Lead Score Assignment Subjective Question and Answers

Question 1

Which are the top three variables in your model which contribute most towards the probability of a lead getting converted?

Answer 1

The top three variables in our final model which contribute most towards the probability of a lead getting converted are –

- Last Activity
- What is your Current Occupation
- Lead Origin

Question 2

What are the top 3 categorical/dummy variables in the model which should be focused the most on in order to increase the probability of lead conversion?

Answer 2

The top 3 categorical/dummy variables in our final model which should be focused the most on in order to increase the probability of lead conversion are –

- LastActivity : Had a phone conversation
- What is your current occupation : Working Professional
- Lead Origin : Lead Add Form

Question 3

X Education has a period of 2 months every year during which they hire some interns. The sales team, in particular, has around 10 interns allotted to them. So, during this phase, they wish to make the lead conversion more aggressive. So, they want almost all of the potential leads (i.e. the customers who have been predicted as 1 by the model) to be converted and hence, want to make phone calls to as much of such people as possible. Suggest a good strategy they should employ at this stage.

Answer 3.

To make the lead conversion more aggressive, we can tune the model in such a way that we do not miss out on any potential lead. This can be done by reducing the hyper parameter of the model i.e. the threshold (cut-off) probability. This way our model will predict more customers as 'HOT LEADS'. If we take the threshold probability as 0.15, we achieve a sensitivity (True Positive Rate) of around 94% i.e. (Out of the total Converts we have predicted 94% of them as Hot Leads)

Question 4

Similarly, at times, the company reaches its target for a quarter before the deadline. During this time, the company wants the sales team to focus on some new work as well. So, during this time, the company's aim is to not make phone calls unless it's extremely necessary, i.e. they want to minimize the rate of useless phone calls. Suggest a strategy they should employ at this stage.

Answer 4.

To minimize the rate of useless phone calls, we can tune the model in such a way that we predict only those customers as hot leads which have a very high probability of conversion. This can be done by increasing the hyper parameter of the model i.e. the threshold (cut-off) probability. This way our model will predict less customers as 'HOT LEADS'. If we take the threshold probability as 0.8, we achieve Precision (Positive Predicted Value) of around 90% i.e. 90% of the Predicted Hot Leads have converted. And False Positive Rate is only 3% (i.e. only 3% useless phone calls)