

The Power Duo: Demand Generation and Lead Generation

The terms 'demand generation' and 'lead generation' are often used interchangeably but are actually 2 separate halves of a very effective, revenue-generating whole. Julie Bevacqua, CMO of Yocale, explains the difference: "On a basic level, the goal of demand generation is to create awareness and interest in your company amongst your target market, while the goal of lead generation is to produce individual prospects who will be moved through the sales pipeline to a final buying decision."

Demand generation is driven by a mix of inbound and outbound marketing activities that boost brand awareness of your company, products or services within a broad audience, with the intent of increasing leads. Tactics such as social media, e-books, blogs, podcasts, and company-sponsored webinars and meet-up events are used to create buzz and shape your target market's perception of your business.

Using a content marketing strategy of informing and educating your target audience about ideas that resonate with them—as opposed to pushing product-centric material at them—is effective for building credibility and positioning your business as an authority in its field. Bevacqua says, "By aligning your content and messaging with your target market's interests and needs, you connect with your customers on a more meaningful (and profitable!) level and build a culture around your brand."

In an article in *Inc.*, marketing mastermind Seth Godin, expands on the idea of creating meaningful connection with your target audience to generate demand: "The masses aren't listening because they have so many other choices. The people who care are going to choose to listen. And by appealing to the people who care, it is way more likely that a company will be talked about."

Unlike demand generation which addresses broad groups of prospects, lead generation aims to identify individual prospects and nurture them through the buying cycle. Chris Brogan, a leader in social media and lead generation, says, "The lead process used to be 'beat people with information until your sales person closes them.' Now, it's a little bit more about relationships with products and companies."

An inbound marketing campaign that builds relationships with your prospects is the key to an effective lead generation strategy. Sharing content that solves your prospect's problem—coupled with a 'call to action' (CTA) that moves the prospect to the next step in the buying journey—helps further cement the connection with your audience and drive lead conversion.

Bevacqua adds, "By providing CTA links to related content, e.g. whitepapers or webinars, you can help guide the prospect through an engaging buyer experience. And, at the same time, you can gather useful customer data by implementing lead generation forms that require prospects to provide an email address for access to free content."

Demand generation and lead generation go hand in hand to help you connect with your customers, identify prospects, and increase sales revenue. “They are both about identifying potential customers,” says Mark Faust, author and principal of consulting firm Echelon Management International. “But one uses a net, another uses a hook.”