



**INTERLINK**

**DEMAND GENERATION VS LEAD GENERATION:  
HOW TO LEVERAGE THE DIFFERENCE**

# INTRODUCTION

Lead generation and demand generation form two important practices in the sales funnel. Whilst sometimes spoken about as if interchangeable, these practices actually do two separate jobs, sitting in different – but just as crucial – parts of the funnel.

It's important to appreciate these differences whilst using them together to maximise results.

In this whitepaper, we'll tell you how.



# WHAT IS DEMAND GENERATION?

To sum up...

**Demand generation = making your audience aware of, and promoting interest in, your organisation's products and services.**

It's all about audience awareness; educating them, and building that initial trust so they can be turned into a lead. That generally means everything's free – namely, content. This could be a podcast, a blog, contribution to an industry publication, or influencer marketing, amongst other things.

For demand generation, you need to ensure your audience knows your brand exists, then demonstrate what problem your product or service can solve.



# WHAT IS LEAD GENERATION?

In a nutshell...

**Lead generation = transforming prospects into leads.**

It's about nurturing your audience, so you can convert them into paying customers.

They'll then express interest in some way – perhaps calling your sales team, replying to an email, completing an online form, or attending an event. Either way, they want to find out more from you. In the process, they're qualified as a target audience. Lead generation is definitely much more transactional than demand generation.



# WHAT ARE THE DIFFERENCES?

Demand generation vs lead generation shouldn't be a battle. They have their similarities – for instance, how they're executed: using data-driven strategies; captivating and relevant content; plus smart and precise targeting.

Their differences should be appreciated at the same time, and these are as follows:

DEMAND GENERATION	LEAD GENERATION
Ensures prospects are aware of a problem and your company	Provides a solution to the problem
Increases brand authority and trust, boosting the chance of engagement	Promotes the benefits of a solution, and differentiates you from competitors
Educates your audience, usually through free resources that answer their questions	Offers content that's focused on nurturing leads and positioning your brand, generally via gated resources
Engages a wider audience	Focuses on gaining quality leads
Allows prospects to remain passive	Prompts action from your audience
Creates demand	Turns demand into something tangible e.g. getting their contact details
Delivers metrics in terms of number of web visits; dwell time; amount of clicks and downloads; close rates per channel	Delivers metrics in marketing ROI per campaign; customer acquisition cost per campaign; conversion rate; time to purchase (length of sales funnels); number of email subscribers, marketing/sales qualified leads

These differences must be realised because this way, it's easier for the marketing department to develop them into qualified leads. They can then be given to the sales team, improving alignment and reducing the disconnect between them. This is something we've written about at length here at [Interlink](#), and we have dedicated solutions in place to solve the issue of the disconnect too.

# THE B2B SALES FUNNEL

Top of the funnel = demand generation, building brand awareness, trust, interest and educating your audience.

Bottom of the funnel = lead generation, conversion through nurturing and contacting your audience, and showing your brand value and differentiation.



# WHAT IS THE B2B SALES FUNNEL?

The B2B sales funnel shows how a lead progresses and is captured. It works with marketing, so there are relevant touch points throughout the customer journey to advance them and increase the chance of conversion.

Where the stages of the B2B sales funnel differ depends on the business in question – after all, every audience has a unique purchase journey. We've opted for the following stages to provide a relevant example, giving a brief explanation of each:

## Awareness

These are those methods that build brand awareness and increase demand. You'll likely try out various marketing tactics to find what works. As you can see, demand generation fits very nicely into this specific stage!

## Interest

Demand generation also falls into this category as it's about promoting interest in your products/services to your audience. Remember, you aren't talking to them directly at this stage – it's about giving them the freedom to be interested by themselves.

## Consideration

At this stage, your prospects see that you're offering a possible solution to their needs, but they're still considering things by researching your product/services and looking at reviews.

## Intent

This is about getting your audience over the line. They've considered their options, including your brand, and they may even be signalling intent by giving you their contact details in exchange for content or something else - something our Discover solution draws on. As you can probably already tell, this bottom section of the funnel is where lead generation comes into play!

## Decision

Your prospect has definitely shown intent by either sharing their details or contacting you, but they still haven't decided. To help them cross the finish line, your sales team needs to speak with the prospect again to answer any questions, and see what would get them to part with their money.

## Purchase

Agreeing to buy is different from actually doing so. This is the stage where they carry out this action – and you might have to deal with challenges along the way. For example, you'll need to ensure your payment process is seamless.

# HOW TO PERFORM DEMAND GENERATION

When it comes to putting demand generation into action, it's not all about creating brand and product/service awareness. You also need to make sure that you're promoting interest amongst those who have a higher chance of conversion. On a similar note, you shouldn't continuously provide your audience with free resources, especially if they already have the knowledge they need to move towards lead generation.

To carry out successful demand generation, we recommend you:

- Integrate all data sources you have access to
- Establish which prospects need their awareness elevating
- Utilise this data to target your audience so they'll consider interacting with you

Things like buyer personas and customer journey mapping can come in handy here. You'll be able to understand who your audience is, their pain points, and the precise journey that they experience.

In terms of content, consider podcasts, events, and thought leadership (specifically, try to mirror their priorities at that present moment). Remember, you're aiming to raise awareness, so standing out is key. Think attention-grabbing visuals, unique ideas and points, and snappy headlines, targeted at their needs.

You can also utilise the following strategies in your demand generation efforts:

- Website retargeting
- Account-based marketing
- Email matching

# HOW TO PERFORM LEAD GENERATION

Lead generation uses some of the tools and techniques that demand generation relies on. Whilst these remain the same, the way you use them is what differs. You'll focus on those who are likely to convert. For this, you need to acquire their contact details – which is harder than it looks, especially in the days of never-ending promotional emails. Many aren't willing to fill in their information – and even those who are, may give false data on purpose.

Like demand generation, lead generation can use website retargeting and other methods. The big difference is that you'll be offering gated content. There are a variety of options for this, including:

- Webinars
- Whitepapers
- Video tutorials
- Research studies
- eBooks
- Case studies
- Newsletters

And that's just a few! Marketing materials like these can then incorporate other content, such as landing pages and lead-nurturing email drip campaigns. Plus, you can utilise a lead generation specialist to support effective implementation.

Don't forget that lead generation content is all about providing valuable insights. It's a big thing for them to give their contact details and potentially receive numerous sales emails and calls from you, so make it worth their while.

Ideally, this content will also reflect where they are in their buying journey. They should be interested enough in your brand and products/services now, so it must be created with this in mind. A couple of good examples are scoping out their needs, or creating a related strategy for using the specific solutions that will help them. Don't go for the hard-sell – even at this point, it needs to be mostly informative.

# HOW TO COMBINE DEMAND AND LEAD GENERATION

We're big advocates for using a mixture of demand and lead generation. This way, they can be fully leveraged, and achieve the best results for your business.

It's key to note that lead generation actually depends on demand generation. If you carry out the latter effectively, you'll have qualified, interested leads that are significantly easier to convert.

According to B2B marketing, the marketing rule of seven still rings true: it takes seven interactions before deciding to purchase. It's also become an expectation that potential customers are provided with valuable content in the modern world— at no cost – and this includes inputting their information.

**So you don't need one; you need both.**

Sometimes, your content can suit both purposes too. Say you undertook comprehensive research for an eBook to educate your audience and increase demand. This can work twofold: it's a high-value item, and many prospects might be willing to give their contact details in exchange for access.

Whilst lead and demand generation are ultimately different, they can share resources. Having said this, although the content can remain the same, its formatting and presentation should differ so they can target all audiences effectively.

It's important to note that a prospect can move from the demand phase and being aware, to becoming a lead, quicker than you think. You can bring in lead generation sooner if you detect intent through machine learning – specifically with Interlink's unique methodology. It enables you to make the most of demand, and get your prospects further down the funnel, allowing you to beat your competition who are also trying to progress these potential customers.

# HUBSPOT BEST PRACTICE EXAMPLE

HubSpot – who you’ll be familiar with due to their various marketing content over the years – certainly knows what they’re doing when it comes to demand and lead generation.

They have so many examples on creating that demand. Just one is their case studies – all of which are free to download via their website. This positions them as experts and prompts demand generation.

## Featured Case Studies

**AIRSTREAM™**  
Airstream Generates 78% More Leads at Scale with HubSpot

Automotive & Transportation  
Integrations Increase Leads

[Read more](#)

**PIRATES, INC.**  
Pirates, Inc. expands across all seven seas with HubSpot

Gold Acquisition  
Increase Leads CRM Platform

[Read more](#)

**CRUNCH**  
Crunch Fitness Increases Leads and Signups With HubSpot

Sports & Fitness  
Increase Leads  
HubSpot Services

[Read more](#)

And for effective lead generation, they provide a marketing plan template generator. Sound like a valuable tool? It is! And that’s why the content is gated and they ask for your details before they hand it over to you.

You smart planner, you. We’re so excited to help you create a marketing plan that will drive big results!

Let’s start by getting acquainted. What’s your name?

First Name

Last Name



# KEY TAKEAWAYS

So, that's our whistle-stop tour of demand and lead generation. Here are your key takeaways:

- Demand generation and lead generation are different things – with demand focused on promoting awareness and interest, and lead focused on converting prospects into leads
- The B2B funnel is a visual representation of how a lead progresses and is acquired
- Demand generation is at the top of the B2B sales funnel, and lead generation is in the bottom half of it
- Demand and lead generation must be used alongside each other – lead generation comes under the umbrella of demand, and relies on it for successful conversions
- Combining demand and lead generation techniques is a crucial way to avoid the disconnect that often occurs in sales and marketing departments



# INTERLINK'S ROLE IN DEMAND AND LEAD GENERATION

Demand and lead generation techniques are always evolving. Here at Interlink, we're developing machine learning that will transform the way B2B companies approach lead generation – for the better. We use cookieless technology to detect intent, and nurture target clients from awareness, to consideration, to sales-qualified lead status.

Want to know more about us? We have three specific solutions that we utilise to support demand and lead generation:

**Discover** Leveraging information about companies in their digital presence to find customers who'll actually be interested in your products/services, and targeting them at the right moment.

**Engage** Engaging with your target audience through our partner network. They'll shape campaign tactics that will move your prospects further down the sales funnel.

**Convert** Delivering enriched lead data, and guidance on how to effectively engage leads, so you can have conversations that result in conversions.

**To speak to a member of our team, get in touch on +44 20 3911 7500 or email [info@interlinklg.com](mailto:info@interlinklg.com).**



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