**Peer Identification**

1. Overview

A peer group can be defined as a group of comparable companies which compete in the same industry and almost the same size. For identification purposes I will be guided by the following variables

* Business activities
* Demand factors
* Cost structures
* Access to capital

Five companies will be covered in this report which are Marriot, Tesla, Netflix, Nnividia and Pfizer.

1. Marriot Inc

This company is in the hospitality industry with a global presence in 139 countries, 40 brands and 1.5 million rooms

| Peer | Justification |
| --- | --- |
| 1. Hilton Worldwide
 | * Both in hospitality industry
* Present in 122 countries, 22 brands and over a million rooms
 |
| 1. Accor
 | * Both in hospitality industry
* Same size as Accor has more than 800000 rooms and 40 brands
* Same market with a global presence in 110 nations
 |
| 1. IHG hotels & Resorts
 | * Both in the hospitality industry
* All big in terms of size with more than 920000 rooms and 19 brands
* All multinationals with a presence in more than 100 countries
 |

3. Tesla Inc

Tesla is a leading brand with a global market in the auto-motive industry and specifically EV(electric vehicle) sector. The peer group established here is based on companies in EV production.

| Peer | Justification |
| --- | --- |
| 1. BYD company limited
 | 1. Same type of business
2. Competing in the same global market
3. In the top 2(with tesla) list of EV producers
 |
|  2. VW group | 1. All in EV manufacturing
2. A global giant
3. In the top 3 according to: *impact report 2023*
 |
| 3. General motors | 1. All US based companies
2. Produce EV automotives
3. In the top 6 worldwide in EV production
4. A big competitor on the global market as well
 |

4. Netflix

Netflix is a big player in the video streaming business with a market share of 21% in the US while its market extends beyond US borders. Its main peers are shown in the table below

| Peer | Justification |
| --- | --- |
| 1. Amazon Prime
 | * Both invest in original content
* Both compete to expand their libraries
* Both offer inherent user interfaces, high quality streaming and personalised recommendations
* Both available on the global platform
* Both entertainment media companies
 |
| 1. Disney +
 | * Both entertainment media companies
* Both offer original content
* All available on the global platform
* Both invest in extensive library
 |
| 1. Hulu
 | * Both compete heavily in the US market
* All provide variable pricing tiers
* Are in the same entertainment industry
 |

5. Nvidia Inc

Nvidia is an American based multinational corporation and technology company. Below is tabular list of its main peers

| Peer | Justification |
| --- | --- |
| 1. Cisco
 | * Both technology companies
* Compete and operate in the same US market
* All public companies
 |
| 1. Hewlett Packard Enterprise
 | * Both technology companies
* All based in US
* All public companies
* All in artificial intelligent & cloud computing business
 |
| 1. Broadcom
 | * All technology companies
* All in semiconductors & software business
* All based in US
* All public companies
 |

6. Pfizer Inc

Pfizer is an American biotechnological and pharmaceutical corporation with a market capitalization of $160.59 billion as on 4 October 2024. Had a total revenue of $58.5 billion in 2023 with more than 50% of its revenue generated from overseas markets. Some of its key peers in business are listed on the table below

| Peer | Justification |
| --- | --- |
| 1. Johnson & Johnson
 | * Both in pharmaceutical & biotechnology business
* A big player as well with revenue of $85.2 billion in 2023
* All public companies
* All US based companies
* A big competitor in terms of size with market cap of $395.2 billion
 |
| 1. Roche Holding AG
 | * All pharmaceutical companies.
* Big competitor on the global market
* Almost same size with a revenue of $69.1 billion in 2023 and market cap of $256.6 billion
 |
| 1. Merck & Co Inc
 | * With a market cap of $297 billion and 2023 revenue of $60.1 billion, they are in the same size category.
* All US based public companies
* All in pharmaceutical and biotechnological companies
 |

References

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