**Marriott Inc**

**Price volume data**

(finance.yahoo.com and Nasdaq.com)

Stock price = $196.56

Volume = 1,710,178

52 Week range = $137.25 - $210.98

Market cap = $58.622B

**Revenue Drivers**

* **Cost Reimbursement Revenue 82%**
* Contributes to a higher profitability which can incentivise greater investment.
* Supports healthy cash flow as business can fund its operations and growth.
* **Base Management Fees 5%**
* % Of total revenue so it can act as a multiplier for total revenue growth.
* Agreed fees that do not change in short term so can offer steady revenue growth.
* **Franchise Fees 10%**
* Upfront payment and direct source of revenue
* Royalty payments that increase with total sales of the franchisee, steady increase on revenue growth
* **Incentive Management Fees 1%**
* Performance based for managers which boosts total revenue and growth.

**Cost Drivers**

* **Operating Expenses**
* Affects profitability from revenue – expenses.
* Fixed and variable.
* Varies of level of output.
* Directly affects level of output which is hue factor in revenue growth.
* **Hotel Operating Costs**
* Fixed and variable.
* Staff wages and salaries
* Amount of food and drink sold.
* Directly affects hotel output and revenue growth of each hotel.
* **Franchise Costs**
* Fixed and variable.
* Varies on level of royalties paid and size of total gross sales.
* Fixed can include initial fee.
* Can greatly increase revenue growth from royalties.
* **Marketing and Advertising**
* Fixed includes the marketing budget and salaries of marketing analysts.
* Variable includes number of advertisements released digitally.
* **Administrative Expenses**
* Salaries of administrators are fixed.
* Commission paid for rooms booked is a variable cost.
* **Depreciation and Amortization**
* Fixed cost.
* Effect on property and equipment over time.
* Effect on company name.
* Can affect borrowing capacity which can see future revenue growth decrease from affected credit score.
* **Interest Expense**
* Fixed as it is spread out over time.
* Increases companies risk so can affect future investment and revenue.
* Negatively affects cash flow which can make revenue growth decrease.

**Peer Performance**

Marriott ranked number 1 out of its competitors.

With revenue growing by 14.3%

**Johnson and Johnson Inc.**

**Price Volume Data**

Stock price = $155.75

Volume = 7,679,900

52 Week range = %150.11 - $181.039

Market cap = $375.04B

**Revenue Drivers**

* **Pharmaceuticals**
* Main revenue source.
* **Medical devices**
* Fastest growing revenue driver.
* **Consumer health**
* Steady growth but has suffered since decline of COVID.

**Cost Drivers**

* **R&D**
* Fixed as salaries and staffing costs don’t change.
* Variable costs depending on different projects and tasks.
* **Manufacturing and Supply Chain**
* Fixed property and contract costs.
* Variable material and labour costs.
* **Regulatory Compliance**
* Fixed costs of maintaining regulations.
* Variables may change with regulatory standards.
* **Marketing and Sales**
* Fixed can include salaries and budget.
* Variables may include number of advertisements released.
* **Administrative Expenses**
* fixed can include salaries.
* Variable can include commission for advertisers.

**Peers Performance**

Merck

Showing similar returns for next three years.

Merck seen 27.8% revenue growth with J&J only seeing 5%.