**PEER GROUP ANALYSIS**

**Netflix:**

**About the company:**

Through an online subscription on TV, computers, and mobile devices, the company delivers TV shows and movies such as original series, documentaries, and feature films. Additionally, it provides a huge selection of amusement options, including video games and other forms of entertainment. Netflix produces content, including original programs, and licenses, buys, and produces it. Through marketing partners such as distributors of multichannel video content, streaming entertainment companies, producers of consumer gadgets, mobile network operators, and internet service providers, the company advertises and promotes its service. The Americas, Europe, the Middle East, Africa, and Asia-Pacific are all regions where it conducts business. Los Gatos, California, in the US, is home to Netflix's corporate headquarters.

The company operates in the media industry. The following are:

**Warner Bros. Discovery Inc (WBD),** formerly Discovery Inc, is a provider of media services. The company produces and co-produces content in the areas of general entertainment, adventure, heroes, home, food and travel, sports, crime and investigation, survival, exploration, health and kids’ genres. WBD distributes content on different distribution platforms, including pay-television, free-to-air and broadcast, digital distribution platforms and content licensing agreements. The company also operates a portfolio of production studios and digital direct-to-consumer products. Its television brands include the Discovery Channel, Animal Planet, HGTV, TLC, Investigation Discovery, Food Network, Motor Trend, Trvl Channel and Eurosport. WBD is headquartered in New York, the US.

Justification for identifying Warner as a peer in the media/entertainment industry:

* Warner operates in the same industry as Netflix. They are both headquartered in US and serve same customers as the provide same products and services.
* Both companies are affected by Macroeconomic factors that influences the industry.
* Furthermore, the size of the company is similar in terms of revenue( Warner: $33.8 billion, Netflix: $31.6)
* Both companies are publicly listed, and their stocks are both traded at the US stock market.

**Amazon PLC (Prime):** Amazon.com Inc (Amazon) is an online retailer and web service provider. Amazon Prime Video is one of the product of another popular provider that offers online video content on-demand to its users. Obviously, it’s created and operated by Amazon. It was launched in 2006 and, as a user, you can either rent or purchase TV shows and movies. Despite the stiff competition that occurs in this market, Amazon Prime Video has grown continuously. In 2016, this provider was present in more than 22 countries.

Justification for identifying Amazon(Prime) as a peer in the media/entertainment industry:

* Warner operates in the same industry as Netflix. They are both headquartered in US and serve same customers as the provide same products and services.
* Both companies are affected by Macroeconomic factors that influences the industry/sector.
* Furthermore, the size of the company is similar in terms of revenue(Amazon: $25.1 billion, Netflix: $31.6)
* Both companies are publicly listed, and their stocks are both traded at the US stock market.
* Amazon Prime has over 200 million subscribers which signifies it as the biggest competitor to Netflix.

**The Walt Disney Company:** The Walt Disney Company, together with its subsidiaries, operates as an entertainment company worldwide. It operates through two segments, Disney Media and Entertainment Distribution; and Disney Parks, Experiences and Products. The company engages in the film and episodic television content production and distribution activities, as well as operates television networks under the ABC, Disney, ESPN, Freeform, FX, Fox, National Geographic, and Star brands; and studios that produces films under the Walt Disney Pictures, Twentieth Century Studios, Marvel, Lucasfilm, Pixar, and Searchlight Pictures banners. It also offers direct-to-consumer streaming services through Disney+, Disney+ Hotstar, ESPN+, Hulu, and Star+; sale/licensing of film and television content to third-party television and subscription video-on-demand services; theatrical, home entertainment, and music distribution services; staging and licensing of live entertainment events; and post-production services by Industrial Light & Magic and Skywalker Sound.

Justification for identifying Disney as a peer in the media/entertainment industry:

* Disney has been in existence since 1923 and is a great player same industry as Netflix. They are both headquartered in US and serve same customers as the provide same products and services.
* Both companies are affected by Macroeconomic factors that influences the industry/sector.
* Furthermore, the size of the company is similar in terms of revenue (Disney: $25.1 billion, Netflix: $31.6)
* Both companies are publicly listed, and their stocks are both traded at the US stock market.

**Marriot Inc:** Marriott International Inc (Marriott) is a hospitality service provider that operates hotels and restaurants. It operates, franchises, and licenses hotels, residential and timeshare properties under several luxury, premium, and select brand names. Its brands include the Ritz-Carlton, JW Marriott, St. Regis, Westin, Renaissance, Marriott Hotels, Le Meridien, Gaylord Hotels, Marriott Executive Apartments, Delta Hotels, Tribute Portfolio, Design Hotels, Courtyard and SpringHill Suites. Marriott offers accommodation, hotel reservations, timeshare vacations, flight and hotel packages, and car rental services. It also operates loyalty programs, including Marriott Bonvoy. The company’s operations span North America, Europe, Africa, the Middle East, Asia-Pacific, Caribbean, and Latin America. Marriott is headquartered in Bethesda, Maryland, the US**.** The company revenue is **$20.8 Billion**. The company is in the hospitability sector/industry. The company stock is publicly traded with a market capitalisation of **$59.5B**

The company operates in the hospitality industry/sector. The following are its peers/competitors:

**Hilton Worldwide Holdings Inc (HWHI) is** a global hospitality company. It operates a chain of luxury and full-service hotels and resorts, extended-stay suites, and focused-service hotels. The company offers lodging, food, boarding, restaurants, dining, and loyalty programs. HWHI operates hotels under various brands such as Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Canopy by Hilton, Curio Collection by Hilton, Conrad Hotels & Resorts, Spark by Hilton, Hilton Hotels & Resorts, DoubleTree by Hilton, Embassy Suites by Hilton, Tru by Hilton, Hilton Garden Inn, Hampton by Hilton, Homewood Suites by Hilton, Signia by Hilton, Motto by Hilton, Home2 Suites by Hilton and Hilton Grand Vacations. The company manages customer loyalty program under the Hilton Honors brand. HWHI is headquartered in McLean, Virginia, the US.

Justification for identifying Disney as a peer in the media/entertainment industry:

* Hilton is an international hospitality company and provides range of products and services as Marriot.
* Both companies are affected by Macroeconomic factors that influences the industry/sector and directly impact their brand and financials.
* Furthermore, the size of the company is similar in terms of revenue (Marriot: $20.8 billion, Hilton: $8.8 billion)
* Both companies are publicly listed, and their stocks are both traded at the US stock market. The market capitilization of Hilton is $40.8billion while Marriot market capitilization is $59.8 billion.
* Both companies have high number of employees which is a good yardstick for comparison. (Marriot: 140,000, Hilton: 159,000).

**Hyatt Hotels Corp (Hyatt)** is a global hospitality company. The company manages franchises, owns, and develops hotels, resorts, and residential properties. Hyatt operates under multiple brands including Unbound Collection by Hyatt, Alila, Destination by Hyatt, Park Hyatt, Andaz, Hyatt, Grand Hyatt, Hyatt Regency, Hyatt Place, Hyatt House, Hyatt Ziva, Miraval, Hyatt Residence Club, Hyatt Zilara, Thompson Hotels, Caption by Hyatt, Joie de Vivre, UrCove, and Hyatt Centric. The restaurants and bars inside hotels offer a wide variety of food and beverages and provide a range of services. The company’s hotels are usually located in high-density areas such as urban, airport, suburban, and convention and resort destinations. It has a business presence across Europe, North America, and Asia. Hyatt is headquartered in Chicago, Illinois, United States.

Justification for identifying Hyatt as a peer in the Leisure/Art industry:

* Hyatt is an international hospitality company and provides range of products and services as Marriot.
* Both companies are affected by Macroeconomic factors that influences the industry/sector and directly impact their brand and financials.
* Furthermore, the size of the company is similar in terms of revenue (Marriot: $20.8 billion, Hyatt: $5.9 billion)
* Both companies are publicly listed, and their stocks are both traded at the US stock market. The market capitalization of Hyatt is $11.3.8billion while Marriot market capitalization is $59.8 billion.
* Both companies are located in the same region, hence have similar customer base.

**InterContinental Hotels Group Plc (IHG)** is a provider of hospitality services. The company owns, manages, leases, and franchises hotels and resorts. IHG operates midscale, upscale and luxury hotels under various brand names such as Six Senses, Regent, InterContinental, Vignette Collection, Kimpton, Hotel Indigo, Voco, HUALUXE, Crowne Plaza, Iberostar, EVEN Hotels, Holiday Inn, Holiday Inn Express, Holiday Inn Resort, avid, Atwell suites, Staybridge Suites and Candlewood Suites. Its hotels offer accommodation, dining, lounges, pool bars, business services, wellness services, and meeting and event spaces. It also provides hotel loyalty program, IHG Rewards Club. The company has operations in the Americas, Europe, the Middle East, Asia, and Africa. IHG is headquartered in London, the UK.

**Justification for identifying Intercontinental as a peer in the Leisure/Art industry:**

* InterContinental Hotel is an international hospitality company and provides range of products and services as Marriot. The company is situated in various regions including the region Marriot is headquartered.
* Furthermore, the size of the company is similar in terms of revenue (Marriot: $20.8 billion, InterContinental: $3.9 billion)
* Both companies are publicly listed, The market capitalization of InterContinental is $12.3 billion while Marriot market capitalization is $59.8 billion.

**Telsa:** Tesla Inc is an American electric car and power train designer, developer, manufacturer, and distributor headed by serial entrepreneur Elon Musk. The company was founded in 2003 and is headquartered in Palo Alto, CA. In August 2022, Tesla had a market capitalization of $884.91 billion. Tesla is also involved in providing services to other automotive companies by, for example, selling its battery technology. However, Tesla has two primary revenue segment - automotive sales and development services. Automotive sales account for the biggest's share of the revenue. Tesla has seen marked growth after years of breakeven performance: its reported annual net income for 2021 was $5.524 billion, a 700.58% increase from 2020, and its reported annual net income for 2022 was $12.583 billion, a 127.79% increase from 2021. Only for Q3 2022, Tesla's net income was $3.714 billion, a 59.67% increase year-over-year.

**Below are the three major Telsa’s peers operating in the electric vehicle industry:**

**Ford Motor Company:** Ford Motor Company (is a multinational automobile manufacturer founded in 1903. It's strongly focused on electric cars, trucks, and SUVs. Ford's Mustang Mach-E model received Car and Driver's first Electric Vehicle of the Year award in 2021. According to Ford, it's investing $22 billion through 2025 to pursue vehicle electrification. Also, Ford is focused on building EVs that provide the legendary features it's known for: performance, capability and productivity.

One of Ford's target markets is fully electric commercial vans and pickups. It intends to deliver the benefits of electric vehicles via an accessible price point and lower cost of ownership.10 The all-electric F-150 Lightning pickup officially launched in April 2022. Since then, more than 4,400 have been sold.

Justification for identifying Ford as a peer:

* Ford is an international motor company that has been in existence for decades which shows its experience and long standing in the industry Telsa operates.
* Both companies provide same range of products such as electric cars/vans and self-driving cars.
* In addition, both companies create products for similar customer base.
* Furthermore, the size of the company is similar in terms of revenue (Tesla: $94.03 billion, Ford: $5.9 billion)
* Both companies are publicly listed, and their stocks are both traded at the US stock market. The market capitalization of Tesla is $794.2billion while Ford’s market capitalization is $59.8 billion.
* Both entities are increasingly creating value in the industry through manufacturing of more spontaneous electric vehicle which has resulted in high competition.

**Volkswagen AG (Volkswagen),** a subsidiary of Porsche Automobile Holding SE, is an automobile manufacturer. The company develops vehicles and engines, and produces and sells passenger cars, trucks, buses and motorcycles, light commercial vehicles, genuine parts, turbomachinery, large-bore diesel engines, propulsion components, special gear units and testing systems. It also provides leasing, banking and insurance, dealer and customer financing, and fleet management and mobility services. Volkswagen markets products under brands such as Volkswagen, Porsche, Bugatti, Lamborghini, Bentley, Audi, Ducati, Scania and Cupra. It has operations in Europe, North America, South America, Asia Pacific, and other regions. The company has production facilities across the world. Volkswagen is headquartered in Wolfsburg, Niedersachsen, Germany.

**Justification for identifying Volkswagen as a peer:**

* Volkswagen is an international motor company that has been in existence for decades which shows its experience and long standing in the industry Telsa operates.
* Both companies provide same range of products such as electric cars/vans and self-driving cars.
* In addition, both companies create products for similar customer base.
* Furthermore, the size of the company is similar in terms of revenue (Tesla: $94.03 billion, Volkswagen: $293.6 billion)
* Both companies are publicly listed, the market capitalization of Telsa is $794.2billion while Volkswagen‘s market capitalization is $62.3 billion.
* Both entities are increasingly creating value in the industry through manufacturing of more spontaneous electric vehicle which has resulted in high competition. It estimates that 50% of its U.S. sales by 2030 will be EVs. It's spending tens of billions to meet this goal. It also plans to produce 1.5 million electric vehicles by 2025 to help buyers meet the EU’s expected emission targets.

**NIO Inc. (NIO**) is a Chinese holding company that designs, manufactures, and sells premium smart electric vehicles for the international market. These include the EP9, which it asserts is among the fastest electric cars in the world, and its flagship SUV, the ES8. Nio also offers customers power solutions that include access to public charging, access to power mobile charging trucks, and battery swapping. According to NIO, it stands apart by its "continuous technological breakthroughs and innovations, such as its industry-leading battery swapping technologies, Battery as a Service, or BaaS, as well as its proprietary autonomous driving technologies and Autonomous Driving as a Service, or ADaaS. In July 2022, NIO delivered 10,052 vehicles. That was an increase of 26.7% year-over-year. For the year through July, it delivered 60,879 electric vehicles, an increase of 22% year-over-year. The company was founded by in November 2014 and is headquartered in Jiading, China.

**Justification for identifying Nio as a peer:**

* Nio is a new generation international automotive company which has shown the capacity to compete with Telsa in the industry considering the recent releases by the company over the past months.
* Both companies provide same range of products such as electric cars/vans and self-driving cars.
* In addition, both companies create products for similar customer base.

**NVIDIA Corp (NVIDIA)** is a designer and developer of graphics processing units, central processing units, and system-on-a-chip units. The company offer its products to gaming, professional visualization, data center, and automotive markets. It also offers solutions for Artificial Intelligence and data science, data center and cloud computing, design and visualization, edge computing, high-performance computing, and self-driving vehicles. NVIDIA offers products for gamers, professional graphic designers, researchers, and developers through GeForce NOW, Quadro, GeForce, SHIELD, vGPU, DOCA, JESTON, and Bluefield brand names. The company serves various sectors, including architecture, engineering, construction, internet, cybersecurity, energy, financial services, healthcare and life sciences, education, gaming, manufacturing, media and entertainment, retail, robotics, telecommunication, and transportation. It has business presence across the Americas, Asia-Pacific, and Europe. NVIDIA is headquartered in Santa Clara, California, the US. The company recorded a revenue of $27.0 billion. The company’s market capitalization as of Sept 2023 is $1,064.3 billion.

**Identifiable Peers:**

**Alphabet Inc (Alphabet),** the holding company of Google, is a global technology company. It offers a wide range of products and platforms including Search, Google Maps, calendar, ads, Gmail, Google Play, Android, Google Cloud, Chrome, and YouTube. It also offers hardware products such as Pixel phones, smartwatches, and Google Nest home products. The company offers online advertising services through its Google Network services. Google Network properties include AdSense, Google Ad Manager, and AdMob. It also offers internet services, subscription-based products, and licensing and research and development services. Alphabet invests in infrastructure, data, machine learning, analytics, and artificial intelligence (AI). The company has business presence across the Americas, Europe, and Asia-Pacific. Alphabet is headquartered in Mountain View, California, the US

**Justifications:**

* Both companies are high rated companies in the technology and communication industry.
* They are both situated in the same country and have similar customer base as they provide same range of product/services to existing and prospective customers.
* Additionally, the company is significantly similar in size in terms of market capitilization (Alphabet: $1,673.1 billion, Nvidia: $1,064.3B)
* Furthermore, the company are publicly listed, and its stock are traded on the US stock market.

**Amazon.com Inc** (Amazon) is an online retailer and web service provider. The company provides products such as apparel, auto and industrial items, beauty and health products, electronics, grocery, games, jewelry, kids and baby products, music, sports goods, toys, and tools. It also offers related support services including home delivery and shipping, cloud web hosting and other web related services. Amazon merchandises its products through company-owned online and physical platforms. It also manufactures and commercializes various electric devices such as Kindle e-readers, fire tablets, fire TVs, echo, Alexa and other devices. The company allows authors, musicians, filmmakers, and others to publish and sell content. Amazon is headquartered in Seattle, Washington, the US.

**Justifications:**

* Both companies are high rated companies in the technology and communication industry.
* They are both situated in the same country and have similar customer base as they provide same range of product/services to existing and prospective customers.
* Additionally, the company is significantly similar in size in terms of market capitalization and profitability. (Amazon: $1,299.8 billion, Nvidia: $1,064.3B)
* Furthermore, the companies are publicly listed, and its stock are traded on the US stock market.

**Alibaba Group Holding Ltd (Alibaba Group**) is a provider of e-commerce and technology infrastructure services. The company provides fundamental technology infrastructure services to merchants, brands, retailers and businesses to market, sell and operate using Internet. Its businesses comprise core commerce, digital media and entertainment, cloud computing and other innovation initiatives. Alibaba Group provides services through its subsidiaries, including Taobao, Tmall, Freshippo, Aliexpress, Lazada, Alibaba.com, 1688.com, ele.me, Youku, DingTalk, Alimama, Alibaba Cloud, and Cai Niao. It also offers logistic services through the Koubei and Cainiao Network. The company has business presence in Hong Kong, China, Taiwan, the US, the UK, Singapore, Korea, Italy, France, Germany, the Netherlands, Japan, Australia, and New Zealand. Alibaba Group is headquartered in Hangzhou, Zhejiang, China.

**Justifications:**

* Both companies are high rated companies in the technology and communication industry.
* They have similar customer base as they provide same range of product/services to existing and prospective customers.
* Additionally, the company is significantly similar in size in terms of market capitalization and profitability. (Alibaba: $217.8 billion, Nvidia: $1,064.3B)
* Furthermore, the companies are publicly listed.

**Pfizer Inc (Pfizer)** discovers, develops, manufactures, and commercializes biopharmaceuticals. The company offers products to treat various conditions such as cardiovascular, metabolic and pain, women’s health, cancer, inflammation, immune disorders, and rare diseases. It also provides sterile injectable pharmaceuticals, biosimilars, active pharmaceutical ingredients (APIs) and contract manufacturing services. Pfizer sells its products through wholesalers, retailers, hospitals, individual provider offices, clinics, government agencies and pharmacies. It has major manufacturing facilities in India, China, Japan, Ireland, Italy, Belgium, Germany, Singapore, and the US. The company provides its products in North America, South America, Asia-Pacific, Australia, Europe, Africa, and the Middle East. Pfizer is headquartered in New York, the US.

**Identifiable Peers:**

**Johnson & Johnson (J&J**) researches, develops, manufactures, and sells pharmaceutical products, medical devices, and consumer products. The company provides pharmaceuticals for immune diseases, cancer, neurological disorders, infectious, cardiovascular, and metabolic diseases; consumer products in oral care, baby care, beauty, over the counter (OTC) medicines, women’s health and wound care categories; and medical devices for use in the cardiovascular, orthopaedic, neurovascular care, general surgery and vision care fields. J&J distributes pharmaceutical and medical products to retailers, wholesalers, health care professionals and hospitals; and offers consumer products through retail outlets and distributors. The company offers its products in the US; Europe; Asia-Pacific and Africa; and Western Hemisphere (excluding the US). J&J is headquartered in New Brunswick, New Jersey, the US.

**Merck & Co Inc (Merck)** is a biopharmaceutical company focused on the discovery, development, manufacturing and marketing of prescription medicines, biologic therapies, vaccines, and animal health products. It offers prescription products for therapy areas related to cardiovascular, cancer, immune disorders, infectious, respiratory, and diabetes. The company provides animal health products such as vaccines, poultry products, livestock products and aquaculture products. Merck sells medicines to drug wholesalers, retailers, hospitals, government agencies and managed health care providers; and animal health products to veterinarians, distributors and animal producers. The company and its subsidiaries operate in the Americas, Europe, the Middle East, Africa, Asia Pacific, and Latin America. Merck is known as MSD outside the US and Canada and is headquartered in Kenilworth, New Jersey, the US.

**AbbVie Inc (AbbVie)** is a specialty biopharmaceutical company, which discovers, develops, manufactures, and commercializes drugs for the treatment of chronic and complex diseases. Its drugs are indicated for the treatment of metabolic and rheumatological diseases, neurological disorders, skin diseases, rheumatoid arthritis, pain related to endometriosis, pediatric Crohn's disease, cancer, and other serious health conditions. AbbVie is also advancing its pipeline programs for the treatment of Crohn's disease, Parkinson's disease, viral diseases, wet AMD, various cancers, neurological disorders, aesthetics, and other autoimmune diseases. The company markets its products directly to wholesalers, distributors, healthcare facilities, government agencies, specialty pharmacies and independent retailers through its own distribution centers and public warehouses worldwide. AbbVie is headquartered in North Chicago, Illinois, the US