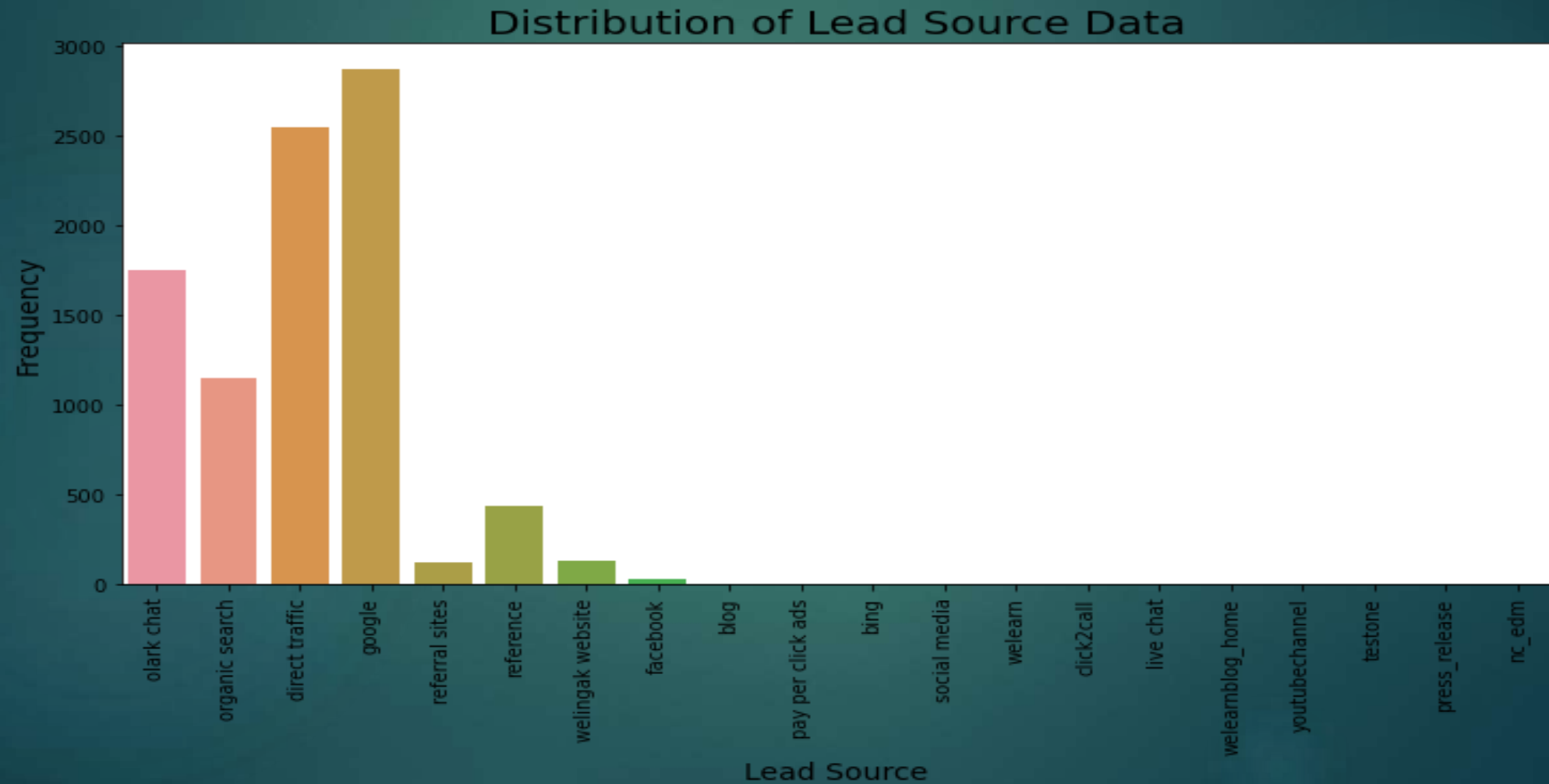
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- Shape of dataframe: 9240 rows and 37 columns
- Checking for missing values using `info()`
- Confirming outliers with `describe()`
- Checking for duplicates using `duplicated().sum()`

DATA VISUALISATION (EDA)

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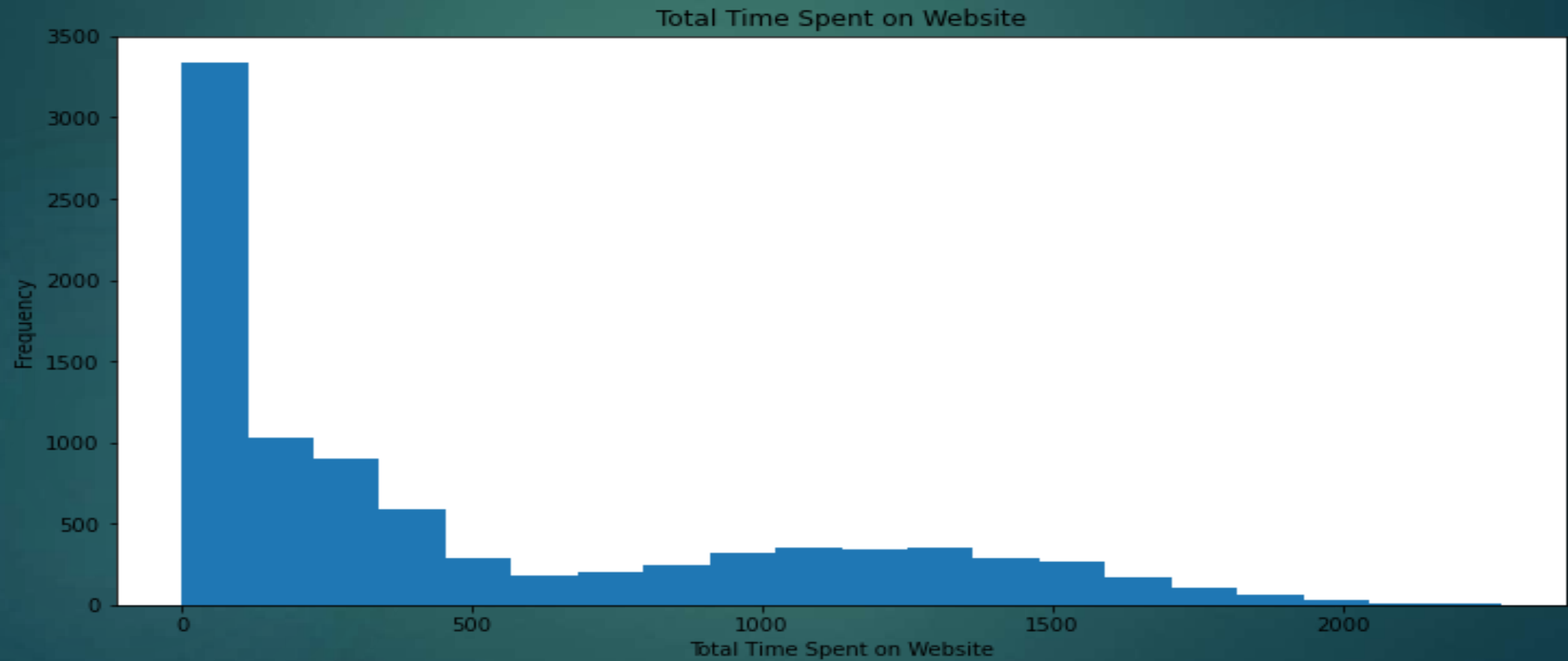
- Univariate analysis - Categorical variables



DATA VISUALISATION (EDA)

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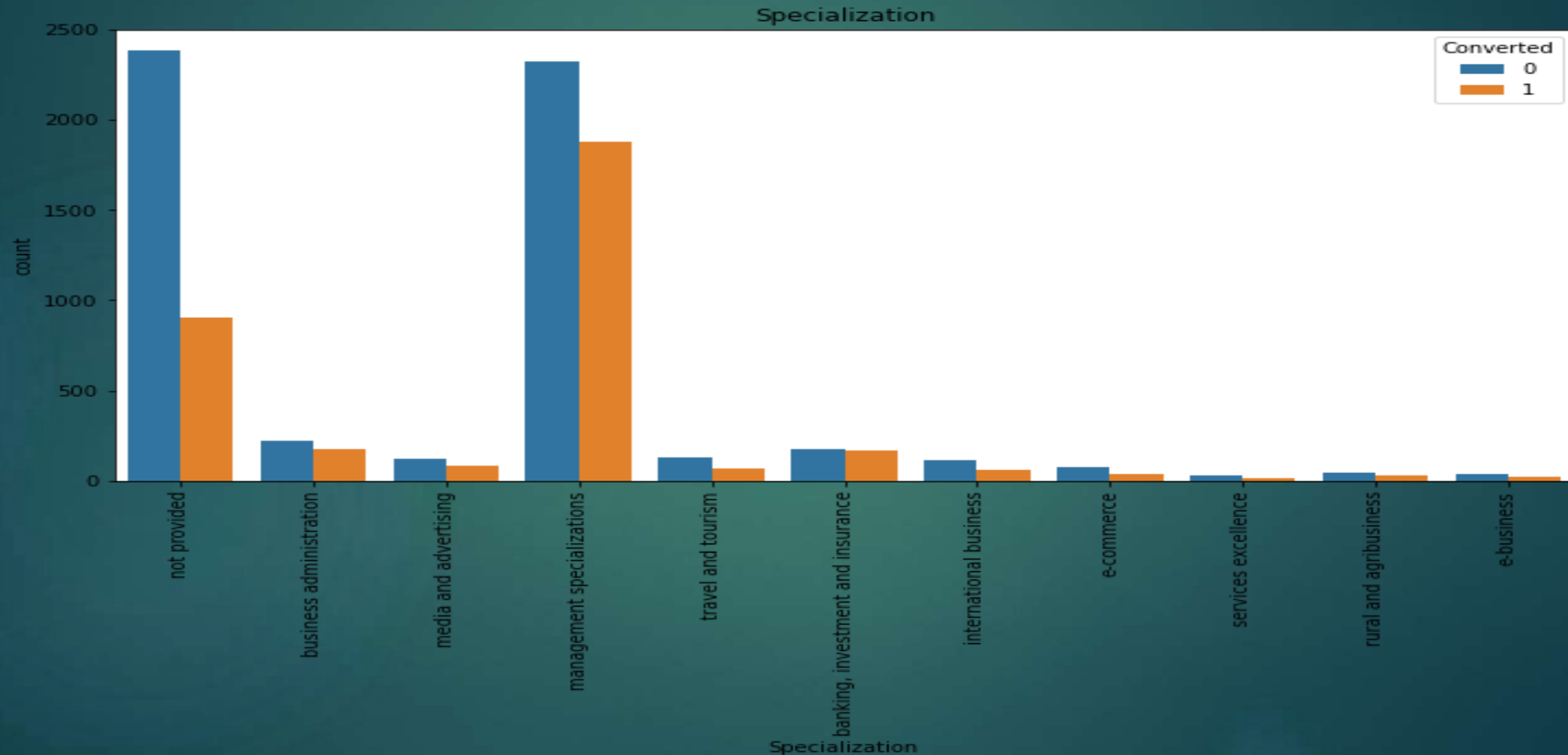
- Univariate analysis - Numerical variables



DATA VISUALISATION (EDA)

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- Analysis of categorical variables with respect to dependent variable



DATA VISUALISATION (EDA)

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Correlation heatmap

- No significant collinearity is observed between the variables

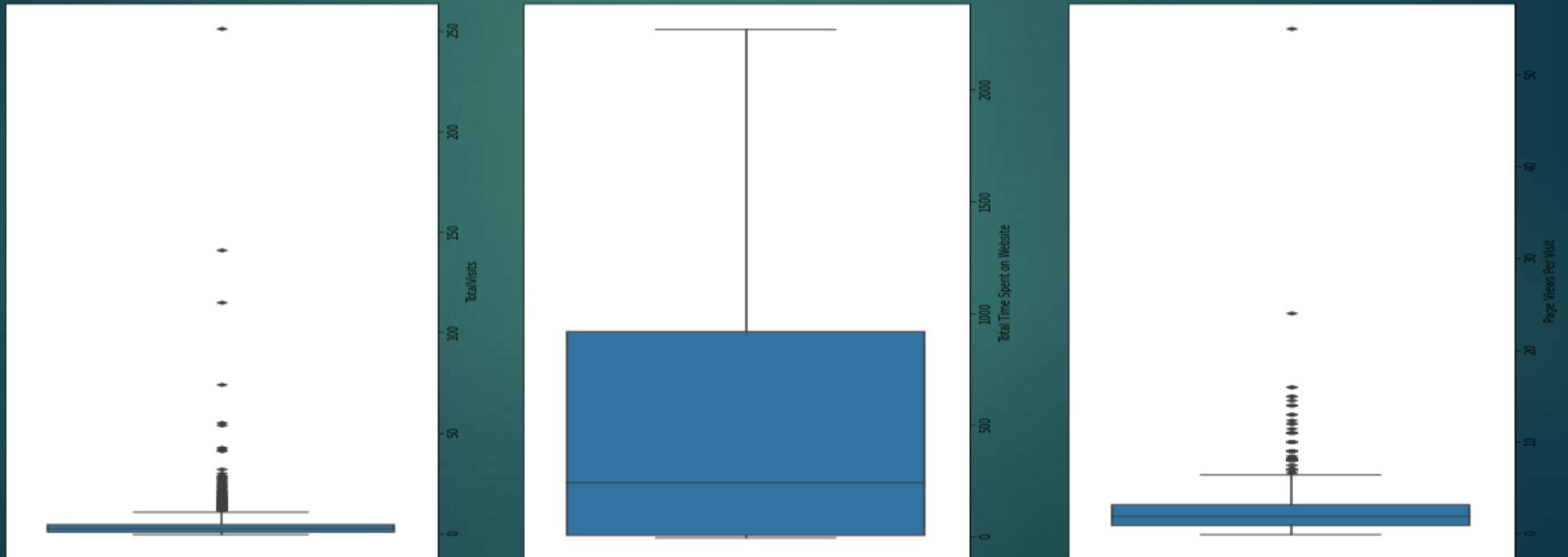


DATA VISUALISATION (EDA)

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Outlier checks

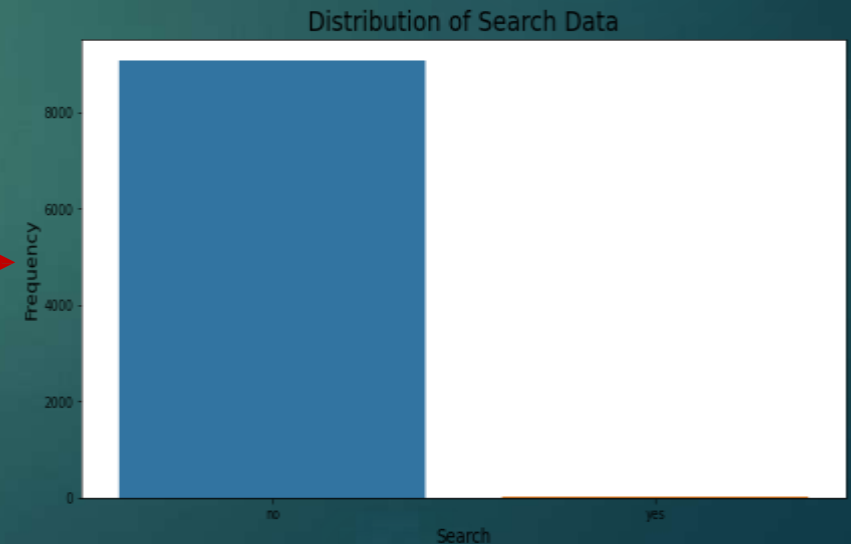
- Outlier checks on total visits, total time spent on website and page views per visit:



HANDLING SALES TEAM & HIGHLY IMBALANCED DATA

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- Dropping sales team generated columns:
 - Tags
 - Last activity
 - Last notable activity
- Dropping columns which have highly imbalanced data:
 - Do not call
 - Country
 - What matters most to you in choosing a course
 - Search
 - Newspaper article
 - X education forums
 - Newspaper
 - Digital advertisement
 - Through recommendations



CREATING DUMMY VARIABLES

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- Create dummy variables using the 'get_dummies' for categorical columns:
 - Lead origin
 - Lead source
 - Do not email
 - Specialization
 - What is your current occupation
 - City
 - A free copy of mastering the interview

SPLITTING THE DATA

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- Separating the dependent target variable column
- Splitting data into 70% for train and 30% for test
- Random state is assigned as 100 (random_state=100)

SCALING THE FEATURES

- Scaling three numeric features for efficient processing and better comprehension using `MinMaxScaler()`
 - Totalvisits
 - Total time spent on website
 - Page views per visit

```
In [116]: # Verifying scaling
X_test
```

```
Out[116]:
```

	TotalVisits	Total Time Spent on Website	Page Views Per Visit	Origin_landing page submission	Lead add form	Lead import	Source_blog	Lead Source_click2call	Lead Source_direct traffic	Lead Source_facebook	What occupation_
3271	0.235294	0.060102	0.444444	0	0	0	0	0	0	0	—
1490	0.294118	0.665933	0.555556	1	0	0	0	0	1	0	—
7936	0.117647	0.032570	0.222222	0	0	0	0	0	0	0	—
4216	0.000000	0.000000	0.000000	0	1	0	0	0	0	0	—
3830	0.470588	0.072163	0.888889	1	0	0	0	0	0	0	—
...	—	—	—	—	—	—	—	—	—	—	—
850	0.176471	0.364877	0.166667	1	0	0	0	0	0	0	—
2879	0.117647	0.259243	0.222222	1	0	0	0	0	0	0	—
6501	0.470588	0.587588	0.888889	1	0	0	0	0	1	0	—
7155	0.176471	0.226673	0.333333	1	0	0	0	0	1	0	—
376	0.235294	0.163732	0.444444	1	0	0	0	0	0	0	—

BUILDING LOGISTIC MODEL

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- Use RFE for feature selection
- Running RFE for 15 variables as output
- Building model by removing variables where $VIF > 5$ and $p \text{ value} > 0.05$
- Fitting the model
- Checking Statistics

CHECKING PREDICTIONS

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- Predict probabilities on Train set
- Reshaping `y_train_pred`
- Creating DataFrame with actual converted and predicted probabilities
- Creating new column 'Predicted' with 1 if `Converted_Prob > 0.5` else 0

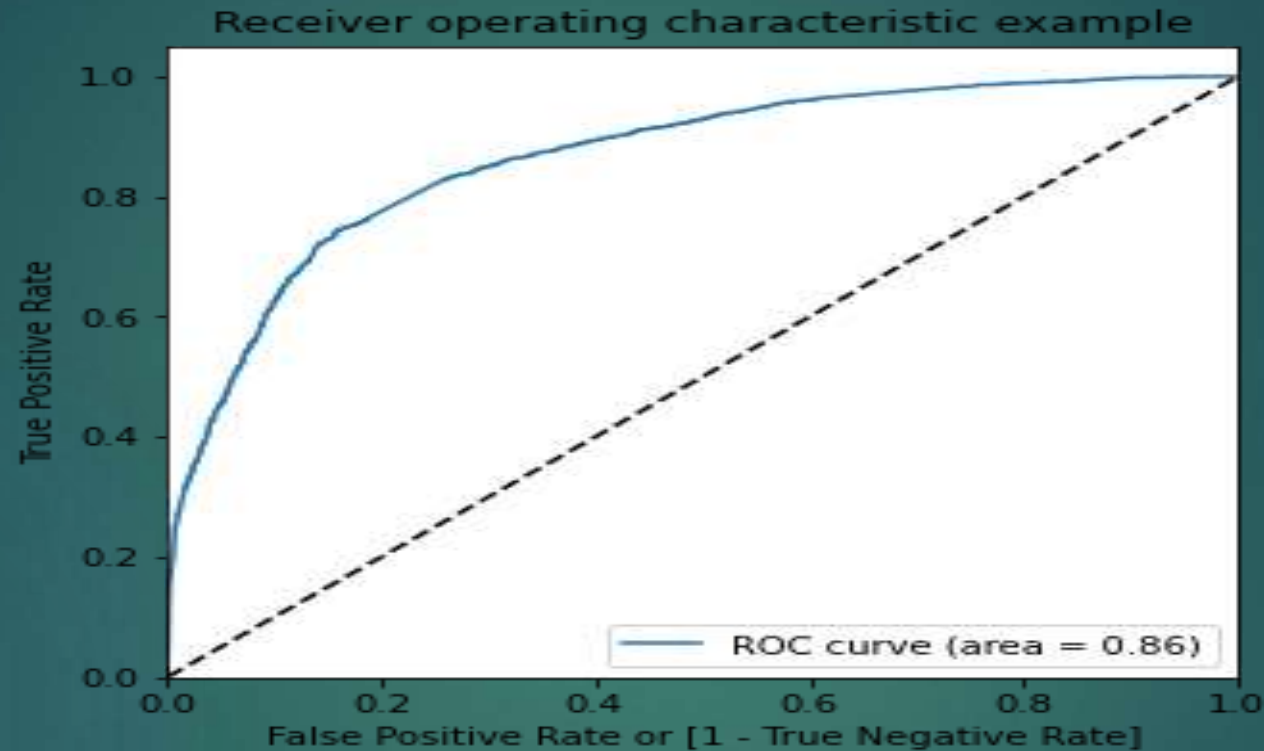
MODEL EVALUATION

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- Creating confusion matrix
- Checking overall accuracy
- Calculating Sensitivity and Specificity
- With a cutoff as 0.5, we have accuracy of 79.83%, Sensitivity as 65.00% and Specificity of the model as 89.12%

PLOTTING ROC CURVE

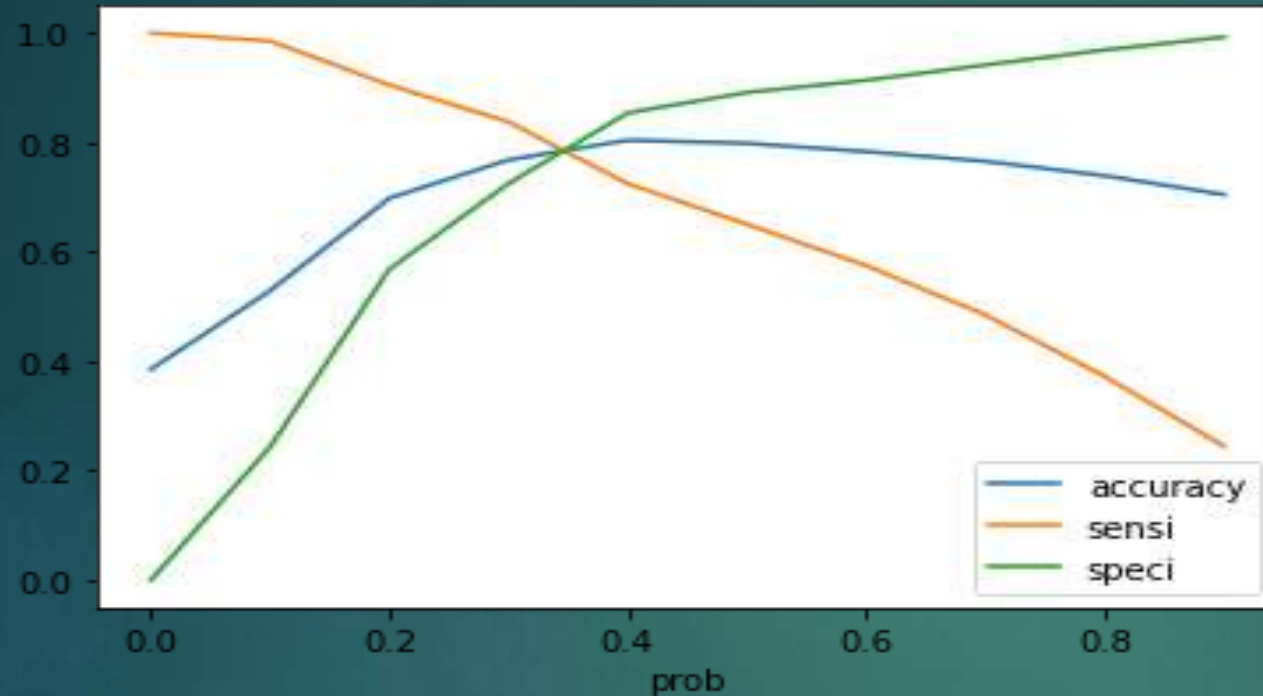
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Area under the ROC curve is 0.86 which is very good

FINDING OPTIMAL CUTOFF POINT

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From the graph, we observe that the optimum cutoff is at 0.32

Train Data

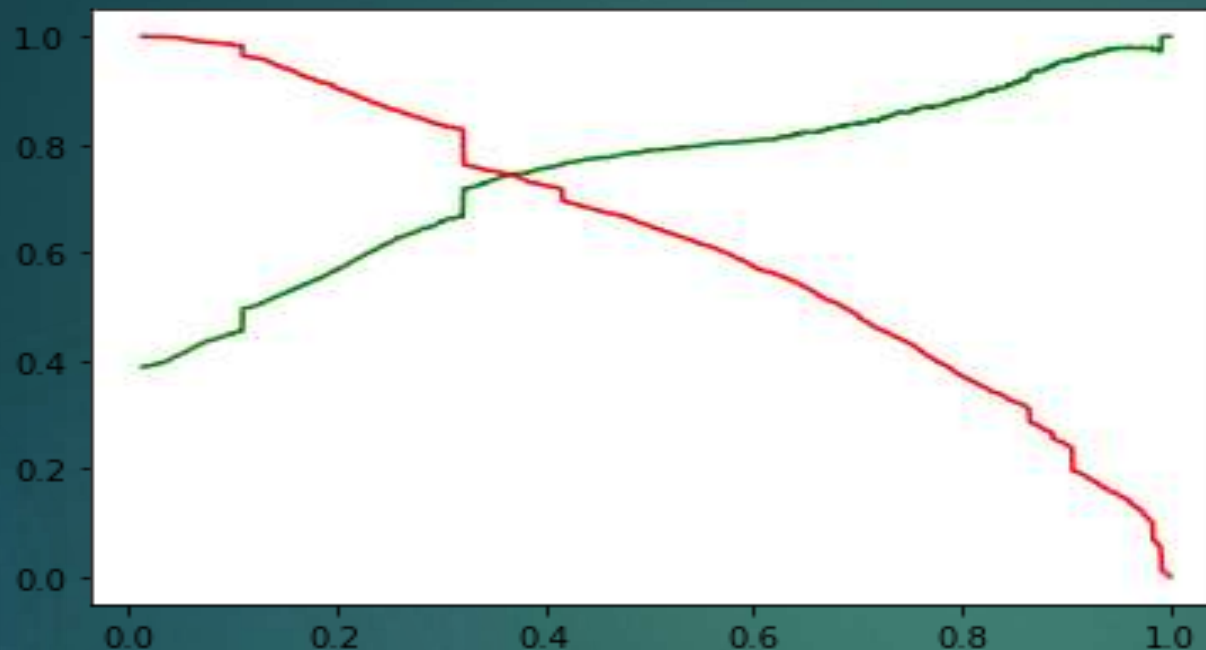
- 1. Accuracy ➡ 77.47%
- 2. Sensitivity ➡ 82.79%
- 3. Specificity ➡ 74.14%

Test Data

- 1. Accuracy ➡ 77.08%
- 2. Sensitivity ➡ 81.19%
- 3. Specificity ➡ 74.74%

PRECISION RECALL

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From the graph, the optimum cutoff is 0.38

Train Data

- 1. Accuracy ➡ 80.23%
- 2. Precision ➡ 74.74%
- 3. Recall ➡ 73.55%

Test Data

- 1. Accuracy ➡ 80.43%
- 2. Precision ➡ 73.75%
- 3. Recall ➡ 71.59%

CONCLUSION

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- Top three variables in our model which contribute most towards the probability of a lead getting converted are as follows:
 - Totalvisits
 - Lead source_google
 - Total time spent on website
- Top 3 categorical/dummy variables in the model which should be focused the most on in order to increase the probability of lead conversion are as follows:
 - Lead Source_welingak website
 - Lead Source_reference
 - What is your current occupation_working professional
- Following personnel are most likely to convert:
 - Whose last activity was through SMS or Olark chat conversation.
 - Who has a management specialization
 - Who are working professionals
 - Who are visiting website repeatedly
 - Who are spending a lot of time on the website