

How to Get Affluents to Spend More? Make It Really Worthwhile, says Pam Danziger, Unity Marketing

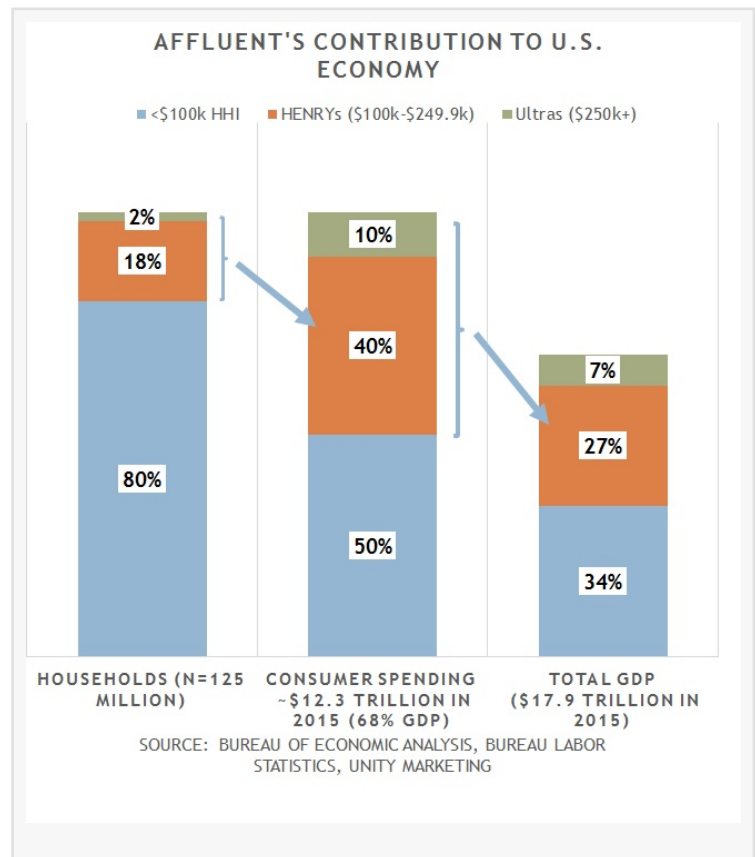
New report reveals how to influence affluents' to spend more: Tell new brand stories of luxury aimed at mass-affluent HENRYs (high-earners-not-rich-yet)

STEVENS, PENNSYLVANIA, UNITED STATES, June 16, 2016 /EINPresswire.com/ -- It's all over the news — the rich are getting richer, as this recent New York Times article asserts.

<http://www.nytimes.com/2016/04/27/opinion/campaign-stops/how-the-other-fifth-lives.html>

And it's true: The affluent consumers at the top 20% of household incomes are sitting pretty financially and their numbers are growing.

But it's not the affluents' positive financial circumstances that will influence their spending on luxury in 2016; rather, it will be their mood, feeling and mindset. This new [Unity Marketing](#) trend report, [Brand Stories that Sell to HENRYs](#): Marketing Luxury in a Brand New



Style for High-Earners-Not-Rich-Yet Consumers, reveals how to link brands with the new psychology of today's largest and most profitable consumer segment: The HENRYs — high-earners-not-rich-yet.

Affluents' impact on the U.S. economy is huge

Affluent households number some 31 million strong, defined as those in the top quintile of all households. It includes some 27 million HENRYs (high-earners-not-rich-yet) with incomes from \$100k-\$249.9k and 3.8 million ultra-affluents (\$250k+).

While luxury brands traditionally focus on the outsized spending potential of the ultra-affluents, the income segment just under them, the mass-affluent HENRYs, actually outnumber the ultras and account for much greater combined spending, just under \$5 trillion as compared with \$1.2 trillion for ultra-affluents.

"That makes the HENRYs the juggernaut of the nation's consumer economy," [Pam Danziger](#) says.

In the current economic climate, however, the affluent are choosing to forego extra spending and hold

onto their plentiful cash. The young mass-affluent HENRYs, in particular, are signaling caution about trading up to luxury. That means brands that aspire to capture their discretionary spending must make a compelling case why their brand is worth it. It requires telling the story of luxury in a brand new way in tune with the values of these consumers.

The challenge and opportunity for luxury brands in 2016 is to align their brand with the new consumer psychology of affluents. Luxury brands need to recognize that in the minds of a majority of affluent consumers, the definition of luxury is shifting. The old ideas of luxury have given way to new ways of interpreting and participating in a luxury lifestyle.

Luxury is a mindset, not a brand or a price point

Luxury brands must align with the new consumer psychology of today's more careful affluent spenders. Especially among the Gen X and Millennial generation affluents, old-style luxury has taken on negative connotations. For the younger affluents, old luxury reeks of over indulgence, conspicuous consumption, elitism, extravagance and, most especially, reflects income inequality and the excesses of the 1%. Brands need to market luxury in a brand new style that reflects the next generations' new values.

Rewards and growth will come to brands that get a firm fix on the young HENRYs, the demographic of the Gen Xers and Millennials on the road to affluence. Danziger explains "Mistakenly, too many luxury brands call the HENRYs "aspirational," which implies their aspirations align with these brands' old style of luxury. Aspirational the young HENRYs may well be, but not necessarily for the old luxury that they are selling. Rather, they are aspirational for an authentic lifestyle and true happiness, which research shows comes by what you do and experience, not what you have or own."

The shifts in consumer psychology and the emerging generations of affluents call on luxury brands to tell new stories. Young HENRYs reject their parents' and grandparents' ideas of luxury in favor of concepts that are more practical, functional, inclusive, democratic and, ultimately, more affordable.

"Surely, they want high quality, superb workmanship, and all the other quantifiable features that luxury brands promise. But they also want to align their consumer behavior with their personal values. Too many young people believe that 'luxury' is just a marketers' label that signifies something is over-priced," Danziger concludes.

New report reveals how to connect your brand with HENRYs through storytelling

The key challenge for luxury brands and the young HENRYs is not about how they connect – internet marketing tactics are a given – but rather on how to create new and compelling reasons why their brands are meaningful and important to this digitally-empowered generation.

This new report shows how. It delves into the values of HENRYs and the kind of brand storytelling that will sell to the next generation's affluents. It examines 19 new stories of luxury that connect with the psychology of young HENRYs and shows how different brands use each story to achieve marketing success; stories like:

- Luxury for the Moment: Access not Ownership
- Luxury of Discovery: Spread the Word to Go Viral
- Luxury of Nostalgia: What's Old is New Again
- Luxury for Me: Anti-Status

It draws examples from many of the new luxury-style brands that are finding success with HENRY,

such as Shinola, Warby Parker, Apple, FitBit, Everlane, Suitsupply, Canada Goose, Toms and many others that deliver a new luxury experience to the next generation of affluents.

About Pam Danziger and Unity Marketing

Speaker, author, and market researcher Pamela N. Danziger is internationally recognized for her expertise on the world's most influential consumers: the American Affluent. Her latest book, *Shops that POP! 7 Steps to Extraordinary Retail Success*, (<http://unitymarketingonline.com/shop/retailers-and-retailing/shops-that-pop-7-steps-to-extraordinary-retail-success/>) reveals the secrets to crafting a retail shopping experience that's irresistible to high-value shoppers looking for something special. As founder of Unity Marketing in 1992, Pam leads with research to provide brands with actionable insights into the minds of their most profitable customers.

Pam received the Global Luxury Award for top luxury industry achievers from Harper's Bazaar. She was named to Luxury Daily's Luxury Women to Watch in 2013. She is a member of Jim Blasingame: The Small Business Advocate's Brain Trust and a contributing columnist to The Robin Report.

She is the author of five books including her recent mini-book, *What Do HENRY's Want?*, explores the changing face of America's consumer marketplace. Pam is frequently called on to share new insights with audiences and business leaders all over the world (<http://unitymarketingonline.com/speaking-and-workshops-speaker-for-luxury-industry-affluent-market/>).

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