



KKR Releases Publication on New Investment Landscape Surrounding “The New Consumer”

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NEW YORK--(BUSINESS WIRE)-- KKR today announced the release of a new KKR Viewpoints publication authored by [Paula Campbell Roberts](#). In *The New Consumer*, Roberts explores the recent emergence of the “Asset Light Consumer” – with respect to the consumer balance sheet and consumer purchases – and its impact on the broader investment landscape.

“The Great Recession, technological disruption, demographics and the rise of the services sector have led to the rapid growth of a rentership and sharing economy, which has long-term implications for growth and investing. Consumers now own fewer assets and allocate more of their income to experiences over things. This shift has also led to a reduction in many traditional forms of investment in favor of the software needed to support consumer demand... Nonetheless, while these shifts may create challenges, they also create opportunity,” Paula Campbell Roberts says.

In her analysis of the impact of this new consumer, Roberts offers the following views on four primary areas investors should focus on:

- In conjunction with a shift in demographics, this longer-term shift in consumption may lead to even slower growth in spending on goods, as well as some softness in discretionary services spending in favor of increased spending on healthcare and contributions to savings.
- Sharing and rentership models are likely here to stay, and will continue to disrupt traditional business models given the benefits they provide to consumers as well as workers. However, be cautious about investing in sharing economy models that do not directly address the evolving needs of workers.
- The large consumer sector is diverse; therefore, be sure to disaggregate macro trends to understand how different cohorts behave. If business success relies upon demand fueled by renters, the business model may face more challenges than anticipated in a downturn.
- Finally, the impact of the new asset light consumer and the increased sharing economy penetration creates less demand for the same quantity of assets, resulting in slowing growth in capex.

Links to access this note as well as an archive of KKR’s previous publications follow:

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About Paula Campbell Roberts

[Paula Campbell Roberts](#) joined KKR in 2017 as a member of the Global Macro, Balance Sheet and Risk team. As the Head of Alternative Data & Analytics, Ms. Roberts leads the firm's efforts to incorporate big data and machine learning into many of our investing and value creation efforts. In addition, Ms. Roberts helps the Firm assess consumer and real estate investment opportunities. Prior to joining KKR, Ms. Roberts was an executive director of Morgan Stanley and the company's U.S. Consumer Economist, where she managed coverage of the U.S. consumer sector and developed fundamental trading signals using big data. Before Morgan Stanley, Ms. Roberts was a management consultant leading case teams and advising Fortune 500 companies at Bain & Co.

About KKR

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