

THE JUST NOTS

02 : 04 : 2015 Squeezed Middle : Low Income : Middle Income

Meet the Just Nots, first identified by LS:N Global in 2011. They pay their taxes, work hard and do all the right things. But from Leicester to Lymington and from Berlin to Los Angeles, millions today are just not making ends meet, just not making it onto the property ladder and just not living the lives to which they aspire. They are misunderstood by politicians, misrepresented by the media and ignored by brands.

The Just Nots Overview



Rob Broer, Derby, photography by Ali Lomas

France's former President Nicolas Sarkozy called them 'Alarm Clock France'. The UK Labour Party leader Ed Miliband has called them the 'squeezed middle'. Economists call them adults in low-to-middle-income households (LMIs). We name this group after their frustrations. Often families with annual household incomes of between £15k and £23k, the Just Nots are almost, but just not, making ends meet.

'They work hard, they are decent to other people, they are trying to be aspirational,' says trends analyst Sean Pillot de Chenecey, who has researched this group, 'but they are just not getting the benefits.'

Click through the sections on this page to see how The Just Nots trend has been manifest since 2011.

2011



Ivory campaign by Procter & Gamble

October: **Procter & Gamble launches campaign to appeal to the Just Nots**

Procter & Gamble releases an advertising campaign for its Ivory soap that celebrates the heritage and simplicity of the product. At around the same time Procter & Gamble announces a change in its marketing strategy to target both high-end and lower-end markets.

Key Development: Brands are targeting the increasingly polarised market and looking to please both high-end and lower-end consumers.



American Apparel Flea Market, London

November: **American Apparel lures Just Nots with flea market**

Fashion retailer American Apparel stages a pop-up flea market in East London, offering discounts of up to 90%.

Key Development: Retailers are creating contemporary market-style formats for a stronger appeal for the Just Nots than non-aspirational discount sale rails.



Morrisons M Local

November: **Morrisons goes local**

UK supermarket group **Morrisons** reports a 2.4% increase in comparable sales in the third quarter of 2011, as it focuses on selling groceries rather than diversifying into electronics and other goods.

The brand also opens the first of three pilot convenience stores called M Local in Ilkley, Yorkshire.

Created by design agency FITCH, M Local is designed to deliver higher quality than its convenience store competitors, providing a 'market-fresh' quality of produce, instead of a 'supermarket-fresh' quality.

Key Development: As people become busier and more interested in the provenance of food, convenience stores offering value-for-money fresh produce begin to thrive.

2012



Walmart store

May: **Walmart offers click and cash for Just Nots**

Recognising that 85% of transactions in its stores are paid in cash or with cash equivalents such as food stamps, Walmart launches a service that enables consumers to order online and pay on collection or delivery.

Key Development: Such services appeal to Just Nots who want the convenience of click-and-collect shopping, but do not have access to traditional banking services.



Marks & Spencer Simply M&S range

May: **Marks & Spencer introduces budget food range**

British retailer Marks & Spencer introduces a value range of own-brand food in a bid to attract cash-strapped consumers.

Key Development: Marks & Spencer's move towards a more affordable range of food aims to boost footfall and change the retailer's perception as a brand for the wealthy.



Neiman Marcus and Target Holiday 2012 advertisement

July: **Target joins forces with Neiman Marcus**

In response to consumers' habit of mixing low- and high-priced products, Target and Neiman Marcus collaborate to create a lo-hi collection.

Both stores stock the entire 50-item collection by designers such as Diane von Fürstenberg, Derek Lam, Rodarte and Tory Burch.

Key Development: Lo-hi collaborations between upmarket department store groups and big-box discount chains attract strong consumer interest.

2013



Carrefour, Paris

March: Carrefour opens affordable organic store

In a bid to appeal to Parisian Just Nots, supermarket chain Carrefour opens its first store dedicated entirely to affordable organic produce.

Key Development: Carrefour's adoption of locally sourced food and organic products, sold at a low price, indicate the Just Nots' growing interest in organic products and shows that they won't compromise on quality.



Xercise4Less gym, Stockton North

November: Just Not gyms open in Tesco stores

Gym brand Xercise4Less, which offers monthly membership from £9.99, opens facilities in the unused floor spaces of Tesco stores around the UK.

'By making fitness accessible to more people we hope to have a positive impact,' said then managing director Jon Wright.

Key Development: The emergence of thrifty, creative space-sharing initiatives such as Xercise4Less demonstrates the increasing influence of the Just Nots across sectors from retail to leisure.

2014



Google chromebook

June: Google's Chromebook surges in popularity

Small, cheap and packed with 100Gb of storage and plenty of Google utilities, the low-cost Chromebook is being snapped up in major markets, according to The New York Times.

Key Development: Chromebooks fill an affordable gap in the technology market between laptops, tablets and phones for the Just Nots.



Woolworths Private Label Food

July: UK consumers are more value-conscious than ever

Britons are choosing increasingly savvy ways to shop for groceries, with bargain-hunting top of the agenda, according to a recent report by Datamonitor.

Private-label products are increasingly the top consumer choice, with nearly half (48%) of consumers choosing own-label ranges to save money, resulting in lower-priced retail chains such as Aldi or Lidl increasing their share of basket among value-conscious consumers, according to the report.

Key Development: Bargain hunters are better informed than ever and markets are adapting.



Poundland beauty range

October: Poundland launches own-brand beauty range

Discount store Poundland announced plans to introduce its own beauty range, available in stores from October 2014.

Featuring over 100 pieces including eight foundations, 39 nail varnishes and lipsticks in the season's key colours, the range will sit alongside key beauty brands including Nivea, Revlon and Rimmel that are already available in store.

Key Development: Poundland's branding of the cosmetics range appeals to consumers who are looking for basics with a premium feel.



November: Virraj Jatania explains the key to emerging market finance

Pokit, developed in partnership with MasterCard, is aimed at a demographic who earn between £10,000 (€13,975, \$15,373) and £30,000 (€41,926, \$46,123) per year, offering a low barrier to entry at £0.99 (€1.38, \$1.52) a unit. Pockit also offers an app service that helps users better regulate spending by keeping them informed about key outgoings. The data, collected by Pockit, will add to MasterCard's already vast databank of card users, enabling it to better understand this key demographic.

Key Development: Targeting the underserved and underbanked platforms like Pockit offer customers a way to regulate their cashflow using a prepaid card.

2015



Jenna Hipp Nail Polish

January: **Costco begins stocking premium beauty products at wholesale prices**

Budget brand Costco is working with Beauty's Most Wanted, a collection of world-renowned beauty experts. It now stocks lines from brands such as Pati Dubroff and Jenna Hipp, which have graced the shelves of top concessions across the globe and usually sell at eye-wateringly premium prices.

Key Development: Beauty lovers can now shop for premium brands wholesale at Costco alongside its value-pack toilet rolls, discount home appliances and deluxe-sized foodstuffs.



The Society of Grownups, US

April: **Generation rent**

According to **Generation Rent**, the Halifax bank's annual report about first-time buyers, the proportion of those aged 20–45 who are putting money aside for a deposit fell 6% in the last year to 43%. This is the first time this figure has dropped since the study began five years ago.

Key Development: After years of facing inflated house prices across the country, Millennials and Generation Xers are succumbing to the idea that they may be renting forever.



Arcangel Surfware collection by Cory Arcangel

August: Stay-at-home Millennials

The number of Millennials choosing to live at the family home post-recession is rising, according to a report from the Pew Research Center.

While the 18–34 age group has grown by 3m since 2007, 5m more Millennials live with their families in 2015 than in 2007, despite national unemployment decreasing from 12.4% in 2010 to 7.7% in 2015, and average weekly earnings increasing from £352 (€501, \$547) in 2012 to £370 (€526, \$574) in 2015.

Key Development: Stuck in adulthood, **Just Not** Millennials are prioritising experience and conspicuous consumption over the attainment of traditional milestones.



Buymeby app

November: BuyMeBy is a new online service helping to cut down on food waste

BuyMeBy automates the discount process, altering an item's price as the product nears its expiry date.

What began as an award-winning concept at a New York hackathon is fast becoming one of the smartest solutions to reduce waste. Still in its infancy, BuyMeBy could provide a much-needed update to the way in which food retailers market and manage their perishable goods. 'We are helping to get food to the underserved, either if you're on a really low budget or you're homeless, and that reduces waste by tons,' says Carlos de Santiago, CEO of BuyMeBuy.

Key Development: Consumers often ignore food nearing its expiry date, leaving perfectly good products on supermarket shelves. BuyMeBy enables Just Not shoppers to browse expiring products at reduced prices.