**Peer Identification**

**Marriot Inc.**

About the company

Marriot International, Inc is an operator, franchisor and licensor of hotel, residential, timeshare and other lodging properties under various brand names. The company has two segments: U.S and Canada and International. Its Classic Luxury hotel brands include JW Marriott, The Ritz-Carlton, and St. Regis. Year on year Marriott International grew revenues 49.91% from 13.86bn to 20.77bn while net income improved 114.56% from 1.10bn to 2.36bn. Currently, Marriott International Inc’s price-earnings ratio is 21.8. Marriott International Inc’s trailing 12-month revenue is $22.9 billion with a 12.2% net profit margin. Marriott International Inc currently has a 1.1% dividend yield.

**Marriot Inc. suitable peers**

**Hilton WORLDWIDE Holdings Inc**. as well as Marriot Inc is engaged in managing, franchising, owning and leasing hotels and resorts and licensing its intellectual property, including brand names, trademarks and service marks. Their revenue grew exponentially from 5.79bn to 8.77bn which is 51.57%, while the net income improved by 206.10% from 410.00 to 1.26bn. Hilton Worldwide Holdings Inc. has a portfolio of approximately 22 brands comprising more than 7,300 properties and 159.00 k employees. Hilton Worldwide Holdings Inc’s price -earnings ratio is 31.4, their trailing 12 months revenue is $9.8 billion with a 13.2% net profit margin while their dividend yield is 0.4% significantly lower than Marriot Inc. A wide range of financial metrics have been analysed in order to determine that those two companies are suitable peers. Their financial health is impressive, followed by a high net income and market cap. They both delivered strong financial performance meaning that their growing revenues, debt and free cash flow are stable.

**Hyatt Hotels Corporation** is a global hospitality company. In comparison with Marriot Inc. their portfolio consists of full-service hotels and resort, all-inclusive resorts including timeshare, fractional and other forms of residential, vacation and condominium units. Hayatt Hotels Corporation financial health has been recently notable with a year-on-year revenue growth of 94.55% from 3.03bn to 5.89bn Their net income improved from a loss of 222.00m to a gain of 455.00m. Hyatt stock earns the number 8 rank among its peers in the Leisure-Lodging industry group. Behemoth hotels operator Marrott Inc, which is in the top five in the group generated about $22 billion as an annual revenue. Hayatt Hotels Corporation became one of the world’s best hospitality brands.

**Travel + Leisure Co**. - operating model is different from Marriot since it is a rental business, whereas Marriot operates with large room base. Can consider Intercontinental Hotels Group or Wyndham Hotels Group instead.

is a membership and leisure travel company, which operates through two segments: vacation ownership and travel and membership. Year on year Travel + Leisure Co. grew a net income of 15.91% from 308.00m to 357.00m primarily through revenue growth (3.13bn to 3.57bn). In comparison with Marriot Inc. the Travel + Leisure Co. is not the largest company, but according to analysts it should provide a high growth potential at a cheap price. This should lead to a more robust cash flows, feeding into a higher share value. Travel + Leisure Co has a market cap of 2.5bn while having 18.20 k employees, it is necessary to say that Travel + Leisure Co became the world’s leading membership and leisure travel company with a consistent equity growth .



(Financial Times, 2023)

**Tesla**

About the company

Tesla designs, develops manufactures , sells and leases fully electric vehicles. Year on year Tesla grew revenues 51.35% from 53.82bn to 81.46bn while net income improved 127.79% from 5.52bn to 12.58bn. In 2022, cash reserves at Tesla fell by 1.22bn. However, the company earned 14.72bn from its operations for a Cash Flow Margin of 18.07%. Tesla uses little debt in its capital structure as supported by a debt to capital ratio of 4.28%. Tesla's success combines its innovative technology, strong brand recognition and leadership in autonomous vehicle development.

**Tesla suitable peers**

**Ford Motor Co** is an automobile company. The company designs, manufactures, markets and services a full line of electrified passenger and commercial vehicles. Year on year Ford had net income fall from a gain of 17.94bn to a loss of 1.98bn despite a 15.93% increase in revenues from 136.34bn to 158.06bn. In 2022, Ford Motor Co increased its cash reserves by 22.20%, or 4.60bn. The company earned 6.85bn from its operations for a cash flow margin of 4.34%. Ford became Tesla’s biggest competitors given its history as a legacy automaker. As a main competitor Ford made significant improvements in the electric vehicle market in the automotive industry. In particular, on the electric trucks and electric SUV’s.

**General Motors** designs, builds and sells trucks, crossovers, cars and automobile parts and provides software-enabled services and subscription worldwide. General Motors became another significant player aiming to challenge Tesla’s dominance in the electric vehicle market. Year on year General Motors had a little change in net income (from 10.02bn to 9.94bn) despite revenues that grew 23.41% from 127.00bn to 156.74bn. In 2022, cash reserves at GM fell by 1.59bn. However, the company earned 16.04bn from its operations for cash flow margin. It is necessary to say that General Motors same as Tesla offers a powerful combination of impressive range of electric vehicles in affordable price tag.

**Rivian Automotive** designs, develops and manufactures electric vehicles and accessories. It sells its vehicles directly to customers in the consumer and commercial markets. Whilst on the other hand Tesla made a significant progress in the electric vehicles, it faces a tough competition from Rivian Automotive. They both actively invest in electric vehicles. Rivian automobile secured the partnership with Amazon which linked a deal with Rivian to produce electric vans in the near future. In 2022, cash reserves at Rivian Automotive fell by 6.32bn, but on the contrary a cash flow from financing totalled 99.00m or 5.97% of revenues. In terms of the balance sheet, Rivian appears to have little financial risk as the company holds a substantial amount of cash on its books.

**Netflix**

About the company

Netflix is an entertainment service company. The company owes membership in over 190 countries with television series, films and games across variety of genres and languages. Netflix’s financial health deteriorated recently, year on year they had net income fall -12.20% from 5.12bn to 4.49bn a 6.46% increase in revenue from 29.70bn to 31.62bn. In 2022, cash reserves at Netflix fell by 884.53m. However, the company earned 2.03bn from its operations for a cash flow margin of 6.41%. It is necessary to say that Netflix has a debt to total capital ratio of 38.79%, a lower figure than the previous year’s 74.61%.

**Netflix suitable peers**

The Walt Disney Company is a worldwide entertainment company. The company’s segment include Disney Media and Entertainment Distribution. As Netflix offers more original titles, both companies have megahits in their lineups but they each handle original release in their own ways. Disney invests heavily in original productions and same as Netflix excels in true crime and reality. Year on year Walt Disney Co grew revenues 22.70% from 67.42bn to 82.72bn while net income improved 57.64% from 2.00bn to 3.15bn. Although Walt Disney World is facing slowing growth, it's still doing extremely well. Compared to pre-pandemic levels in fiscal 2019, Walt Disney World posted 21% higher revenue and 29% higher operating income in Q3 fiscal 2023.

Paramount Global is a global media, streaming and entertainment company that creates a content for audiences worldwide. The company’s segment include TV Media, Direct-to-Consumer and Filmed Entertainment. Paramount and Netflix both streaming services that offer on - demand content to their subscribers on affordable monthly subscription plans. Paramount Global financial health indicates company stability, however, examining their financial stability, there’s a notable decrease in its current ratio over the past three years. Year on year Paramount’s net income fell- 75.70% from 4.54bn to 1.10bn despite the revenues that grew 5.49% from 28.59bn to 30.15bn. Both Netflix and Paramount+ offer excellent streaming services which suits the user’s needs and budget.

Amazon Prime Video - Amazon prime cannot be split from the Amazon company as a whole, whose primary line of business in e-commerce. Same applies to apple. Can consider Discovery Inc. and Roku instead

 is one of the biggest streaming platforms, offering original content in addition to a library of third-party movies and series. In the year 2021 Prime Video earned $4.63 billion in revenue, till today in the year 2022, the platform has earned $5.16 billion. By 2024, it is projected that the number of prime members will reach 64.2% which is indicative of company’s stable equity growth. Netflix and Amazon Prime Video are two strongest streaming services that offer similar experiences. Amazon seems to be the suitable peer as it consistently generates revenue and attracts investors. Amazon’s Prime Video retained a 19% market share of the streaming industry in 2021 and first quarter 2022, the second highest share behind Netflix.

**Nvidia**

About the company

Nvidia is known for developing integrated circuits, which are used in everything from electronic games consoles to a personal computers. The company is a leading manufacturer of high-end graphics processing units (GPUs). Year on year Nvidia net income fell – 55.21% from 9.75bn to 4.37bn despite relatively flat revenues . A contributing factor has been an increase in the percentage of sales devoted to the cost of goods sold from 32.67% to 40.49%. Nvidia has a debt to total capital ratio of 26.09%, a lower figure than the previous year’s 40.67%

**Nvidia suitable peers**

Taiwan Semiconductor Manufacturing is a Taiwan based company mainly engaged in the provision of integrated circuit manufacturing services. Their year-on-year revenues grew 42.61% from 1.5tn to 2.26tn. In comparison to Nvidia, TSMC dominates the semiconductor foundry industry with a market share approaching 60%. TSMC seems to be a suitable peer as it controls 84% of the market for chips with the smallest, most efficient circuits on which the products and services of the world’s biggest technology brands, from Apple in America to Alibaba in China, rely. As demand for the most sophisticated chips surged recently, TSMC  has invested additional sums of money into expanding its dominance in the market.

Oracle Corp - Operating model is different (not semiconductor manufacturing).The main competitor for Nvidia is AMD and Qualcomm who produce high speed graphics processing units specifically for gaming

provides products and services that address enterprise information technology environments. The company’s businesses include cloud and license, hardware, and services. Oracle Corp seems to be financially stable, with year-on-year revenues growth of 17.70% from 42.44bn to 49.95bn while net income improved 26.59% from 6.72bn to 8.50bn. Oracle Corp same as Nvidia generates profits from various sources, including hardware sales, software licensing and support services.

Intel Corporation is one of the world's largest semiconductor chip manufacturer, the company engaged in designing and manufacturing products and technologies. Intel Corporation seems like suitable peer as its financial stable and became recently undisputed leader in global semiconductor manufacturing. The company innovates by diversifying into new chip architectures and implements new ideas and products. Year on year Intel Corp’s revenues fell -20.21% from 79.02bn to 63.05bn.

**Pfizer Inc**

About the company

Pfizer Inc is a research- based biopharmaceutical company. The company is engaged in the discovery, development, manufacture, marketing , sales and distribution of biopharmaceutical products around the world. Year on year Pfizer Inc grew revenues 23.43% from 81.29n to 100.33bn while net income improved 42.73% from 21.98 to 31.37bn. In 2022, cash reserves at Pfizer fell by 1.52bn. However, the company earned 29.27bn from its operations for a cash flow margin of 29.17%. Ultimately, Pfizer has a debt to total capital ratio of 39.69%.

**Pfizer suitable peers**

Johnson &Johnson is a diversified healthcare products company. The company is engaged in the research and development manufacture and sale of a range of products in the healthcare field. The company has 128,700 employees worldwide, and total annual revenue exceeding $70 billion. Johnson & Johnson is one of the world's most valuable companies and is one of only two U.S.-based companies that has a prime credit rating of AAA. Johnson & Johnson seems to be suitable peer as it operates in the same field as Pfizer and generates significant amount of revenue consistently.

AbbVie Inc. is a diversified research -based biopharmaceutical company. The company is engaged in the research and development, manufacturing and sales of medicines and therapies. Year on year AbbVie Inc had a little change in net income from 11.54bn to 11.4bn despite the revenue that grew 3.30% from 56.20bn to 58.5bn. A contributing factor has been an increase in the selling, general and administrative costs as a percentage of sales from 21.35% to 25.60%. AbbVie has been identified as a suitable peer as they spend heavily to innovate new drugs and therapies.  Since 2013, AbbVie invested more than $55 billion in research and development.

 Merck & Co., Inc, is a global healthcare company. The company offers health solutions through its prescription medicines, including biological therapies, vaccines and animal health products. The income statement is indicative of solid gains. Year on year Merck & Co Inc grew revenues 21.72% from 48.70bn to 59.28bn while net income improved 11.27% from 13.05bn to 14.52bn. Merck & Co Inc has been recognized as a suitable peer. Merck's strong financial performance can be attributed to several key factors. The company's focus on developing innovative medicines and vaccines has led to the continued growth of its Pharmaceutical segment. Merck's partnerships and collaborations have been instrumental in driving growth across all segments of the business. The company's partnership with AstraZeneca, in particular, has been a significant contributor to the success of the Alliances segment.