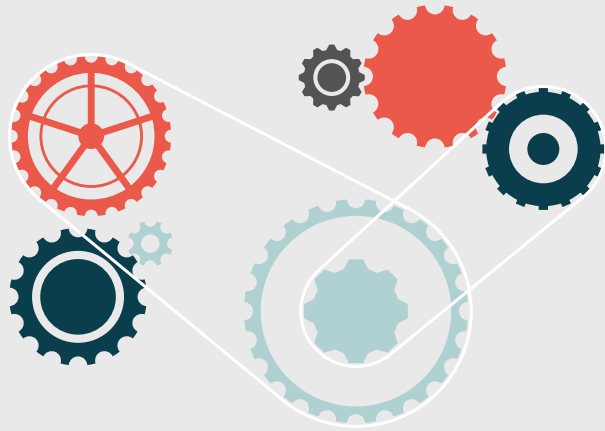




# Who Is Henry?

What Retailers Must Know  
About the World's Most  
Lucrative Consumer

# Keep It Rolling



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# If you're a retailer... then this ebook is for you.

Prepare to learn everything you need to know about HENRY, one of the world's most important consumers.

In this quick read, you'll learn:

- Who (or what), exactly, is HENRY?
- Why is HENRY so valuable to retailers around the world?
- How much HENRY makes -- and what he's spending it on?
- What you can do to attract HENRY's attention and drive him to spend money at your store.
- 4 professional tips for high-touch retail managers who want to appeal to HENRY more than ever.

And much, much more...

Ready to sell to HENRY?

Let's jump in!



## 4 Powerful Reasons Why Every Retail Manager In The World Must Know HENRY

In 2003, *Fortune Magazine* introduced us to HENRY, **the most important retail customer on the planet** (but more on that later).

HENRY, actually, is not just *one* person. He's a group of people. In fact, HENRY is an acronym used to describe a very particular — very in-demand — consumer:

**H**igh  
**E**arner  
**N**ot  
**R**ich  
**Y**et

Earning between \$100,000 and \$500,000 a year, **HENRY comprises 18% of the top 20% of American incomes** (although he [can be found all over the world](#)). He comes in right behind the ultra-affluent, who earn north of half-a-million dollars per year.

## As a retail manager, you should really, *really* get to know HENRY.

Why? Here are 4 powerful reasons:

### 1. HENRYs, collectively, have *a lot* of money.

Pam Danzinger, a Luxury Researcher, [reminds us](#) that the size of the HENRY group allows it to collectively outspend the ultra-affluent top 2%.

Individually, sure, HENRY spends less than a 2-percent-er. But as 18% of the top 20% of earners, HENRYs make up a tremendous piece of the disposable-income pie — and they're not afraid to spend it.

“The ultra-affluent spend between 2.5X to 3X more than HENRYs on high-end goods and services,” writes Danzinger. “But as a whole, HENRYs have a market potential 3X to 4X greater than that of the ultras.”

### 2. HENRY's are more likely to spend than the top 2% above them.

According to Carl Obermiller, Chairman of the Management Department at Seattle University's Albers School of Business, “The rich have a lot of money to spend, too, but the rich have already spent a lot of what they're going to spend their money on.

Consequently, retailers are relying on HENRY more than ever.

### 3. HENRYs are more likely to spend than the middle class behind them.

In [an article about HENRY](#), Danzinger states, “Coming out of the recession, the true middle class is severely limited in their ability to purchase goods and services in the near future.”

What does this mean? According to Danzinger, “HENRYs are the ‘new mass market’ for marketers and brands up and down the pricing scale.”

#### 4. HENRYs, over the long-term, will become the coveted highest individual spenders.

It should come as no surprise that the ultra-affluent 2% were, at one point, HENRYs.

As Danzinger puts it, “HENRYs are the gatekeepers to the luxury market now and for the future.”

[An article](#) published by *The Weekly Standard* tells us that the **21 million HENRY households account for 40% of consumer spending**. Furthermore, according to [a 2015 report](#), HENRY households are growing: increasing 11% between 2010 and 2013.

Ultimately, there’s no doubt that HENRY hits above his weight class as a consumer, and that’s exactly why smart retailers are interested in attracting — and keeping — his business.

# Retail Managers Know Henry Has Money

## — Here's How He Spends It



We already know **why every manager in the world needs to know HENRY**: he has money, and he can spend it if convinced it's a good purchase.

The question then becomes, *how do you entice HENRY to spend his hard-earned dollars in your store?* We're going to answer that in just a moment, but first, let's go over the facts...

HENRY stands for High-Earner-Not-Rich-Yet and, according to [Fortune's 2008 article](#), he:

- **Does not worry about making the next mortgage or credit card payment.** HENRY earns between 100K and 500K a year, so he's relatively comfortable.
- **Invests in "high-grade staples that, in effect, define them.** HENRY is comfortable spending big money, but considers quality and value over brand loyalty in his purchases.
- **Considers himself "well off" and "successful," but nowhere near "rich."** HENRY enjoys luxury, but still thinks carefully about price.

Ultimately, HENRY doesn't buy super-expensive luxury goods as often as ultra-affluents, but, as researcher Pam Danzinger puts it:

*“In categories where [HENRYs] really care, they can stretch to spend more, all the while scrimping and saving in other areas that don't matter as much.”*

This is great news for high-touch retailers who, fundamentally, need to engage customers in order to make a sale.

Pam Danzinger, an expert in consumer insights for marketers targeting affluent consumers, has four tips for managers who want to make the high-touch process even more effective:

1. Be vigilant about service. Intelligent displays, well-maintained merchandise, and happy associates who know how to make a customer feel welcome.
2. Make brand stories a part of the sales process. People love stories. And consumers love stories that showcase the quality and workmanship of what they're buying.
3. Appeal to smart shoppers. HENRY is well-educated and, likely, making a thoughtful purchase decision.
4. Hit the premium pricing sweet spot. HINT: It's somewhere between mass and class.

Those are HENRY's hot buttons — and now that you know what they are, it's up to you to adapt to his buying style.



# 4 Essentials HENRY Needs If He's To Shop In Your Retail Store



In [our first article on HENRY](#), we called him “the most important retail customer on the planet.” It’s a claim we stand by, especially if your store sells high-touch items.

After all, HENRY is a high-maintenance consumer: He has money to spend, but he wants to spend it wisely. In other words, he needs some handholding.

That's where the following "essentials" come into play.

Want HENRY to like you and, in turn, spend money at your store? Here's what you need:

### **1. A well-trained staff.**

At the end of the day, HENRY's goal is to make an educated purchase, which means he'll need an associate to spend time with him, tell him the brand story, and highlight the quality and craftsmanship that went into the product he wants to buy.

Your associates' ability to speak about your brand — and, more specifically, the story behind it — will be the defining factor between making the sale and coming up just short.

So go ahead, invest in your staff's training — it's always money well-spent.

### **2. Accurate store traffic knowledge.**

According to a [2014 Time Trade](#) survey, 90% of retail shoppers leave stores empty handed because they can't find the right person to assist them with the sale.

Shocking as it is, that statistic comes from poor traffic knowledge — so it's 100% avoidable.

Retail stores need to take a closer, more analytical look at their traffic data and scheduling practices, ensuring that stores have the right number of trained associates in place (at precisely the right time) to have the crucial conversations necessary to sell HENRY.

### **3. Employees with the right attitude.**

HENRY is more than willing to part with his money, but he's not "rich" yet, so he's going to need some guidance — some *hand holding* — to feel good about his purchase.

As a retailer, you're likely relying on a low-wage worker to hold HENRY's hand, earn his trust, and tell your brand's unique story. So, accordingly, you have a lot riding on that interaction.

Cut your losses: ensure that your associates are at work *when they were scheduled to be there*. Summoning last-minute shifts can wreak havoc on an associate's personal life, which, in turn, drives discontentment at work. And that's not good for business.

## 4. A steady, engaged workforce.

How much does it cost your company to replace an associate?

It could be thousands of dollars. That's money that you could be putting towards resources to keep your workforce happy, engaged, and productive.

How? Here's a hint: Outside of compensation and job security, [schedules are a key determinant of happiness in a job.](#)

In other words, great schedules keep great employees working for you.

### Yes, Workplace *can* help.

We've been creating smart scheduling software for decades — software that supports employee engagement and, ultimately, drives revenue.

Want to sell to HENRY? Workplace can ensure that your store has the right number of associates scheduled at the right time day after day, shift after shift.

Our innovative collaborative scheduling technology eliminates one of the biggest retail headaches by allowing employees to communicate with their employer on availability, shift swaps, and scheduling issues — all from the mobile devices they're already comfortable using.

To learn more about how Workplace can help you sell to HENRY,

[Request a Conversation](#)

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US Phone: 1 312 726 3734

UK Phone: 44 1908 242 042

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