

THE **W** REPORT

# Most Competitive Companies 2024

Annual Report

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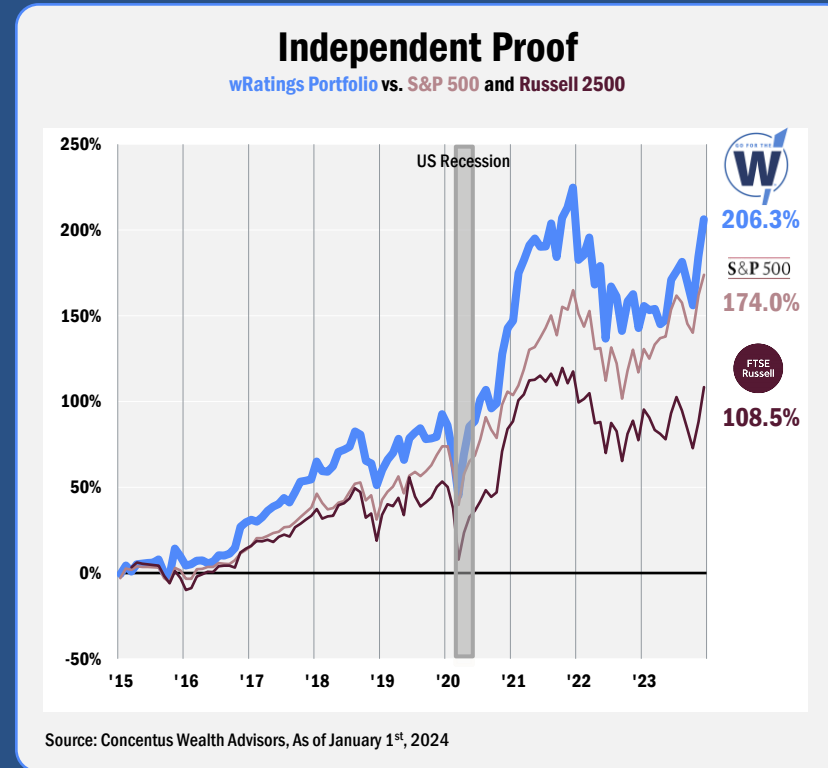
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## Why Measure Competitive Strength

For decades, executives have been told that companies must satisfy customers in order to succeed. Yet, many companies with satisfied customers went out of business: Blockbuster, Borders, Compaq, and Ringling Brothers to name a few. Satisfying customers by itself is not enough any longer; Just as the likelihood for customers to recommend them (Net Promoter Score®) is also not enough.

**What companies must achieve is competitive strength, which is a company's ability to meet customer expectations better than rivals.**

At wRatings, we measure the size of customer expectation gaps and how companies close them to generate more pricing power and grow sales. We rank the competitive strength of companies based on those gaps. One fund using the top ranked companies from our universe of coverage is out-performing the S&P 500 by 32.3% and the Russell 2500 by 97.8%, from 2015 through the end of 2023.

This report shows our annual rankings of 30 well-known companies selected from our universe of coverage based on their competitive strength. Sign up [here](#) to become an insider and receive our exclusive updates.






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# Key Takeaways

- ✓ Taking over the top spot from Zoom last year, Deere meets customer expectations better than all others, an impressive feat for an industrial manufacturer. Deere’s “smart, industrial strategy” brought improvement in two key customer areas.
- ✓ Today, W-30 companies are within 0.86 points of meeting customer expectations and performance has leveled off, stopping the decline since 2022.
- ✓ In today’s uncertain business environment, pricing power matters a lot because it allows companies to pass on costs; But pricing power continues to slide beyond its historical averages to 3.9% in 2024.
- ✓ Premium companies continue to dominate with their customers, building new barriers to entry in Channel Lock-Out and Routine Reliance moats.
- ✓ We drill down into five head-to-head matchups, detailing competitive strategies for how Deere became ranked #1, how Costco & Amazon co-exist as leaders, how new fintech Square/CashApp compares to American Express, the Intel/Apple break-up, and Boeing’s safety impact on Delta and Southwest.

## Top 5 Most Competitive

1	 JOHN DEERE	83.4% Premium Industrial/Transport
2	 lululemon	81.8% Premium Food/Retail
3	 zoom	81.2% Challenger & Freemium Media/Technology
4		78.7% Premium Media/Technology
5	 COSTCO WHOLESALE	78.7% Standard & Discounter Food/Retail































## Top 5 in Pricing Power

1	 BOEING	5.73% Standard Industrial/Transport
2	 lululemon	5.52% Premium Food/Retail
3	 TESLA	5.06% Challenger Industrial/Transport
4	 intel	5.02% Standard Media/Technology
5	 Toll Brothers	4.89% Premium Home/Finance

# Most Competitive Companies 2024

Similar to the Dow Jones Industrial Average of 30 prominent companies, we've selected 30 well-known companies from our universe of coverage across eight industries to form a W-30 index. **To better understand shifts in customer value and pricing power, we categorize them according to their business frameworks:**

- **Premiums** are companies that focus on quality offerings that are higher priced than their direct competitors
- **Standards** are companies that occupy a top spot within their industry in terms of market or mind share, and set the norms for fair-value
- **Challengers** are companies with new or innovative ways to do business within an industry, and defy the status quo as they strive to build a new set of norms
- **Discounters**, which are a subset of Standards and Challengers, are companies that are low cost or free to customers (i.e. the customer is the product)

↑ 1  <b>Deere</b> Premium, Industrial/Transport	↑ 11  <b>American Express</b> Premium, Home/Finance	↓ 21  <b>Dominos</b> Standard, Food/Retail
↑ 2  <b>Lululemon</b> Premium, Food/Retail	↑ 12  <b>Starbucks</b> Premium, Food/Retail	↓ 22  <b>Boeing</b> Standard, Industrial/Transport
↓ 3  <b>Zoom</b> Challenger*, Media/Technology	↓ 13  <b>Zillow</b> Challenger*, Home/Finance	↓ 23  <b>Uber</b> Challenger, Industrial/Transport
↑ 4  <b>Apple</b> Premium, Media/Technology	↓ 14  <b>Beyond Meat</b> Challenger, Food/Retail	↑ 24  <b>Waste Management</b> Challenger, Home/Finance
↑ 5  <b>Costco</b> Standard*, Food/Retail	↓ 15  <b>Tractor Supply</b> Challenger, Food/Retail	↓ 25  <b>Johnson &amp; Johnson</b> Standard, Home/Finance
-- 6  <b>Amazon</b> Standard, Food/Retail	↓ 16  <b>UPS</b> Premium, Industrial/Transport	↓ 26  <b>Disney</b> Premium, Media/Technology
↑ 7  <b>Square (Block)</b> Challenger, Home/Finance	↑ 17  <b>Toll Brothers</b> Premium, Home/Finance	↓ 27  <b>Netflix</b> Challenger, Media/Technology
↓ 8  <b>Roku</b> Challenger, Media/Technology	↓ 18  <b>Schwab</b> Standard*, Home/Finance	↑ 28  <b>ExxonMobil</b> Standard, Industrial/Transport
↑ 9  <b>Crocs</b> Challenger, Food/Retail	↑ 19  <b>Tesla</b> Challenger, Industrial/Transport	↓ 29  <b>Southwest</b> Standard*, Industrial/Transport
↓ 10  <b>Intel</b> Standard, Media/Technology	↑ 20  <b>Microsoft</b> Standard, Media/Technology	-- 30  <b>Facebook (Meta)</b> Standard*, Media/Technology

\* Companies that are also Discounters or free to end users

# Pathway to WSJ/Drucker's Best-Managed Companies
















**What does it take to be one of the Best-Managed Companies?** Meeting customer expectations better than your rivals is a strong start. We compare the W-30 Moat Scores to the Top Management Scores published annually in the Wall Street Journal/Drucker Institute. Since 2017, wRatings has supplied multiple customer metrics to help rank the Best Managed 250 Companies.
















We've found that the ranking systems have a lot of crossover helpful to executives wanting to grow their sales. For example, the top and bottom halves in each compare similarly in terms of both rank and score (88.5 vs. 112.5, 65.4 vs. 62.8).

**As is typical, where the outliers exist is where the most opportunities exist.**

With **Lululemon** and **Square (Block)**, customers love their products, indicating that other areas like employee engagement or financial strength may need more attention.

While **Microsoft** and **J&J** score high for Best Management, customer success is not about meeting customer expectations but more likely about being the industry standard. This shows the power of the status quo is often hard to overcome for rivals, but it is possible.

wRatings Moat		Top Half		WSJ Management*	
Rank	Score			Rank	Score
1	83.4%	Deere		34	67.1
2	81.8%	Lululemon		178	56.0
3	81.2%	Zoom		--	--
4	78.7%	Apple		2	87.0
5	78.7%	Costco		36	66.7
6	74.6%	Amazon		15	73.1
7	69.9%	Square (Block)		191	55.4
8	69.6%	Roku		--	--
9	63.6%	Crocs		162	56.8
10	62.4%	Intel		6	76.8
11	60.5%	American Express		39	66.2
12	59.2%	Starbucks		132	58.2
13	56.4%	Zillow		--	--
14	54.5%	Beyond Meat		--	--
15	53.3%	Tractor Supply		178	56.0
	<b>68.5%</b>	<b>Top Half Averages</b>		<b>88.5</b>	<b>65.4</b>

wRatings Moat		Bottom Half		WSJ Management*	
Rank	Score			Rank	Score
16	50.2%	UPS		65	63.9
17	47.6%	Toll Brothers		--	--
18	46.4%	Schwab		--	--
19	44.5%	Tesla		103	60.3
20	40.4%	Microsoft		1	88.0
21	39.5%	Dominos		--	--
22	35.4%	Boeing		139	57.9
23	32.3%	Uber		199	55.1
24	27.9%	Waste Management		--	--
25	27.6%	Johnson & Johnson		13	73.5
26	25.4%	Disney		164	56.6
27	21.3%	Netflix		--	--
28	17.2%	ExxonMobil		143	57.8
29	16.0%	Southwest		174	56.2
30	0.3%	Facebook (Meta)		124	58.9
	<b>31.5%</b>	<b>Bottom Half Averages</b>		<b>112.5</b>	<b>62.8</b>

\* The Management Top 250 ranking, developed by the Drucker Institute, measures corporate management effectiveness by examining performance in five areas: customer satisfaction, employee engagement and development, innovation, social responsibility and financial strength. The ranking is based on an analysis of 34 data inputs provided by 15 third-party sources.

Section

**1**

# Inside the Trends



# Most Competitive Companies Ranks in Detail

Taking over the top spot from Zoom last year, **#1 Deere** meets customer expectations better than all others, an impressive feat for an industrial company. Deere’s “smart, industrial strategy” brought improvement in two powerful areas with customers, Simplicity and Employee Competence, as autonomous tractors drove more productivity.

Whereas the three of the top five companies are premium-based frameworks, Costco bucks the trend as both a standard and discounter. Their fair-value products, reputation, culture and stability are why customers rank **Costco #5**.

And although investors marvel at how **#27 Netflix** is the only one to figure out profitability with streaming, they topped this year’s list for the single largest drop of 17 spots with a -34.5% decline.

### About Moat Scores

The moat concept was made famous by Warren Buffett decades ago, as moats help protect a company’s growth and future earnings. The precursor to Buffett’s economic moats are customer moats, which is how we use the term. Moat Scores measure a company’s ability to meet their customer’s expectations. Because customer expectations are influenced by events outside a company’s control, Moat Scores capture areas that impact performance beyond the company. This provides a much deeper view than traditional NPS® or satisfaction scores by themselves.

Rank	Company	Moat Score	1-Yr Rank Change	1-Yr Score Change	Pricing Power	NPS®
1	Deere	83.4%	+2	10.0%	3.6%	25.6
2	Lululemon	81.8%	+2	6.3%	5.5%	18.3
3	Zoom	81.2%	-2	-5.0%	4.0%	47.4
4	Apple	78.7%	+1	-1.6%	4.5%	46.9
5	Costco	78.7%	+8	15.7%	3.6%	56.1
6	Amazon	74.6%	--	-2.2%	4.0%	42.3
7	Square/CashApp*	69.9%	+12	24.5%	4.3%	25.8
8	Roku	69.6%	-6	-18.8%	3.3%	39.3
9	Crocs	63.6%	9	12.9%	4.7%	10.6
10	Intel	62.4%	-2	-3.8%	5.0%	47.6
11	American Express	60.5%	+10	17.6%	3.4%	26.4
12	Starbucks	59.2%	+2	2.8%	4.4%	12.6
13	Zillow	56.4%	-6	-8.8%	3.1%	12.7
14	Beyond Meat	54.5%	-3	-1.9%	4.1%	18.6
15	Tractor Supply	53.3%	-3	-1.6%	2.8%	37.9
<b>Top Half</b>		<b>68.5%</b>			<b>4.0%</b>	<b>31.2</b>

Rank	Company	Moat Score	1-Yr Rank Change	1-Yr Score Change	Pricing Power	NPS®
16	UPS	50.2%	-7	-11.3%	3.5%	36.9
17	Toll Brothers	47.6%	+10	25.4%	4.9%	(1.9)
18	Schwab	46.4%	-2	-6.9%	2.8%	11.5
19	Tesla	44.5%	+6	18.2%	5.1%	12.8
20	Microsoft	40.4%	+6	17.2%	4.1%	26.2
21	Dominos	39.5%	-4	-11.0%	3.7%	5.2
22	Boeing	35.4%	-2	-11.3%	5.7%	12.2
23	Uber	32.3%	-8	-19.4%	4.3%	3.6
24	Waste Management	27.9%	+4	12.2%	2.5%	14.7
25	Johnson & Johnson	27.6%	-2	-4.1%	3.1%	9.3
26	Disney	25.4%	-2	-4.4%	3.3%	16.6
27	Netflix	21.3%	-17	-34.5%	3.4%	17.6
28	ExxonMobil	17.2%	+1	8.8%	3.9%	(7.3)
29	Southwest	16.0%	-7	-24.5%	4.6%	10.0
30	Facebook*	0.3%	--	-0.6%	2.4%	(17.9)
<b>Bottom Half</b>		<b>31.5%</b>			<b>3.8%</b>	<b>10.0</b>

n = 8,801

Data Collection: December 11<sup>th</sup>, 2023 thru December 20<sup>th</sup>, 2023

\* We measure Square/Cash App and Facebook with customers; Block and Meta are their parent company names respectively

# Companies are Meeting Customer Expectations Again, Sort of

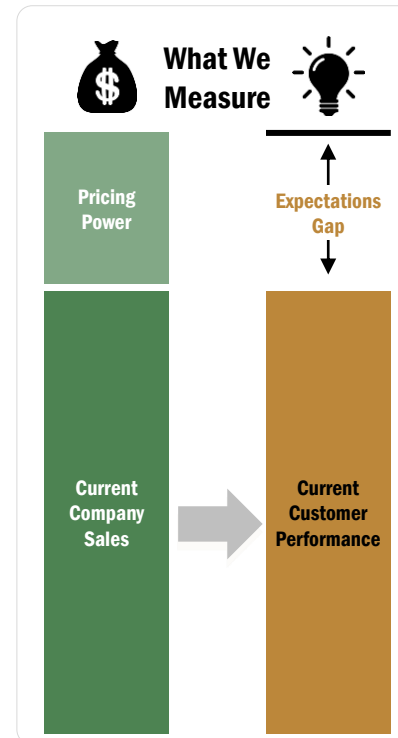
After 5 consecutive quarters of companies performing worse against customer expectations, companies are starting to adjust in the post-pandemic era as gaps finally leveled off these past six months.

**Today, W-30 companies are within 0.86 points of meeting customer expectations (on a 10-point scale).**

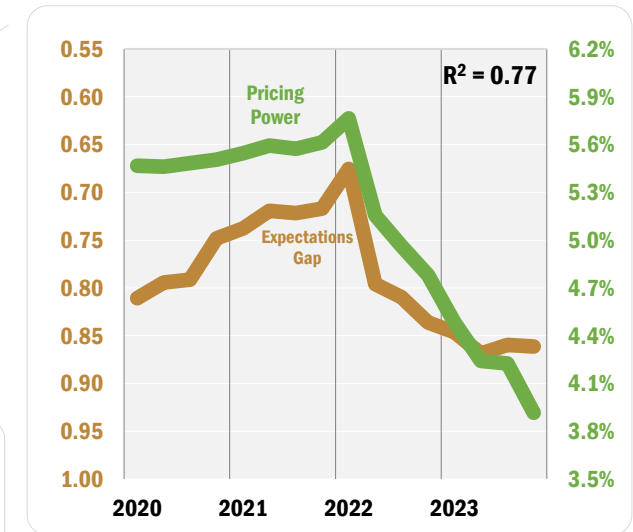
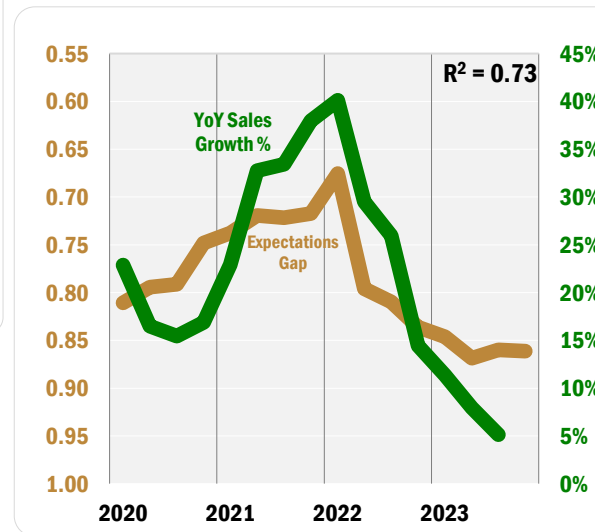
Since 2020 (pre-pandemic), data from the W-30 companies shows that 77% of the variation of pricing power and 73% of sales growth can be explained by better meeting customer expectations.

So this leveling off is good news for both sales growth and pricing power, as they are tied to the size of customer expectation gaps.

But keep in mind that company performance has dropped almost a full 0.20 points from 2022-Q1. Improvement will be needed to reverse the trends.



**More sales growth and pricing power are driven by better meeting customer expectations**



Pricing power is the willingness of a customer pay X% more if their expectations are met.



# Pricing Power Continues to Disappear

In today's uncertain business environment, pricing power matters a lot because it allows companies to pass on their increased costs to customers without sacrificing sales volume. But since early 2022, pricing power with customers has been on a steady decline. **Historically, the average pricing power for B2C companies has been ~4.4%. As we start 2024, we are down to 3.9% and still sliding.**

How does this trend get reversed? Companies must find ways to better meet customer expectations. As companies close those gaps, customers are willing to pay more for their next set of expectations to be met.

Regardless of how customers view your business framework, pricing power is tougher to generate. What matters more is the individual company.

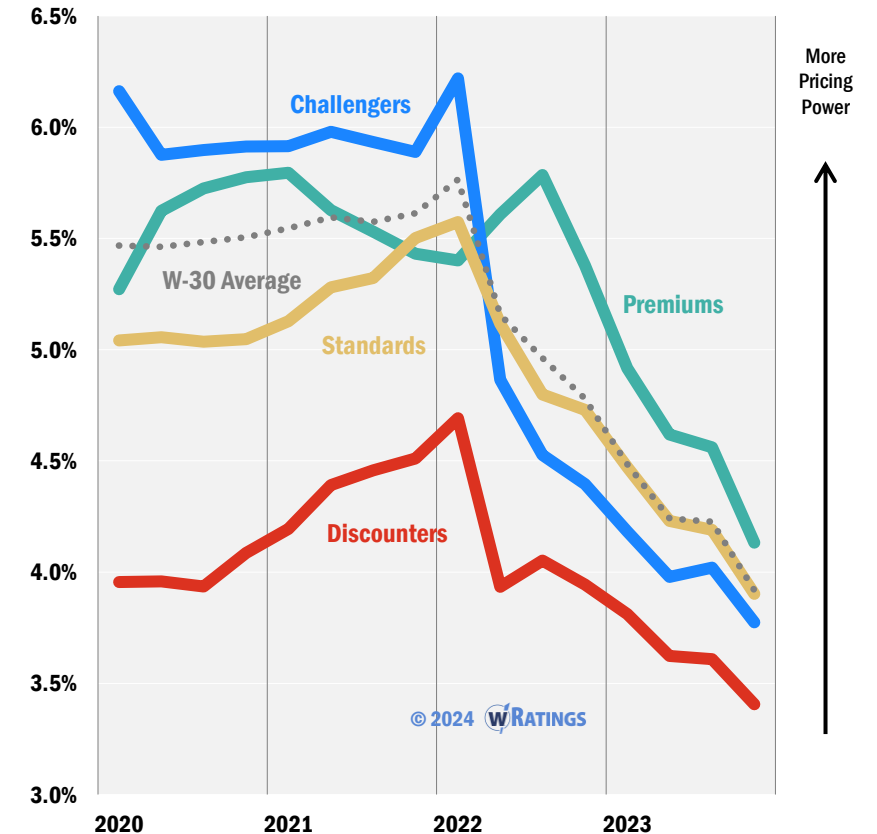
**Boeing, Tesla, and Toll Brothers are three of the Top 5 in pricing power, yet they all rank in the bottom half of competitive strength. This gives all of them more ability to pass on any increased costs due to their 'need-to-have' status with their customer base.** Any customer improvement to better meet expectations should provide them with more sales growth opportunities.

The W-30 Company Index

	STANDARDS	PREMIUMS	CHALLENGERS
Media/ Technology	facebook* intel Microsoft	Disney Apple	NETFLIX Roku zoom*
Food/ Retail	Domino's amazon COSTCO WHOLESALE*	STARBUCKS COFFEE lululemon	BEYOND MEAT crocs TRACTOR SUPPLY CO
Industrial/ Transport	ExxonMobil BOEING Southwest**	JOHN DEERE ups	WM WASTE MANAGEMENT TESLA Uber
Home/ Finance	Johnson & Johnson charles SCHWAB*	Toll Brothers AMERICAN EXPRESS	Zillow* Square

\* Discounters or Free

Pricing Power By Business Framework



Pricing power is the willingness of a customer pay X% more if their expectations are met.

# Premium Companies are Building Moats

Over the last 2.5 years, Premium companies have been building moat barriers around their customers so rivals cannot take them away. Except for Disney, no other premium company ranks lower than #17 today.

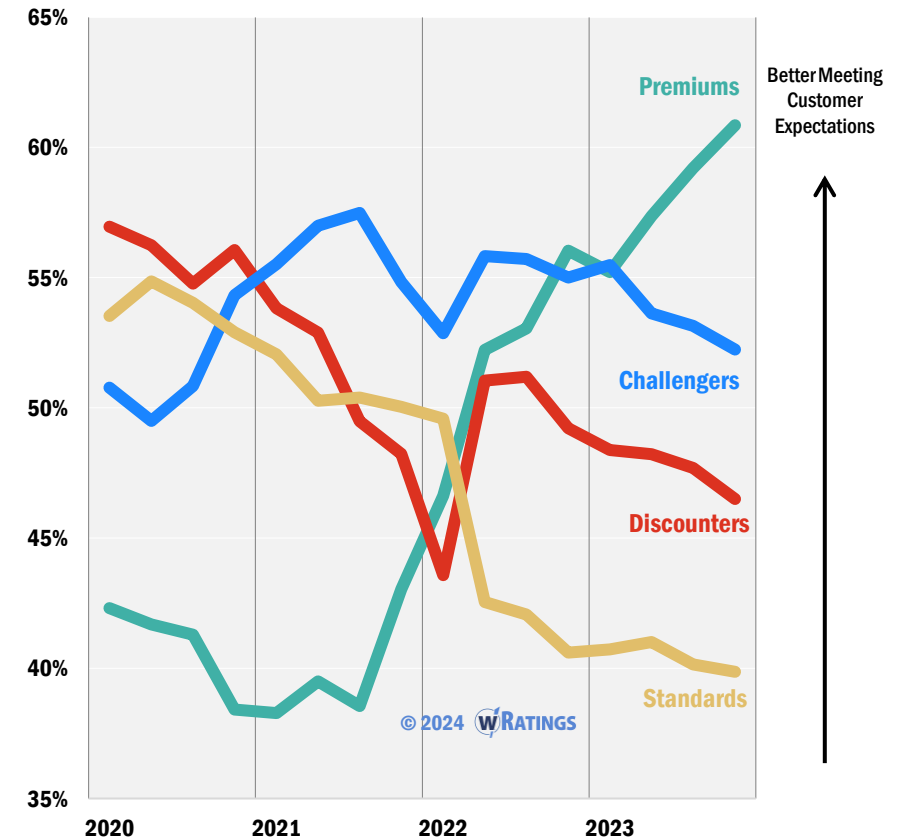
**We track each company's performance across eleven moats, where each moat represents a differing set of value sources that customers expect.** For each framework today, their strongest moats revolve around these value sources:

- Premiums: **Quality (Design Dominance)**
- Challengers: **Innovation (Distinct Innovation)**
- Discounters: **Usefulness & Pricing (Value Chain)**
- Standards: **Availability/Choice (Economies of Scale)**

These sources make sense, since they are the foundational principle of each framework. But here's what Premiums have done over the past 10 quarters: They've also built strength in Safety and Simplicity, powerful early-mover moats that now favor their durability.

Area	Moat	Customer Value Source
Core Moats	Value Chain	Pricing
		Usefulness
	Design Dominance	Quality
Early-Mover Moats	Channel Lock-Out	Safety
	Distinct Innovation	Innovation
	Routine Reliance	Simplicity
	Economies of Scale	Availability/Choice
	Switching Lock-In	Relationship
	Network Effect	Knowledge-Sharing
Promise Moats	Time Authenticity	Speed of Response
	Economies of Skill	Competence
	Brand Perception	Reputation

**Competitive Strength By Business Framework**



Section

# 2

## Inside the Moats

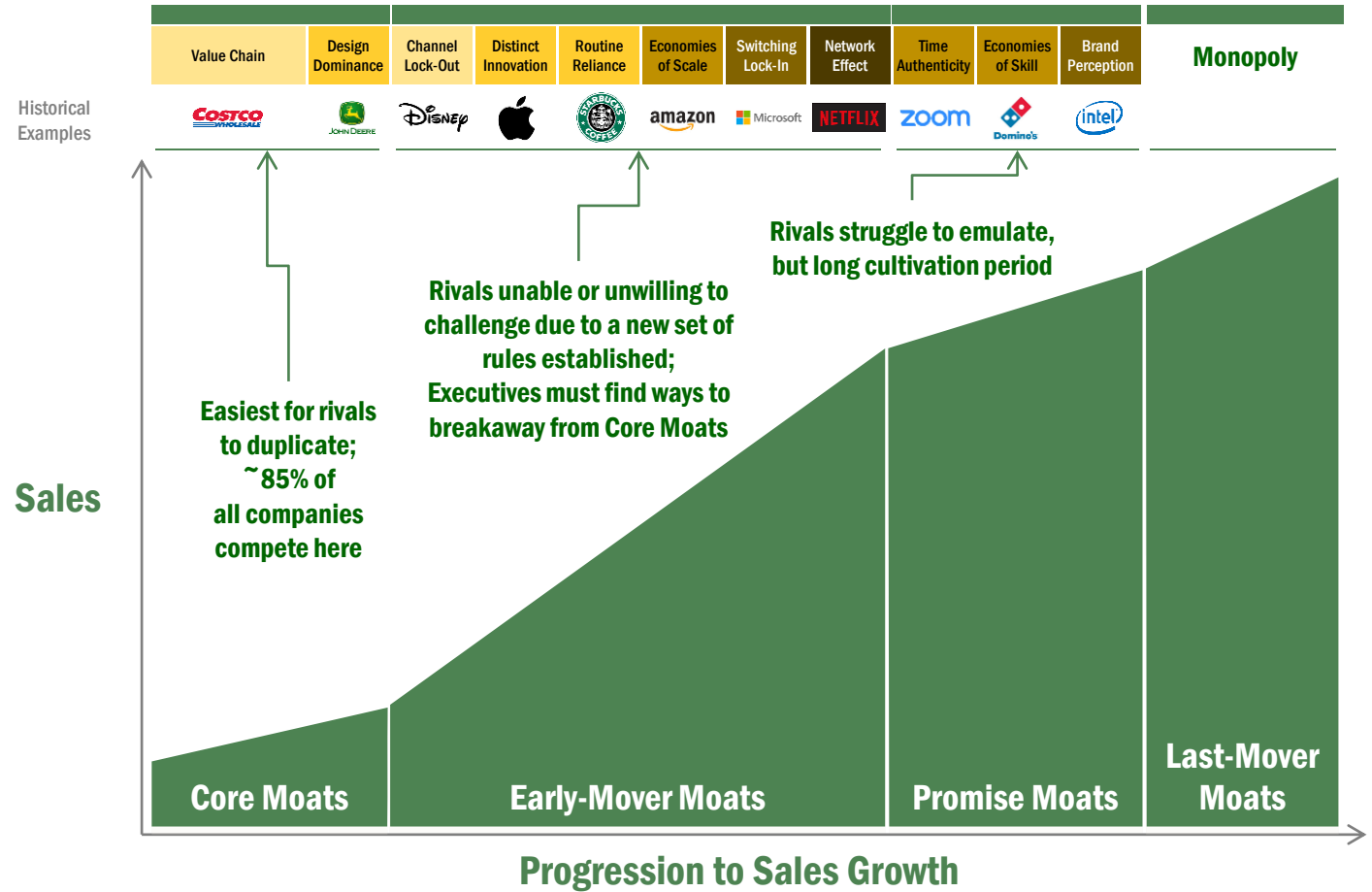


# Moats as Roadmap to Sales Growth

Similar to castles of the past, companies must build moats around their customers to keep rivals from taking them away. Most discussion refers to economic moats, where a company's advantages can be identified in their financials. Our moats are the precursors to economic moats: customer moats.

Sales growth can be optimized by building moats in a progression through stages:

- **Core:** Between 80% to 90% of all companies get stuck in the first two moats as they fluctuate between performance and price promises. **The key is to not just think outside the box, but to create a new box using new rules.**
- **Early-Mover:** Out-think and out-execute rivals by setting up new rules that rivals struggle to follow. Be a rule-maker.
- **Promise:** Using consistency over time, generate powerful barriers for customers to use in their buying decision factors.



# #1 Deere vs. #1 (Best Managed) Microsoft

Microsoft may be the #1 Best Managed Company from the WSJ/Drucker Institute rankings, but they are lacking in their ability to meet customer expectations.

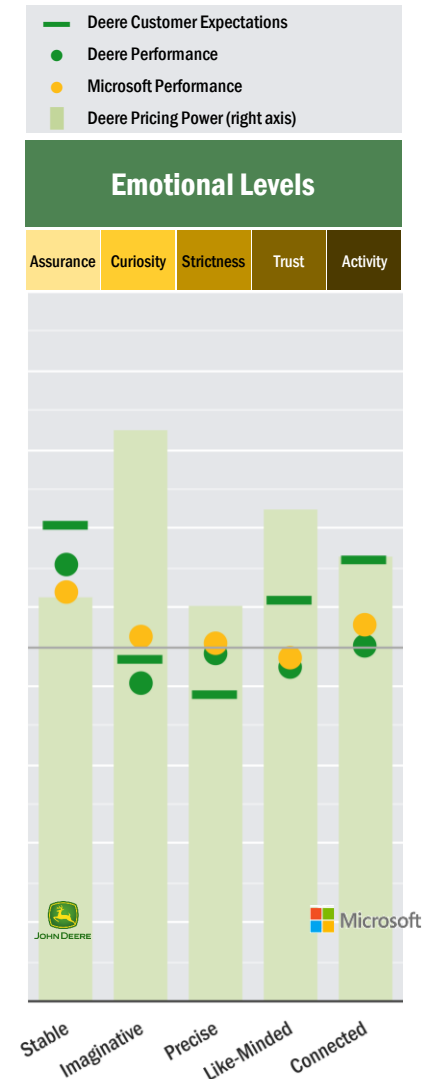
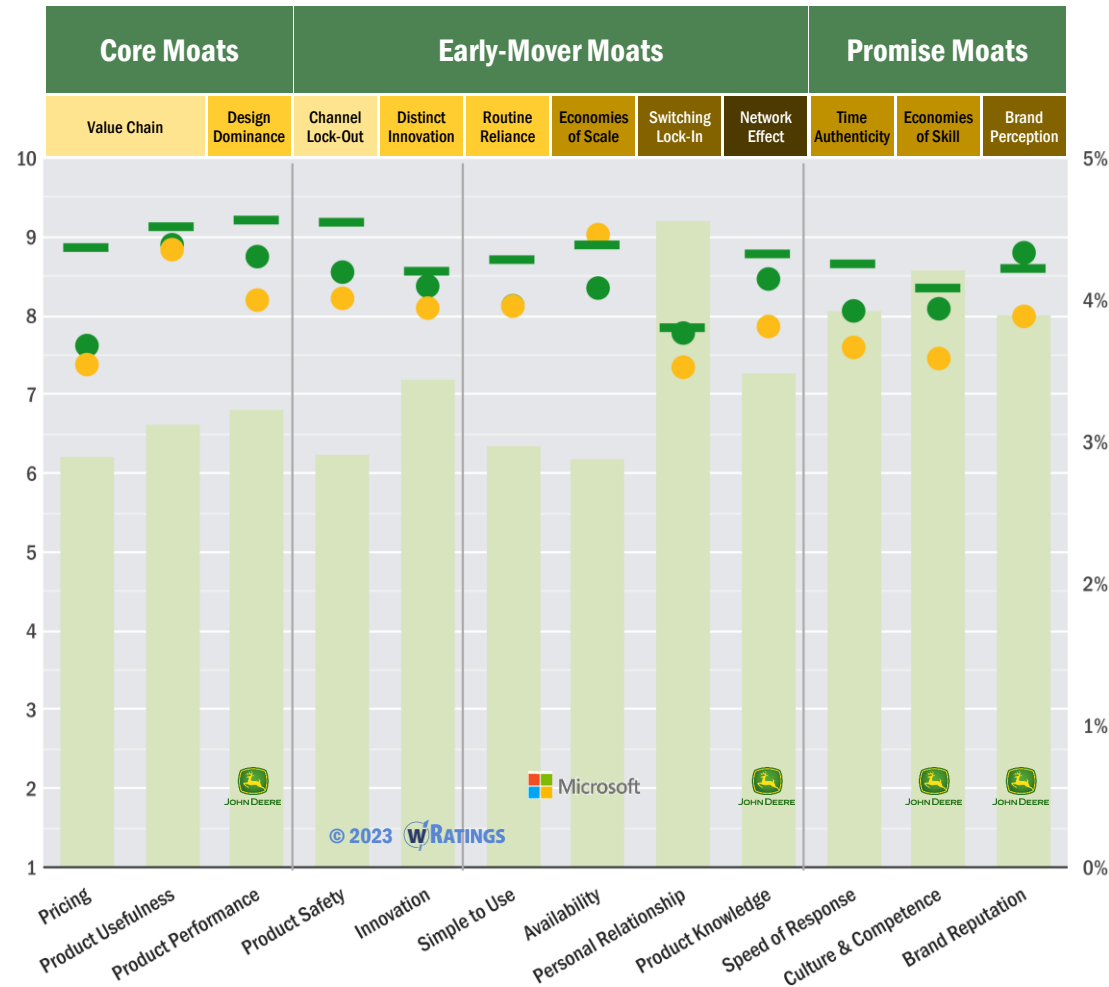
So how do they generate so much revenue? That's the power of the status quo when you're an industry standard. If you want to displace the status quo, you need to perform far superior to them like, say, how Deere does in agriculture equipment.

**How did Deere become #1 in competitive strength? They created a new set of rules in multiple moats beyond Core, resulting in 20%+ compound annual revenue growth over the last three years.**

Back in 2022, Deere laid out their "Smart Industrial Strategy" to "deliver intelligent, connected machines and applications . . . to unlock customer economic value across the lifecycle." A highly ambitious strategy that required shifts into new areas of expertise such as software and satellites.

Deere recently signed with Space X Starlink to connect their equipment for usage in remote areas of the world. An excellent way to grow revenue into new, untapped markets and increase their customer availability, where Microsoft out-scored them.

Deere executives are proving their results as well. Their 2024 investor presentation lays out "Leap Ambitions" to measure their ability to execute on that strategy, backed up by a website that describes their innovations at leapsunlocked.deere.com.



# Deere's Growth Drivers: Today & Future

Deere is already one of the most recognizable brands as the world's leading manufacturer of agricultural equipment, and their **brand reputation** drives over a third (35%) of its pricing power.

So where should the Deere executive team focus next to continue their growth? Five customer areas today are contributing to their revenue:

- Their **innovative** and **imaginative** approach to customer solutions is driving nearly half (44%) of revenue today; Continued investments in these strengths is prudent
- Their **pricing** practices have also built up **trust** levels (like-minded) with customers
- **Personal relationships** are also contributing to revenue, although at just 14% currently

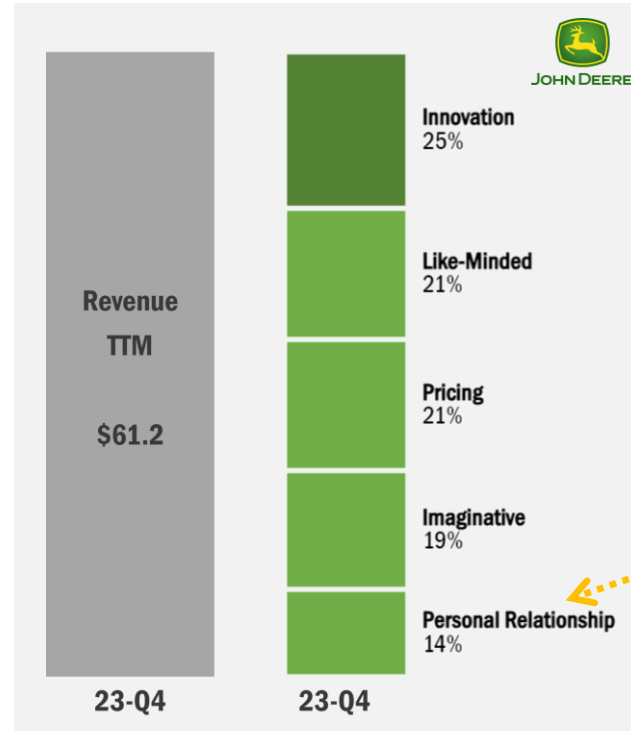
Personal relationships also occupy 32% of Deere pricing power, almost as much as power as their brand reputation. This represents a strong growth opportunity for Deere if they can unlock more customer value in this Switching Lock-In moat.

Due to the large price tags for this equipment, customers are locked into Deere already but also feel they are being held captive by those decisions. Contrast this with how most Apple customers feel vested in their purchases. If Deere can emulate that type of personal relationship, customers are likely to feel much better about their total cost of ownership and reward them with more revenue.



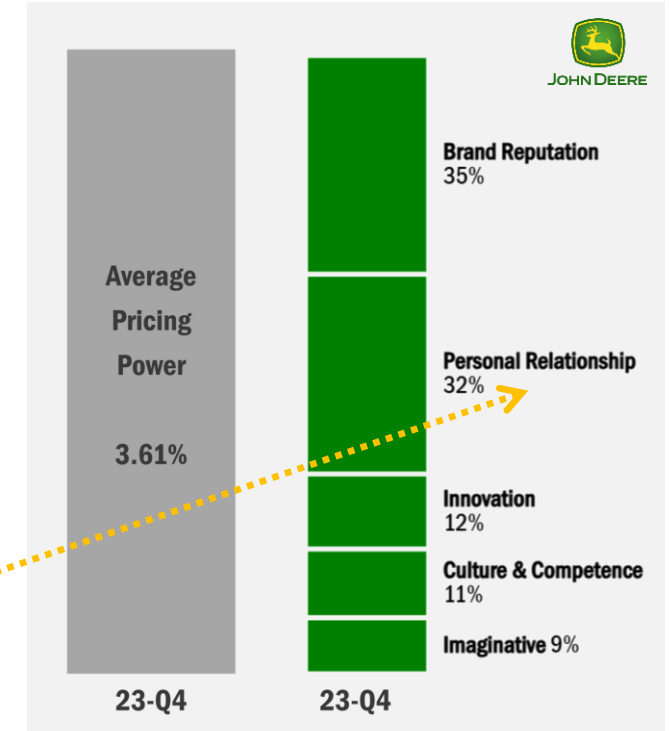
## Revenue Contribution

Strongest performance areas moving in sync to drive revenue



## Pricing Power (Future Growth)

Best opportunities to raise prices based on current performance levels



Financial source: Company  
 Customer data source: wRatings  
 Analysis: wRatings platform

# #5 Costco vs. #6 Amazon

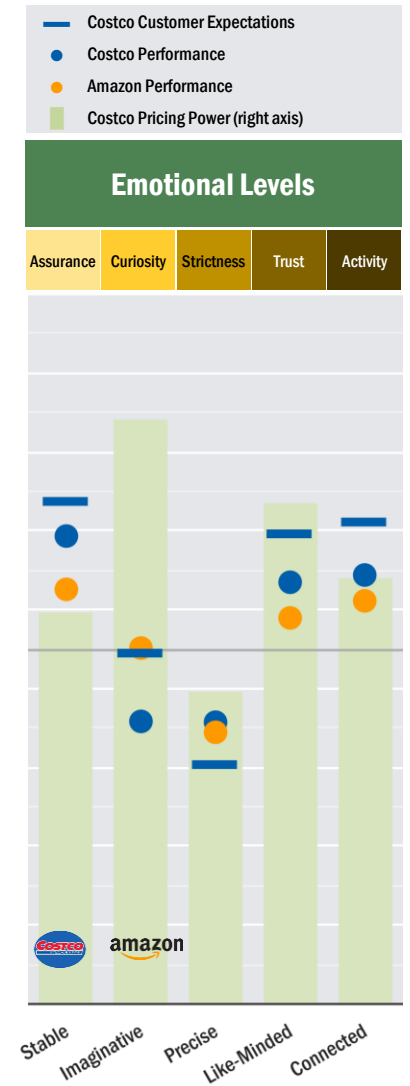
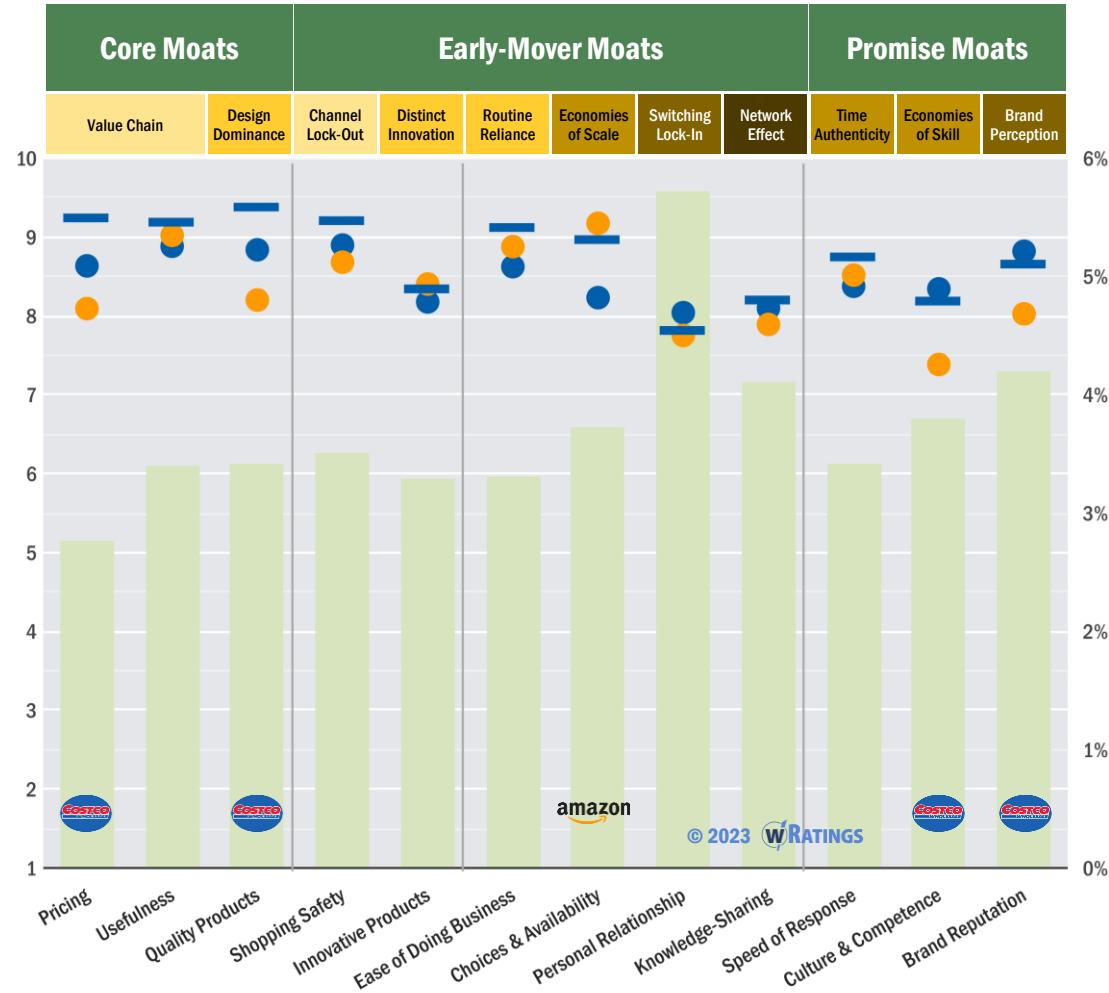
**Here's how two outstanding leaders co-exist in their industry.** Costco utilizes a unique multi-stakeholder approach with its Suppliers, Employees, and Customers. Used in tandem, their business framework becomes enormously difficult replicate by rivals.

Costco offers only a select assortment of merchandise, where buying in bulk reduces their costs, which can then be passed on to its “treasure-hunting” membership community. Amazon offers customers large amounts of choice, all with highly predictable shipping dates.

Customers view performance of both similarly except in 7 areas, five of which Costco out-performs Amazon:

- **Quality Products**, the most important customer need, is where Costco shines due to its buyers superior selection of merchandise. But, Amazon's much **larger selection** gives them a decided strength over Costco.
- **Pricing**, the second most important customer need, again favors Costco. Their strong supplier relationships enables highly favorable pricing. This is a key contrast with Amazon, where they sometimes even compete directly with their suppliers.
- **Brand Reputation** and **Culture & Competence** are key components of the Costco value proposition for Members.
- Costco's consistency in its business provides **Assurance** to its customers, although customers do like Amazon's variety more giving them an edge in **Curiosity**.

Leaders can co-exist in their industry by carving out which criteria to build as strengths. And customers can and will buy from each – and love both companies.



# Costco's Growth Drivers: Today & Future

Where should the Costco executive team focus next to continue their growth? Our analysis shows that five key customer areas today are contributing to their revenue:

- The overall **usefulness** of their products.
- How **safe** customers feel when shopping at their stores.
- How **easy it is to shop** at a Costco, and even fun for a lot of Members who love the treasure-hunt.
- The **stability** of the Costco business framework, making customers feel reassured they are getting a good deal.
- The **quality** of Costco products, which is a strength over Amazon.

We typically don't see such congruity between what a company says is their strategy and how customers view what is contributing to their revenue. This is an exceptionally strong company with its customer base.

And yet, more opportunities for Costco to grow exist. Based on current performance and the willingness of Costco customers to pay more, we see five ways for Costco to deliver more compelling value. Three of the five areas – Personal Relationship, Culture & Competence and Brand Reputation – are already core parts of the how Costco positions itself.

But if Costco were to focus on one of both of the other areas – **Knowledge-Sharing** and **Innovative Products** – they could accelerate their growth.

We believe Costco Next to be an innovative program that the company will/should emphasize more to its members. The program provides access to limited time deals (days) direct from suppliers at the Costco discount prices. This direct to consumer (DTC) program costs Costco little to manage yet expands membership choices.



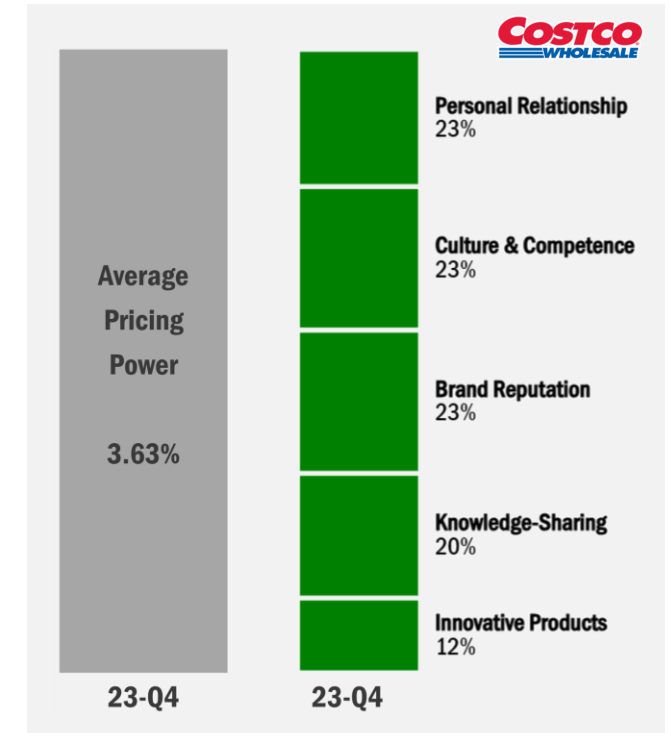
## Revenue Contribution

Strongest performance areas moving in sync to drive revenue



## Pricing Power (Future Growth)

Best opportunities to raise prices based on current performance levels



Financial source: Company  
 Customer data source: wRatings  
 Analysis: wRatings platform



# #7 Square/CashApp vs. #11 American Express

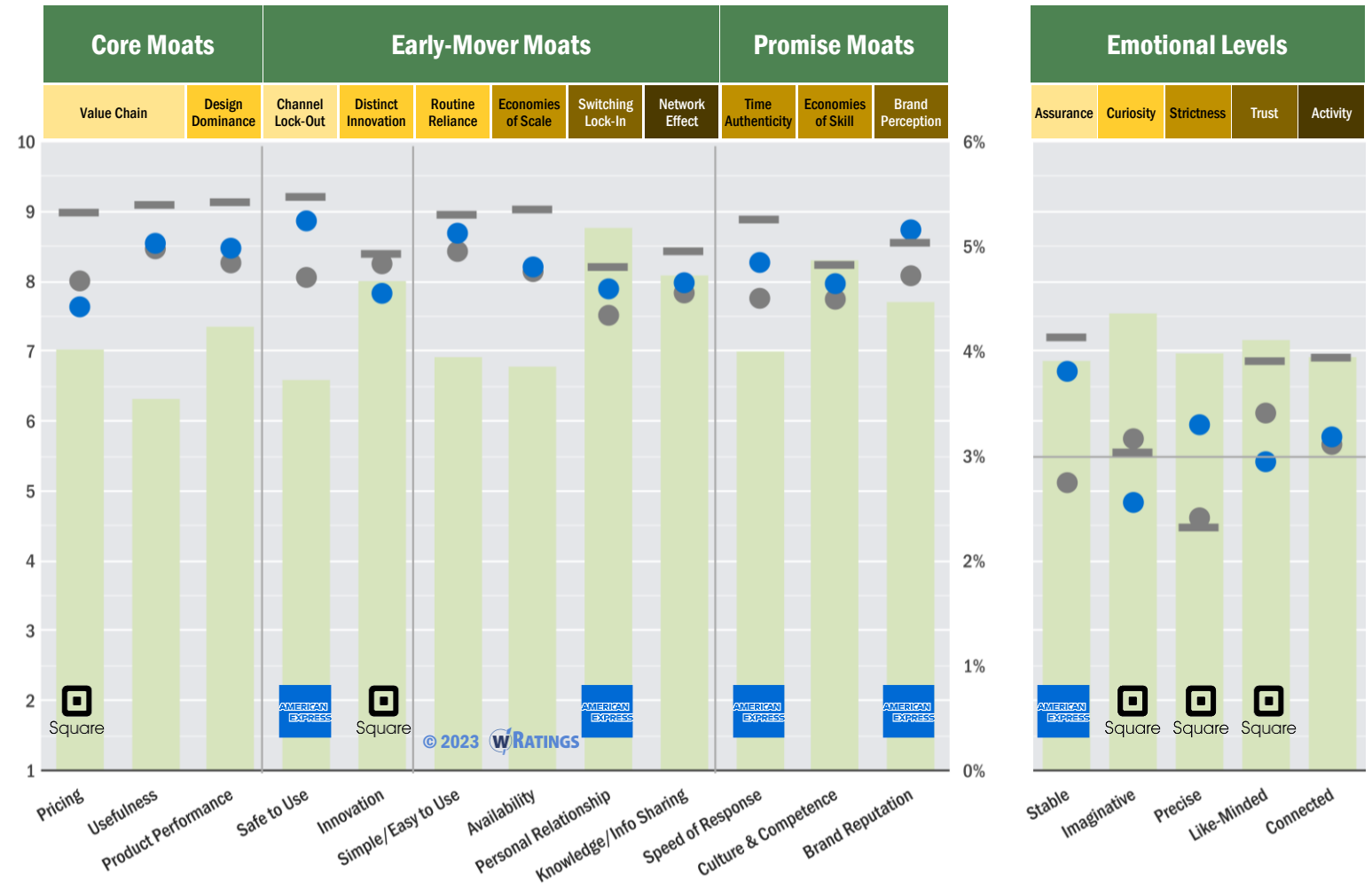
**New fintech takes on old finance in this clash of a newbie versus an industry titan.** Square and CashApp (owned by Block) are two fintech apps that are highly popular with small business and consumers, respectively. American Express is, well, AMEX, where membership has its privileges.

**How do customers view them in 17 different head-to-head areas? Square wins on five, AMEX on five and it's a tossup on the remaining.** Let's start with the functional needs, where AMEX is the winner.

Customers love the innovation and pricing for Square/CashApp, but AMEX is seen as much safer to use, more personable, faster to respond, and a more reputable brand. They are also seen as much more stable, and are reassuring to customers.

But fintech companies are all about the disruption, providing Square/CashApp with much higher emotional attachments with its customers than AMEX. Think of it as gut vs. head type of thinking. Customers feel Square/CashApp hits the right levels of curiosity, strictness (more flexibility) and like-mindedness. In other words, Square/CashApp "gets" them as consumers.

The two finance companies could benefit from borrowing strategies put in place by the other.



# Growth Drivers: Square/CashApp vs. American Express

Payment processing is an excellent industry to compete. It's highly scalable and after the processing infrastructure is put in place, growth comes from simply adding more transactions.

We can see that similarity in which customer areas contribute to revenue growth for both Square/CashApp and AMEX: About 70% is due to availability, imagination and simplicity.

The last ~30% spotlights the differences. AMEX customers view culture & competence as a key contributor, which makes sense given the service related part of their card.

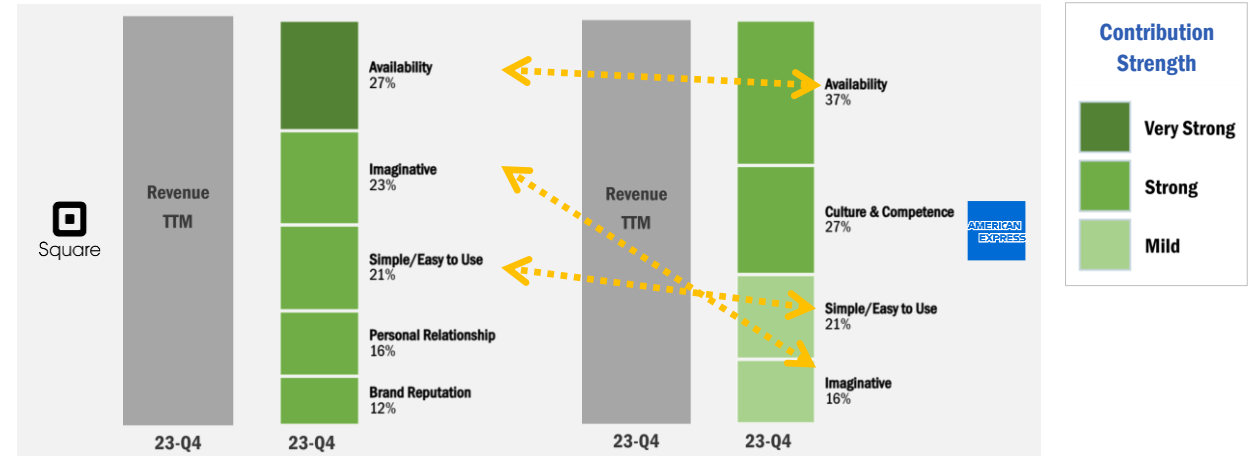
Surprisingly though, customers view the Square/CashApp brand and relationship with them as unique contributors. **This may be an underserved need where they can borrow from the AMEX business in how it serves customers - that old 'membership has its privileges.'**

Future growth from pricing power also identifies similarities with the payment processors. Customers of both value imagination and innovation, although at higher levels for fintech Square/CashApp.

Even though AMEX has a coveted brand reputation, customers view Square/CashApp with almost 1% more pricing power. This could prove potent for Square/CashApp to tap into as they fight for market share with rivals like Venmo and Zelle.

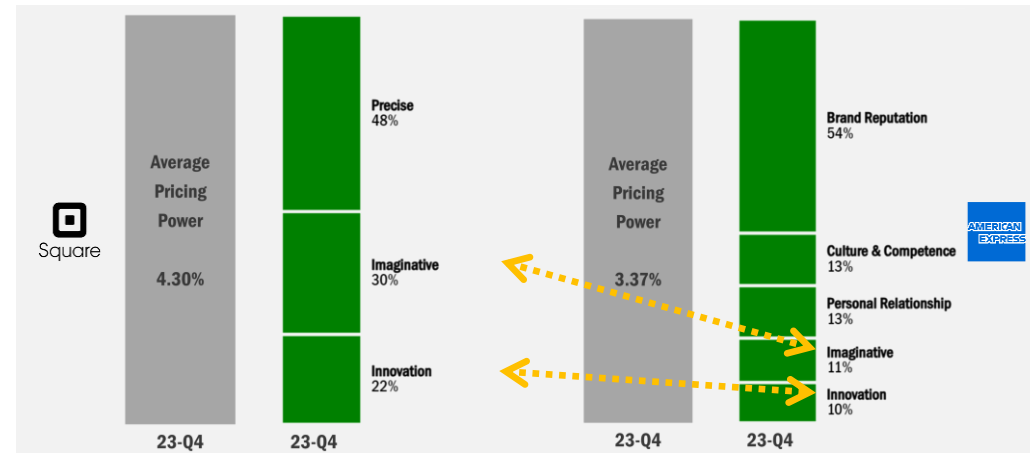
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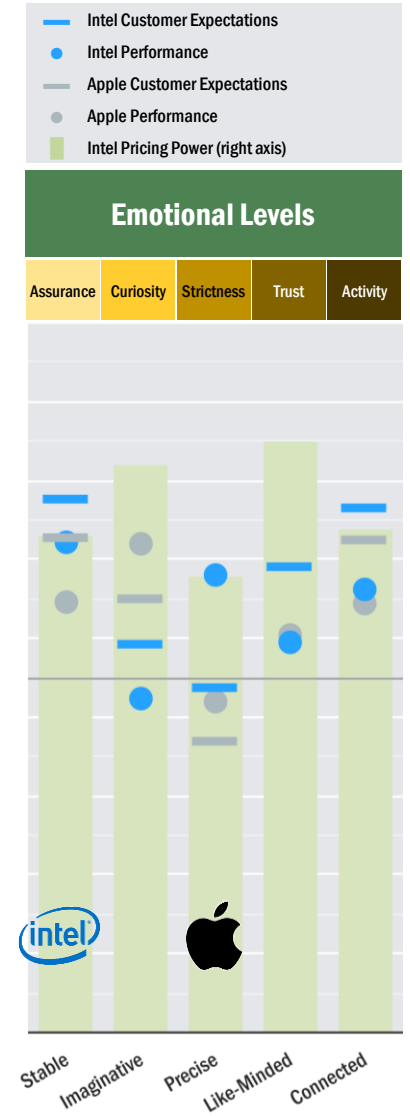
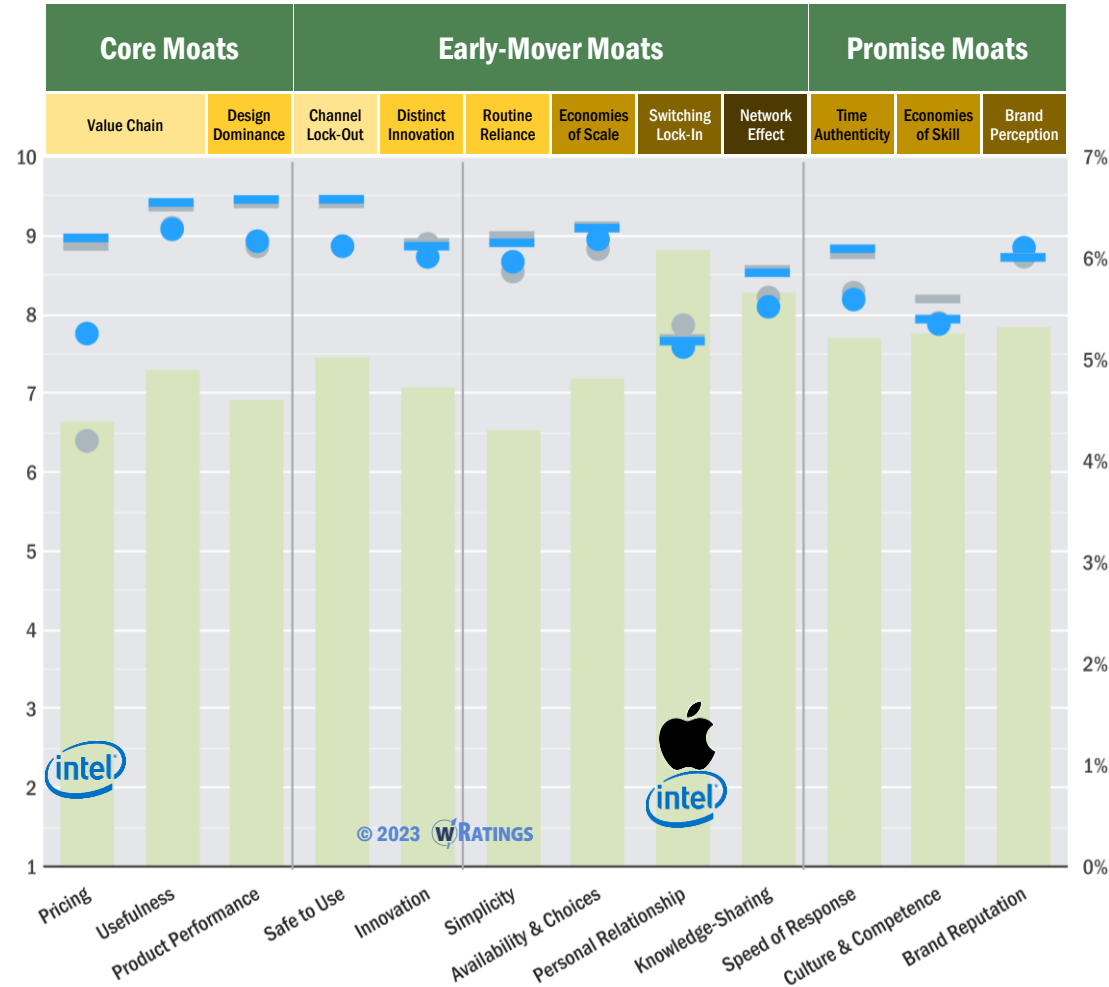
# #10 Intel vs. #4 Apple

Both Apple and Intel are in the top 10 of Most Competitive Companies and WSJ/Drucker Institute's Best Managed companies. These companies were strong partners but more recently Apple decided to split from them.

Starting back in 2006, Intel was the chip of choice for powering most Apple computers. But several years ago, Apple opted to shift Mac products to its own silicon chip to tighten up its own ecosystem. This isn't an uncommon strategy from Apple, but we wondered if it would have any impact on customer perception of Intel. In fact today, customers of both companies still love them although a few differences do exist.

**Intel's strength is its longevity, which surfaces in how customers feel Intel is more stable than they do with Apple. This translates into customers being more satisfied on pricing with Intel,** although higher Apple prices has not hurt revenue typically (so far).

Apple shines because customers love their flexibility (opposite end of precise), something that Intel likely finds difficult to deliver as primarily a hardware company. Apple's strength is in its vested customers (personal relationships). But even though Apple slightly over-delivers on this, customers still feel Intel has built a personal relationship with them.



# Intel's Growth Drivers: Today & Future

Before the “Intel Inside” logo officially launched in 1991, Intel was not well known to consumers and mostly relied on its technical prowess. The initial investment of \$250 million in the campaign took many by surprise, and media critics had a field day saying it was money down the drain.

**The strength of the Intel brand remains immensely intact with customers today.** Two key drivers exist for Intel revenue growth today as customers view their imaginative approach at 58% and their stability (assurance) as the remaining 42%. The staying power of the Intel Inside campaign is impressive.

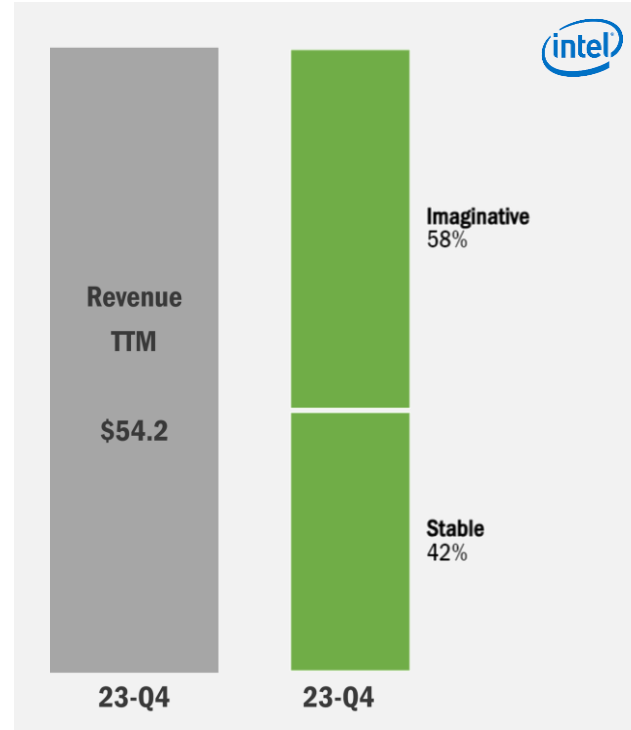
In 2024, customers view the brand and personal relationship with Intel as key sources of their pricing power (totaling 52%). **They rank #4 overall in pricing power within the W-30 index.**

The durability of the Intel brand continues to payoff with customers. They embrace the Intel culture and employee competence, seeing them on the exact same level as the highly touted Apple culture.



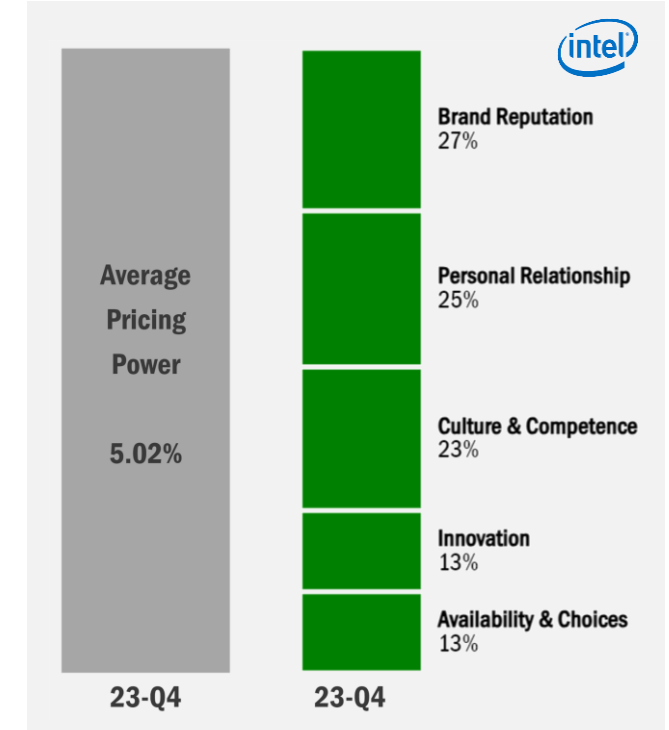
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# #22 Boeing vs. Delta and #29 Southwest

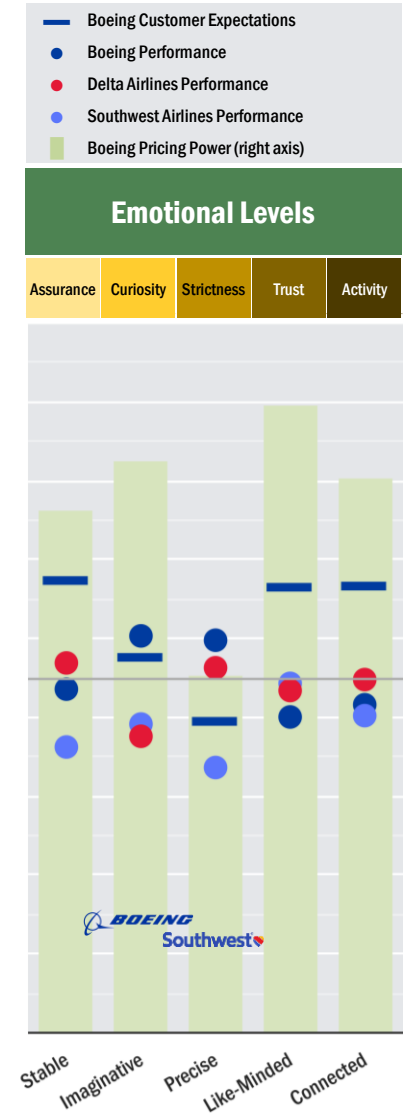
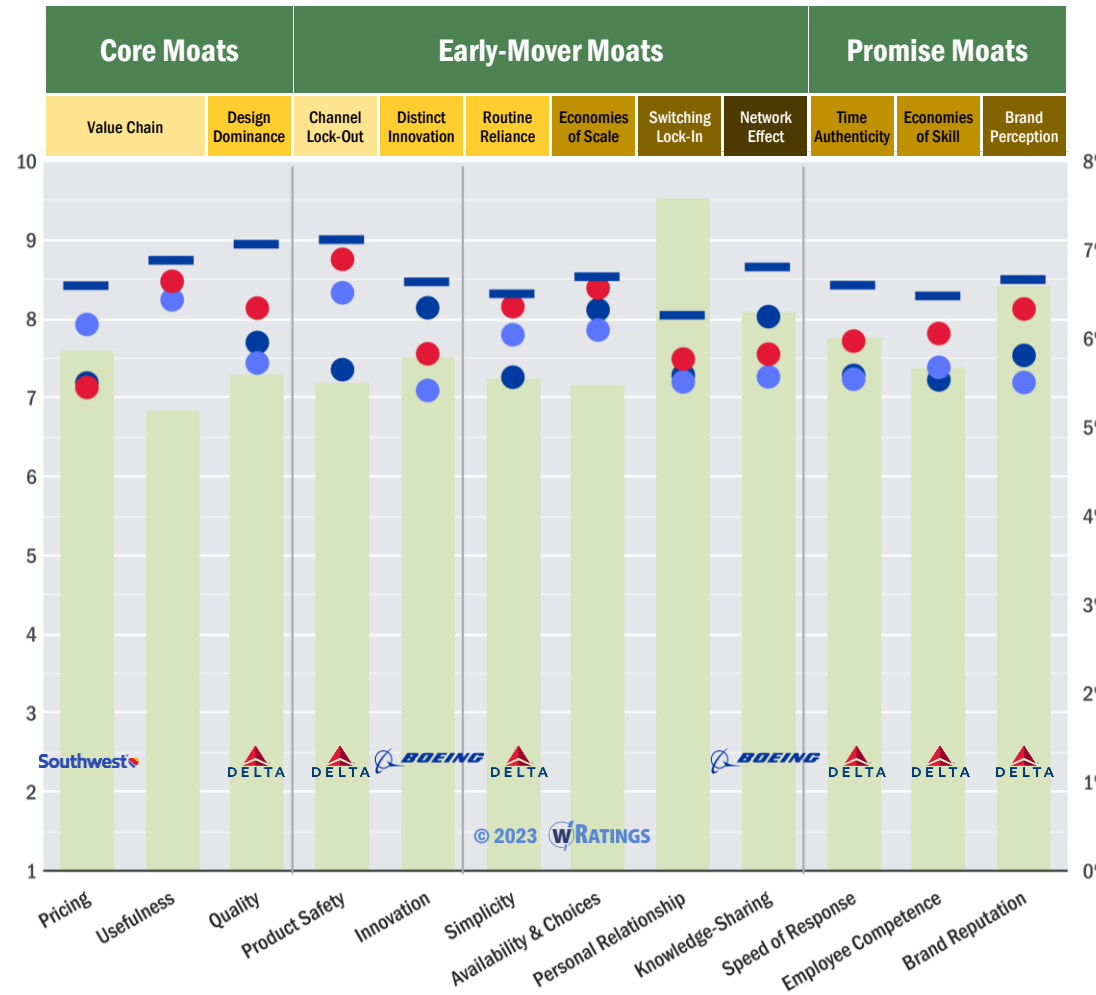
**What impact do manufacturer safety issues have on the customers of its downstream providers? With airlines, the answer is little but the key is to control your own performance.**

Even with its safety issues, customers continue to see Boeing as strong in innovation, imagination, and knowledge-sharing. But after that, Boeing struggles to meet customer expectations. Due to its previous 737 MAX crashes (and before its recent door opening issue), customers score Boeing's safety as one of the worst in the W-30.

Do customers carry forward that safety to airlines like Delta and Southwest? In a word, no. Customers love the Southwest pricing model and its flexibility, resulting in them being a discount airline leader. But Southwest still struggles to overcome its 2022 holiday miscues, as customers rank them lower than Delta in most areas.

Contrast this with Delta customers, who see the airline performing well in quality, safety, simplicity, speed and employee competence. This has propelled its brand reputation to new heights.

In the WSJ/Drucker Best Managed Companies, Boeing ranks #139, Delta #168, and Southwest #174. This common ranking indicates the difficulty of succeeding in the airline industry. **In fact, customers view all three companies as lacking stability.** Yet overall, Delta is a clear winner with its market approach today, overcoming any impact of the Boeing safety issue.



# Boeing's Growth Drivers: Today & Future

In their November 2022 investor conference, Boeing laid out a strategic focus on safety first, digital enablement, sustainable aerospace, unmatched producibility and global talent & culture in the following slide:



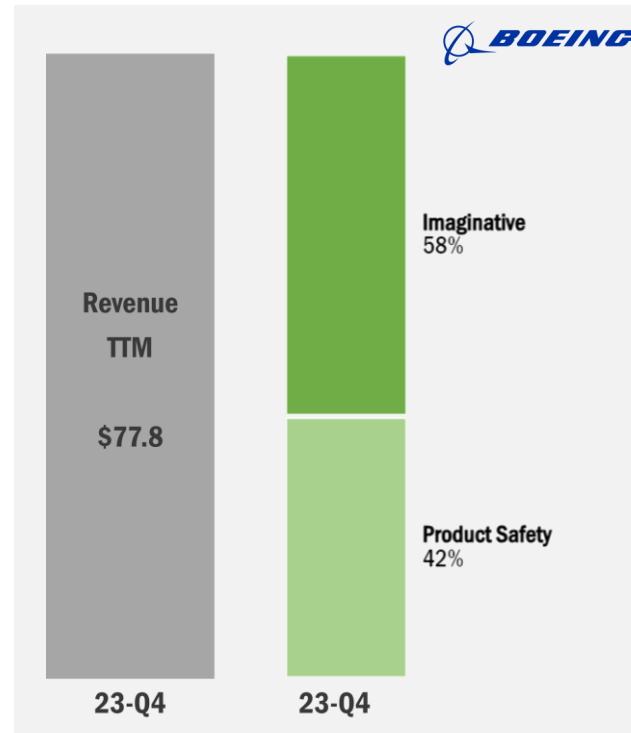
As Boeing is in the midst of multiple crashes and now safety events, this growth strategy comes down to one pillar: Fix the safety issues. No doubt its "Safety First" message must be converted into tangible results. Otherwise, all the innovation and imagination won't be helpful to future revenue.

**Boeing customers do possess one oddity: They are ranked #1 in pricing power for the W-30.** In today's environment, pricing power matters a lot since it allows a company to pass on any increased costs to customers. So once these safety issues are resolved, Boeing customers say they are willing to pay more for future imaginative, useful, and innovative products.



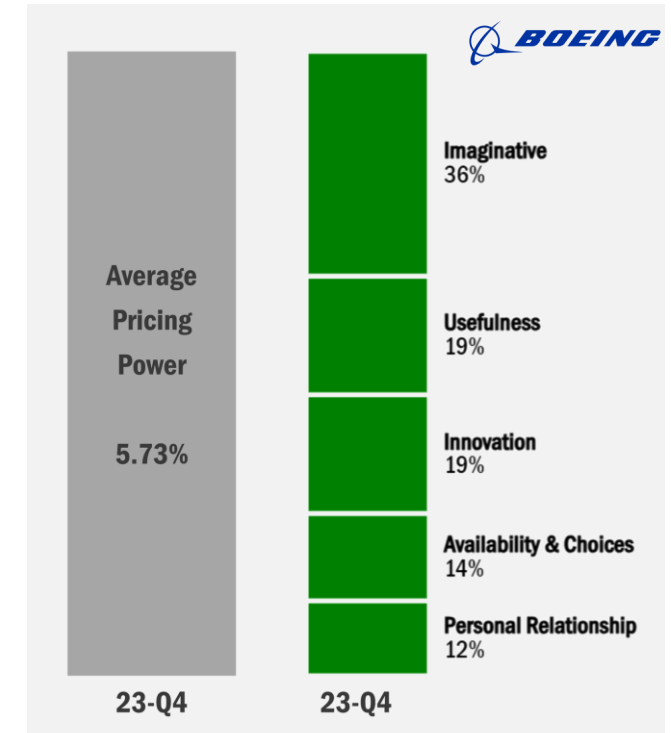
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# Become a wRatings Insider

Don't be the next Blockbuster, Borders, Compaq or Ringling Brothers. Satisfying customers is not enough to win and keep customers.

What companies must strive to achieve is competitive strength, which is the ability of a company to meet customer expectations better than its rivals.

Unlike traditional brand, satisfaction or Net Promoter Score® studies, **competitive strength better measures the real-world market.**

The reason is that customer expectations can be set by a company, a rival and even by others outside of your industry. As gaps in customer expectations fluctuate and new ideals emerge, companies must adapt how they compete to win and keep customers.

For 15+ years, wRatings has been ranking the competitive strength of companies. We possess the largest database based on customer expectations in the world.

**Become a wRatings Insider and get notified whenever we release updates on the companies in our universe of coverage.**

**Sign up [here](#) to become an insider and receive our exclusive updates**



Section

3

# About wRatings





# Our Business Framework

We are an independent, competitive research firm that make sales growth visible for executives to improve decision making.

We make a series of fixed investments in tools, benchmarks and predictive analytics. Using our proprietary algorithms and patented methods, we build forward-looking views of where companies can create compelling value for their customers.

In May 2002, our research was highlighted as the cover article in **Harvard Business Review**. We are a partner to the *Drucker Institute* to score the best managed companies, which is published in the **Wall Street Journal** every December.

CEOs/Executive Teams and PE Firms/Hedge Funds gain real-time access to our research & analytics through our fully automated platform (Software-as-a-Service).

## Fixed Investments



SaaS Platform



Patents & Algorithms



Benchmarks

## Leveraged By



Online Panel



News & Articles



Rankings & Indexes

## Subscribed By



CEOs & Executive Teams



PE Firms & Hedge Funds

## Historical Milestones



# Breaking Away: It's A New Way of Thinking

We help companies leapfrog their rivals by infusing an innovative, proven way of discovering new sources of customer value.

**Rather than copying what your competitors are doing (or trying to do), we grow your sales by introducing the only true competitor you have: What customers expect.**

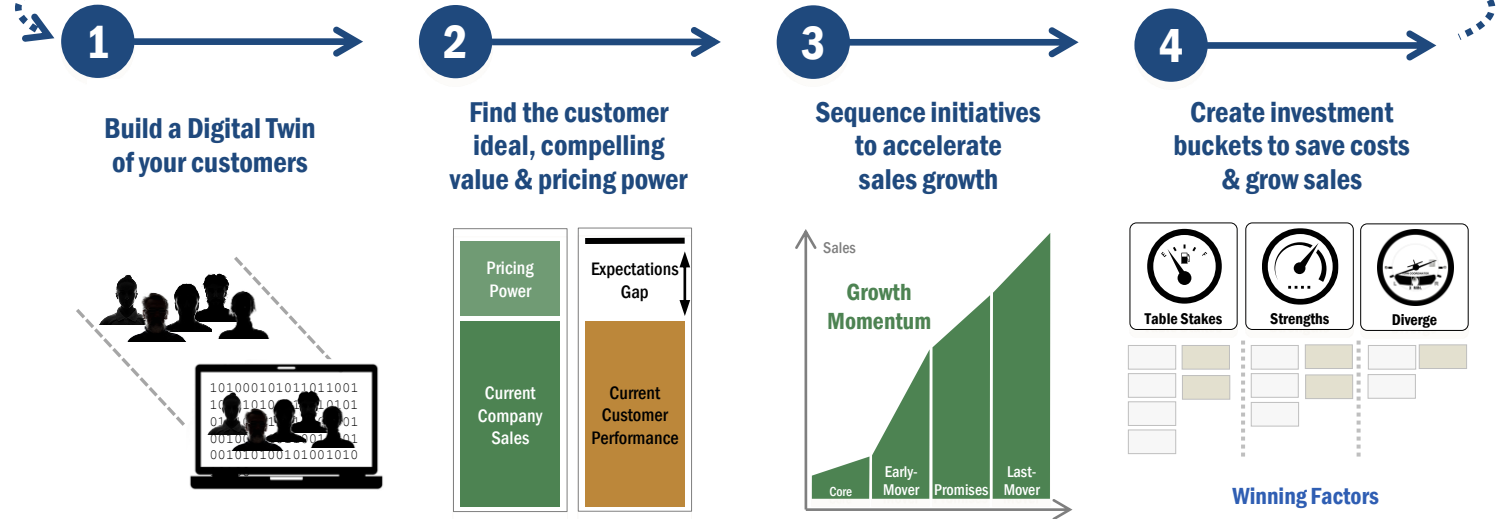
We measure customer expectations based on not only what they want you to do, but how they want to feel when you do it. Emotions drive customers off their status quo and create pricing power, two of the most critical aspects to sales growth.

By setting the new rules of competition, you force rivals to continually play catch-up to your market position.

**Your #1 Competitor is what customers expect.**

**Be the one to set expectations by making the rules.**

## Steps to Sales Growth



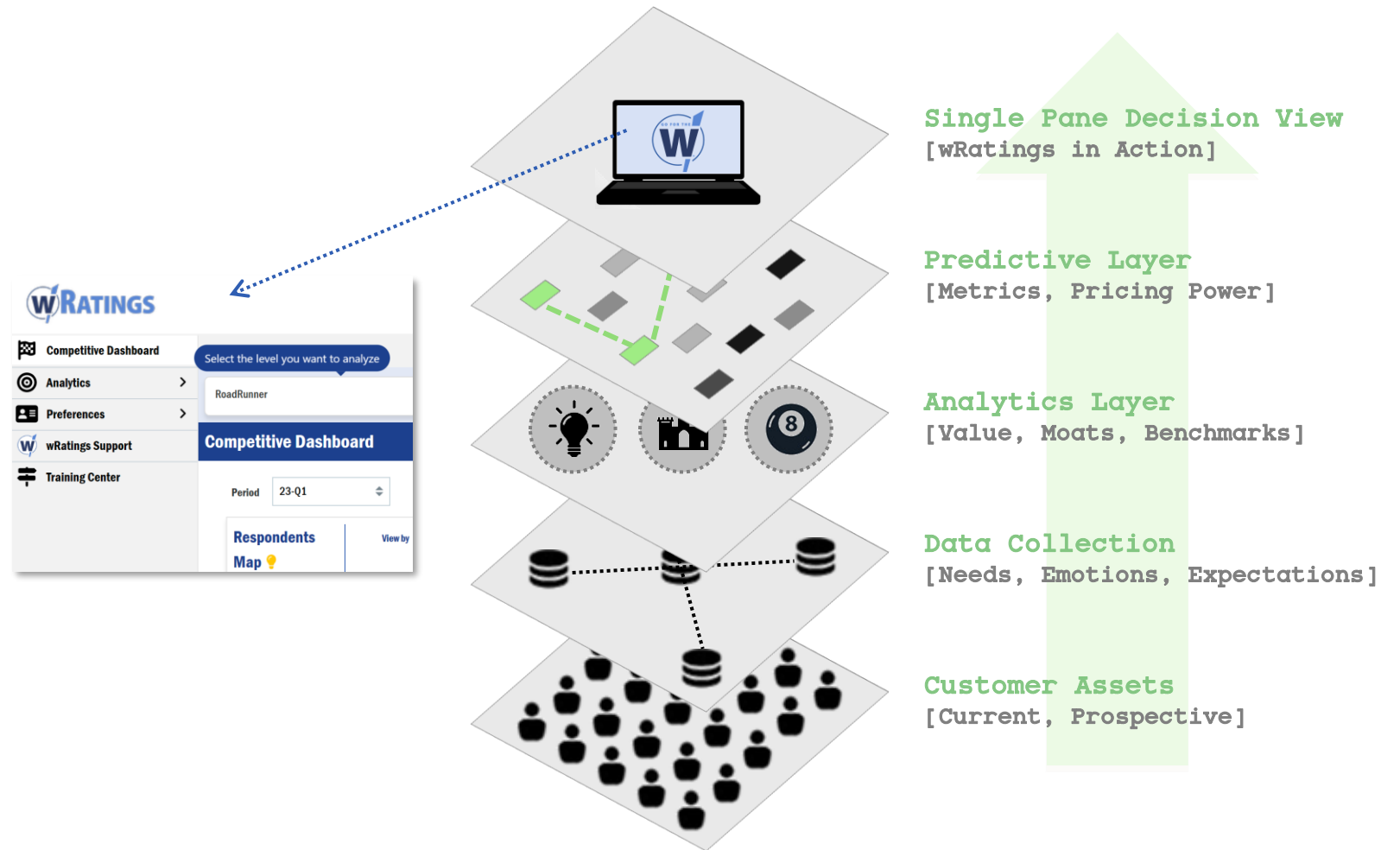
# Our Platform: Designed for Decision-Making

At the core of our sales growth research is the ability to deliver real-time analytics and on-demand reports via our SaaS (Software-as-a-Service) platform.

We streamline the platform to match each type of user's needs:

- **Executives**  
Time is valuable; We use AI to focus analytics that drive sales growth decisions and can auto-send reports via email when new data is collected
- **Operations, Sales & Marketing**  
Eliminate waste & maximize actions; We connect customer performance to finance, employee & operating metrics
- **Research & Strategy**  
Standardize on a common language around growth; We use real-time analytics to assess your business framework and competitive moats

While what we do is research, what executives buy is greater confidence in their investment and resource allocation decisions.



# How Competitive is Your Company?

Basic economic theory shows that in a highly competitive market, returns will be driven down to essentially no economic profit as rivals imitate any known advantage. To achieve a durable advantage, executives must find ways to defy this very powerful force of competition.

The W Reports™ provide a proven, innovative way to see what contributes to a company's sales growth today, and predictive power of where to focus efforts that better meet customer expectations. Using customer expectations data, we make visible what companies are doing that drives — or inhibits — profitable sales growth. Our patented, proprietary algorithms and AI tools identify new opportunities where executives can invest to boost growth and generate pricing power.

Created by Harvard Business Review author and wRatings CEO Gary A. Williams, our platform provides fresh, forward-looking data that cannot be found anywhere else.



**Get your W Report™ and use it to generate more sales.**

**Go to [wRatings.com](https://www.wratings.com) for more information.**