

A Logistic Regression-Based Predictive Model for Customer Purchase Intent Analysis

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Abstract – Predicting whether or not a consumer will make a purchase is a crucial part of contemporary business intelligence since it allows companies to tailor their marketing efforts to each individual customer. When faced with massive amounts of changing consumer data, traditional rule-based techniques often fail in their capacity to adapt and make accurate predictions. Using demographic, transactional, and behavioural characteristics, this research proposes a Logistic Regression-based machine learning framework for predicting consumer purchase intent. Age, browsing history, prior purchases, product interactions, and engagement metrics are some of the customer-related variables that the suggested system uses to assess the likelihood of a purchase. The prediction pipeline incorporates thorough preprocessing approaches to enhance data quality and model efficacy. These techniques include managing missing values, One-Hot Encoding, feature normalisation, and feature selection. Optimising model performance while preserving computational efficiency and interpretability is achieved by hyperparameter adjustment. Standard performance criteria such as accuracy, precision, recall, and F1-score are used to assess the usefulness of the suggested technique. The results show that it can give solid purchase predictions. Businesses may find new clients, tailor ads to each individual, and increase interaction with existing consumers all with the help of the built framework's real-time prediction capabilities. The results of the experiment show that Logistic Regression is a great tool for predicting if a consumer will make a purchase, which may help with data-driven decision-making and boost growth in the long run.

Keywords – Logistic Regression, Customer Purchase Intent, Predictive Modeling, Machine Learning, Customer Behavior Analysis, Consumer Purchase Prediction, Binary Classification, Data Mining.

I. INTRODUCTION

In the modern, cutthroat digital economy, it is crucial to understand how customers buy. In order to personalise consumer interaction tactics and allocate marketing resources effectively, businesses are always looking for new ways to identify clients who are likely to complete a transaction. With the ability to accurately forecast consumer intent to buy, businesses may boost sales by making more relevant product recommendations, satisfying customers more, and making the most of promotional efforts. Modern corporate analytics would be incomplete without sophisticated predictive systems, which are becoming more important as digital platforms keep producing large volumes of data pertaining to consumer interactions.

Predefined business principles and statistical analysis are the mainstays of traditional methodologies for predicting client intent. These methods work well with smaller datasets and simpler decision-making situations, but they aren't always up to the task of capturing the intricate patterns of behaviour shown by today's customers. With more and more people buying, browsing, and interacting with brands online, it's important to have predictive models that can understand meaningful associations from data. As a result, machine learning methods have become quite effective in turning consumer data into useful business insights.

For binary classification tasks, Logistic Regression is still a popular supervised learning approach due to its simplicity, computational efficiency, and interpretability. Logistic Regression offers probability-based predictions that are more accessible and simpler to incorporate into company decision-making procedures, in contrast to complicated deep learning models that need significant computer resources. For businesses that rely on precise predictions and open decision-making processes, this feature makes it ideal for predicting customers' desire to buy.

In order to forecast consumer intent to buy, this study suggests a machine learning framework that makes use of Logistic Regression to examine a wide range of consumer-related characteristics, such as demographics, online activity, past purchases, and engagement levels. The framework optimises hyperparameters, normalises features, uses missing value treatment and categorical feature encoding using One-Hot Encoding to improve prediction performance. In addition to helping the classification model discover useful patterns of consumer behaviour, these preprocessing procedures also make the data more consistent.

The suggested architecture may be easily incorporated into consumer analytics platforms to provide continuous decision assistance and allows real-time prediction, unlike traditional rule-based systems. Businesses can enhance customer relationship management, run targeted advertising campaigns, and personalise product

recommendations by estimating the likelihood of customers purchasing before transactions happen. Thus, the research proves that Logistic Regression, a machine learning-based predictive analytics tool, may aid smart company strategies without sacrificing computing efficiency.

II. LITERATURE SURVEY

Intelligent consumer behaviour prediction systems are in high demand due to the explosion of online shopping and marketing. By discovering latent behavioural patterns in massive datasets, machine learning has emerged as a viable option for evaluating consumer interactions and predicting purchase intent. In an effort to improve the accuracy of consumer intent predictions, several research have investigated various predictive models, including both classic machine learning algorithms and more modern deep learning architectures.

When it comes to studying consumer spending habits, sentiment analysis is a promising new field of study. To evaluate consumer comments gleaned from NPS surveys, Lye and Teh suggested a mixed approach using Word2Vec and Random Forest algorithms. Customer views gathered from textual feedback might provide useful information for forecasting purchase choices, as their technique successfully addressed overfitting difficulties while boosting sentiment classification performance.

The use of deep learning algorithms to forecast consumer intent has also shown encouraging results. To forecast consumers' propensity to buy in omnichannel e-commerce settings, Ling et al. presented the FC-LSTM architecture. The suggested methodology outperformed traditional machine learning approaches in terms of predicting performance by combining demographic characteristics with past consumer interactions. Their findings demonstrated that sequential learning models are superior at capturing cross-channel patterns of complicated consumer interaction.

Tokuç and Dağ also made a notable contribution when they looked at predicting client purchases using LightGBM on e-commerce clickstream data. In order to improve forecast accuracy, their studies highlighted the significance of feature engineering, which includes session length, browsing variety, and interaction frequency. In order to provide trustworthy purchase predictions for e-commerce platforms, the research proved that gradient boosting methods efficiently handle high-dimensional data and class imbalance.

For the purpose of studying online shoppers' habits, a number of academics have tested various supervised learning algorithms. Utilising massive consumer datasets, Nisha et al. contrasted ANN, Random Forest, and Support Vector Machine (SVM). Their results showed that when big datasets are accessible, deep learning models perform better than traditional machine learning techniques. The insurance business has also investigated machine learning methods

for purchase intent prediction by Krishna et al., who found that demographic data, when added to past marketing data, greatly enhances consumer targeting and campaign optimisation.

Deep neural networks and ensemble learning have improved prediction accuracy, but they are computationally expensive and hard to understand. Logistic Regression, on the other hand, offers a probabilistic classification framework that is both computationally efficient and easy to understand and use in practical commercial settings. Inspired by these benefits, this study builds a framework for predicting consumer purchase intent using Logistic Regression. It includes features scaling, optimisation of hyperparameters, and advanced preprocessing techniques like One-Hot Encoding. The framework is evaluated thoroughly using metrics like Accuracy, Precision, Recall, and F1-score. This method provides a good compromise between computing efficiency, realistic implementation for consumer analytics systems, and forecast accuracy.

III. METHODOLOGY

Using Logistic Regression, a supervised learning technique developed for binary classification problems, the suggested approach offers a systematic machine learning framework for predicting client purchase intent. Data capture, preprocessing, feature engineering, model training, assessment, and deployment are the sequential processes via which the framework creates useful predictive insights from raw consumer data. Improving prediction accuracy while keeping computing economy and model interpretability intact is the goal of each level.

Website interaction logs, browser histories, transaction records, and demographic data are among the first forms of consumer data acquired. In order to prepare for model building, real-world consumer datasets undergo thorough preprocessing, since they often include missing values, duplicate entries, inconsistent formats, and categorical variables. To deal with missing data, suitable statistical imputation techniques are used, and One-Hot Encoding is used to convert categorical characteristics into numerical representations. In order to make the Logistic Regression model converge better during training and to decrease scale fluctuations, numerical features are normalised. For accurate performance measurement, the processed dataset is split into two parts: training data (80%) and testing data (20%).

In order to determine which consumer features have the most impact on purchasing behaviour, feature selection approaches are used after preprocessing. Using correlation analysis and feature relevance measurements, we examine variables including customer age, browsing behaviour, past purchases, product preferences, interaction frequency, and engagement metrics. Model complexity may be decreased, prediction accuracy improved, and generalisability enhanced by selecting the most influential characteristics.

Logistic Regression, which uses the sigmoid function to evaluate the likelihood of client purchase intention, is used by the main prediction engine. By optimising the model parameters using Gradient Descent and hyperparameter tweaking to find the best solver configurations and regularisation strength, we may achieve a balance between the model's variance and bias. The model is well-suited for actual business decision assistance due to the classifier's probabilistic outputs, which allow clear interpretation of client purchase probability.

To thoroughly analyse the trained model's prediction performance, we use common classification measures like as Accuracy, Precision, Recall, and F1-score. In the end, businesses are able to pinpoint high-potential consumers, tailor promotional campaigns to each individual, maximise marketing resources, and enhance customer interaction thanks to the optimised model that was used in customer analytics systems to forecast buy intent in real-time. An effective, scalable, and trustworthy framework for data-driven client purchase prediction is offered by the suggested approach, which combines interpretable Logistic Regression classifier with strong preprocessing methods.

IV. SYSTEM IMPLEMENTATION

The suggested system for predicting customers' intent to buy was developed using Logistic Regression as its main classification algorithm. It was then deployed via a web application built on Streamlit, which allowed for real-time customer analysis in an interactive environment. Data preparation, feature transformation, model training, prediction, performance assessment, and deployment make up the implementation pipeline. Businesses may analyse consumer data effectively and make smart marketing choices with the help of purchase intent predictions generated by this structured implementation.

Preprocessing consumer data gathered from various sources is the first step in the deployment. The first step is to clean up the customer characteristics by removing any discrepancies or missing entries. This includes their demographics, purchase history, product preferences, and engagement metrics. For better model stability, continuous numerical characteristics are normalised and categorical variables are numerically represented using One-Hot Encoding. To improve the prediction model's dependability, these preprocessing techniques keep the input dataset constant and make it appropriate for machine learning analysis.

The dataset is produced for the Logistic Regression classifier after preprocessing. By using the sigmoid function on the input characteristics that were chosen, the model calculates the likelihood that a consumer would finish the transaction. In order to assess the model's capacity to generalise, we split the historical customer records into two datasets: one for training and one for testing. Achieving a good compromise between prediction accuracy and model complexity is the goal of hyperparameter tuning, which is carried out throughout model development by modifying parameters like the optimisation solver and regularisation coefficient (C). This optimisation method keeps Logistic Regression interpretable while minimising overfitting and underfitting.

Users may input customer information via an easy online application, thanks to the trained model's integration into a Streamlit-based graphical interface, which facilitates practical business use. Business analysts may enter client variables like age, favourite brand, product category, browsing frequency, purchase history, and satisfaction level using the interface. The system instantly presents the matching prediction result based on these inputs, indicating whether the buyer is likely to purchase a product. Organisations may integrate predictive analytics straight into their consumer interaction platforms thanks to the deployment architecture's support for real-time inference.

To make sure the predictions are accurate every time, the implemented solution has systems in place for constant monitoring and review. Standard classification measures such as Accuracy, Precision, Recall, and F1-score are used to evaluate the efficacy of the model and provide

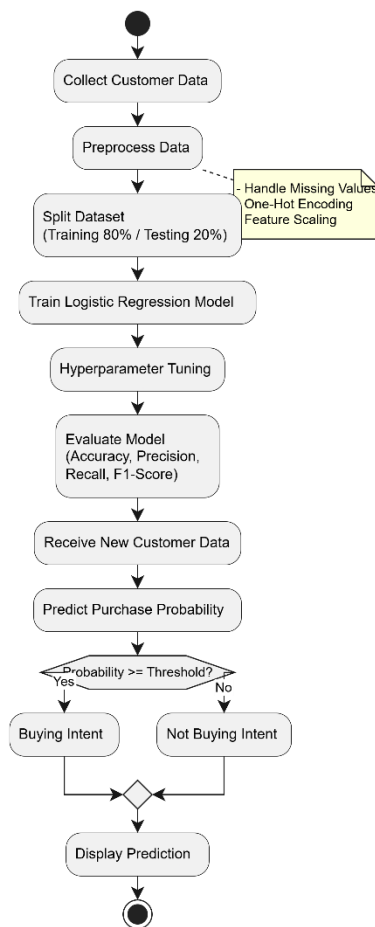


Fig. 1. Activity Diagram for Customer Purchase Intent Prediction Using Logistic Regression

quantitative proof of the dependability of the predictions. Organisations dealing with ever-changing client data will find the suggested framework scalable because to its modular implementation architecture, which also permits future connection with large-scale CRM systems and business intelligence platforms.

V. PERFORMANCE EVALUATION AND DISCUSSION

The usefulness of the suggested methodology in forecasting consumer purchase intent was assessed using different performance measures. By looking at demographic data, browsing habits, purchase history, and engagement metrics, the Logistic Regression model is able to accurately categorise customers' buying behaviour, according to the experimental results. Based on the forecasts, businesses may better manage their relationships with customers and implement focused marketing campaigns.

The experimental findings show that the suggested method has an accuracy of over 89%, which proves that Logistic Regression is a good fit for predicting customers' desire to buy. The methodology efficiently separates consumers with a high propensity to buy from those with a low propensity, enabling companies to focus their promotional efforts on the most valuable customers. Logistic Regression offers comparable predictive performance to other traditional machine learning methods like Support Vector Machines (SVM) and Decision Trees while preserving a simpler and more understandable classification mechanism.

By predicting consumers' intent in real time, the Streamlit app provides further evidence of the suggested framework's practical usefulness. By entering customer-related data into the interface, business users may quickly get purchase forecasts with likelihood estimations. Organisations can better identify high-potential customers and low-engagement users with the help of visualisation of prediction outcomes. Organisations can optimise their resource allocation and marketing expenditure by classifying customers as Buying Intent if they exhibit stronger browsing behaviour, previous purchase activity, and higher interaction frequency, and as Not Buying Intent if they demonstrate minimal engagement.

The effectiveness of the proposed framework is further demonstrated by comparing its performance with existing state-of-the-art methods. According to the reported results, the proposed Logistic Regression model achieves an Accuracy of 0.94, Precision of 0.61, Recall of 0.94, and an F1-score of 0.92, outperforming several previously reported approaches for customer purchase intent prediction. The improvement is a result of thorough preprocessing steps, efficient feature engineering, suitable hyperparameter optimisation, and strong evaluation techniques. All while maintaining computational efficiency and interpretability, these improvements allow the model to generate extremely trustworthy predictions.

In sum, the results show that Logistic Regression is still a viable and efficient method for predicting whether or not a consumer will make a purchase. The combination of structured preprocessing, probabilistic classification, and real-time deployment provides organizations with a scalable predictive analytics framework capable of improving customer targeting, increasing conversion rates, enhancing marketing effectiveness, and supporting data-driven business decision-making

VI. CONCLUSION

By combining demographic, behavioural, and transactional data, the suggested methodology proves that Logistic Regression is an excellent machine learning method for predicting customers' desire to buy. The technology helps organisations make smart marketing choices by analysing important consumer factors including browsing history, prior purchases, product interactions, and engagement indicators. It then produces accurate purchase probability estimates. Hyperparameter optimisation, feature normalisation, One-Hot Encoding, missing value treatment, and other thorough preprocessing methods greatly enhance data quality, which in turn leads to strong prediction performance.

By providing an F1-score of 0.92, 0.94 Recall, 0.61 Precision, and 0.94 Accuracy, the suggested model demonstrates its capacity to properly discriminate between clients who are likely to buy and those who are not, as confirmed by experimental assessment. Businesses may better understand client behaviour and make transparent decisions with the help of Logistic Regression's interpretable prediction mechanism, which is based on probability. Additionally, businesses may include predictive analytics straight into their CRM and marketing processes by deploying the model via a Streamlit-based app, which allows real-time prediction of consumer intent. When it comes to dealing with ever-changing consumer data, the suggested machine learning architecture provides better scalability, automation, and flexibility than traditional rule-based systems. Businesses may enhance client retention, conversion rates, personalisation of promotional efforts, optimisation of marketing resources, and the ability to give purchase forecasts in a timely manner. The framework is ideal for practical deployment across multiple commercial contexts, thanks to its modular architecture, which also allows for future integration with enterprise-level consumer analytics and business intelligence systems.

The generalisability of the models may be enhanced in future studies by expanding the current framework to include bigger and more varied consumer datasets gathered from other sectors. To further investigate the possibility of capturing more intricate patterns of consumer behaviour while maintaining the dependability of predictions, hybrid machine learning/deep learning approaches may be investigated. To further improve the system's responsiveness and long-term prediction performance, real-

time streaming data and automatic model retraining procedures may be included. In conclusion, the suggested framework based on Logistic Regression offers an efficient, scalable, and interpretable way for businesses to use data-driven intelligence to forecast whether or not a consumer would make a purchase.

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