

THE **W** REPORT

Most Competitive Companies 2025

Annual Report

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Why Competitive Ratings Matter

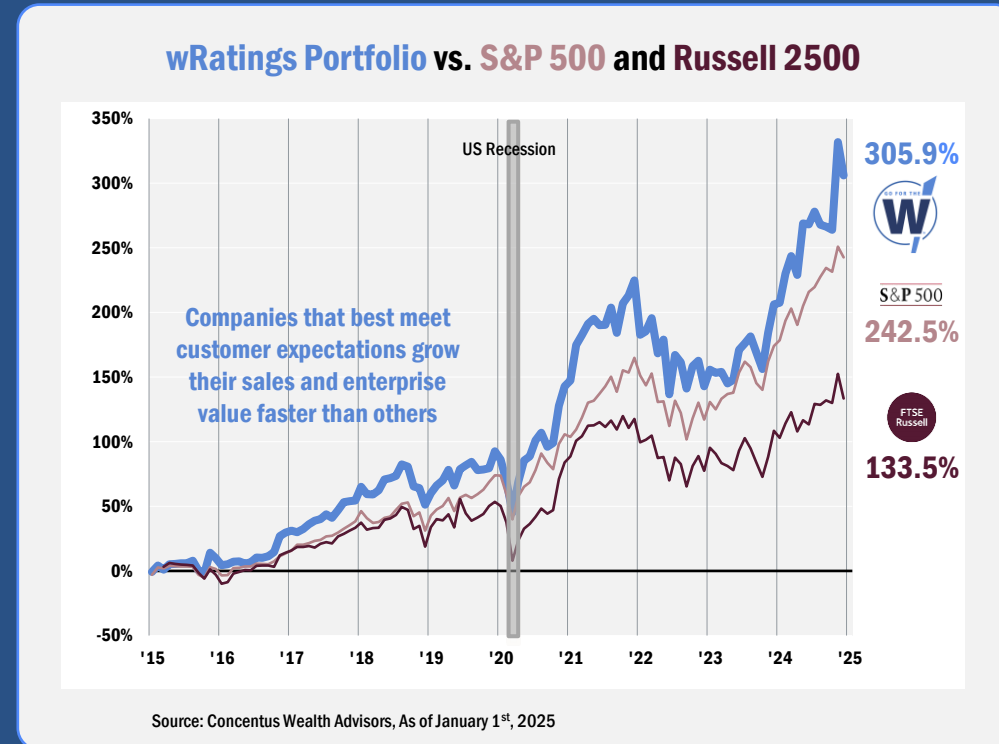
This is our twenty-sixth year of generating competitive ratings for companies on the NASDAQ, NYSE, and TSX.

In this report, we spotlight the W-30 Index of the most well-known companies from our coverage. Since 2020, over 90,000 customers rated these companies using our patented, proven research methods. This quarter, 6,699 customers rated the W-30 companies.

Our competitive ratings measure the gaps between what customers expect and how well a company performs. As companies close these **Value Gaps**, they increase a customer’s willingness to pay (WTP) by creating more customer value. And the better a company meets customer expectations, the more they grow sales, margins, and enterprise value.

Proof of success is found via multiple channels. A fund of the top rated companies in our overall coverage has out-performed the S&P 500 and Russell 2500 consistently since 2015 (see chart). Every December since 2017, the **Wall Street Journal/Drucker Institute** uses our customer perception data to rank the [top 250 Best Managed Companies](#). Our CEO authored the [May 2002 cover article for Harvard Business Review](#), using our research to analyze the decision styles of ~1,700 senior executives.

To gain access to the full analytics inside the W-30 companies, join our invitation-only platform as a [wRatings Insider](#).



See our research in

THE WALL STREET JOURNAL
INVESTOR'S BUSINESS DAILY

Harvard
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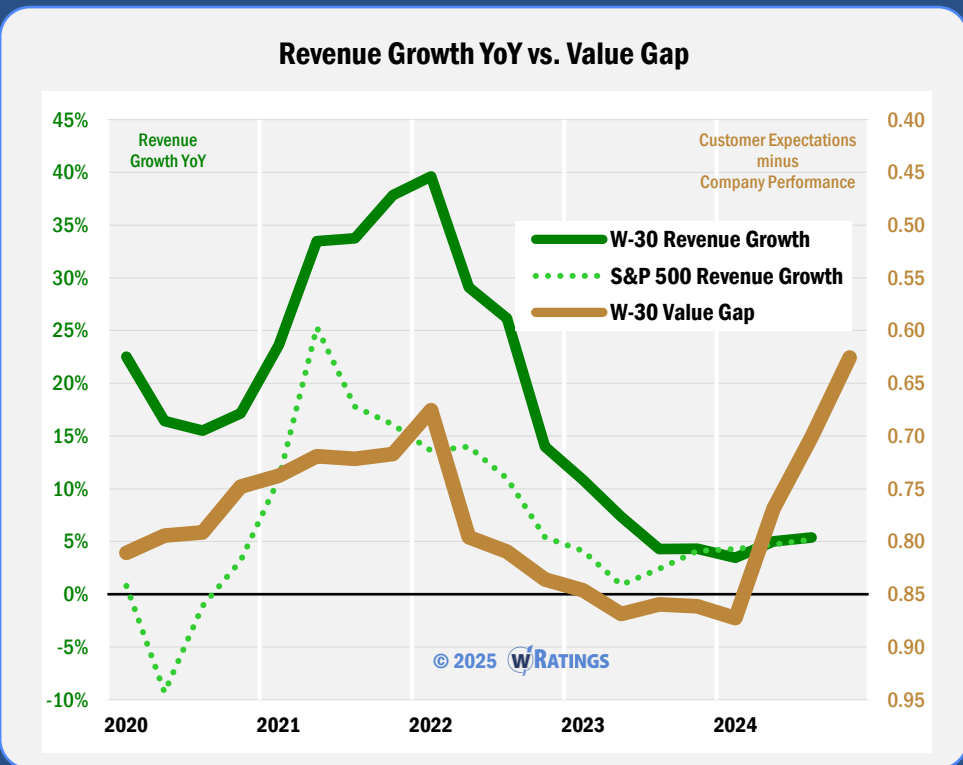
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Core Datasets: S&P 500, W-30 and Willingness to Pay

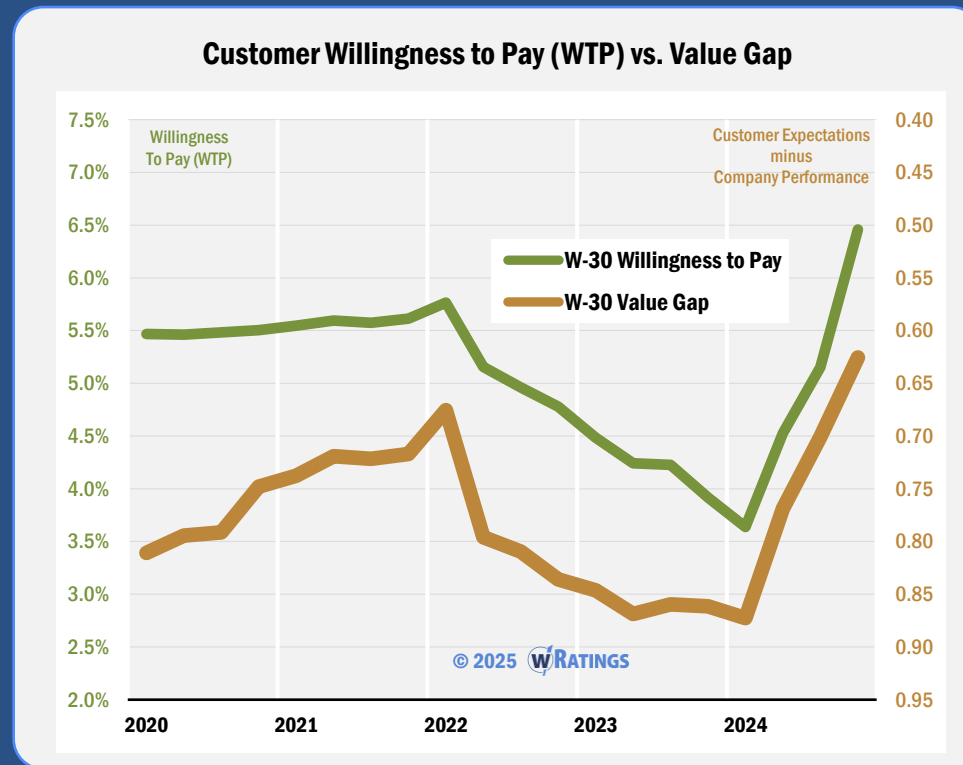
To cut through the mountains of data available today, we separate the key signals from the noise to focus on revenue growth, company performance, customer's expectations and their willingness to pay (WTP)

Because their revenue growth moves in sync ($r=0.7$), the W-30 serves as a proxy for the S&P 500. When a company better meets customer expectations, they have a 71.8% probability (using Bayes rule) of growing revenues.

When a company better meets customer expectations, they have a 93.4% probability (using Bayes rule) of raising willingness to pay (WTP) with their customers.



Sources: Factset, wRatings

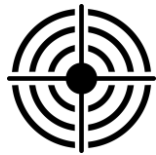


Source: wRatings

Key Takeaways



Chewy (NYSE: CHWY) takes over the #1 spot as most competitive, delighting customers within about a quarter-point (on 10-point scale) of their expectations. Their customer-service first subscription model invokes strong brand loyalty and, coupled with its order predictability, turns their customer moats into economic moats.



Better meeting customer expectations pays, literally. Value Gaps – customer expectations minus company performance – for the top half of the W-30 are about a half-point better than the bottom-half, resulting in higher revenue growth (6.2% vs 4.5%) and gross margin growth (0.52 vs 0.37 basis points).



Moneyball Sticks illustrate how companies that control customer expectations achieve higher willingness to pay (WTP) than those only working to improve performance. Willingness to pay increases as companies close the gap to meet customer expectations.



Challenger companies – those confronting the status quo in their industry – are neck and neck with Premium companies when meeting their customer’s ideal in today’s market. Challengers are growing revenues faster (8.3% vs 2.3%) while Premiums generate superior gross margin growth (1.13 vs 0.96 basis points).
































Being the gorilla in your industry comes with its difficulties. Customers raise their expectations for industry Standard companies, forcing them to go head-to-head against smaller, more nimble rivals already at a performance deficit. Higher Value Gaps lower a customer’s willingness to pay (WTP).



NPS® for the W-30 continues to trend down over the past year, even while companies are better meeting customer expectations and growing revenues/margins. Although customer fickleness may be in vogue, their uncertainty has not impacted future growth – yet.

The W-30 Companies by Competitive Strength

Rated by the average Value Gap size (10-point scale) between what customers expect and how well a company performs

1		Chewy 0.28 Challenger, Food/Retail	11		American Express 0.48 Premium, Home/Finance	21		Waste Management 0.76 Challenger, Industrial/Transport
2	<i>Toll Brothers</i>	Toll Brothers 0.33 Premium, Home/Finance	12		Zoom 0.49 Challenger*, Media/Technology	22		Uber 0.84 Challenger, Industrial/Transport
3		Lululemon 0.35 Premium, Food/Retail	13		Zillow 0.49 Challenger*, Home/Finance	23		UPS 0.85 Premium, Industrial/Transport
4		Roku 0.37 Challenger, Media/Technology	14		Tractor Supply 0.57 Challenger, Food/Retail	24		Exxon Mobil 0.92 Standard, Industrial/Transport
5		Deere 0.38 Premium, Industrial/Transport	15		Domino's 0.63 Standard, Food/Retail	25		Netflix 0.96 Challenger, Media/Technology
6		Costco 0.39 Standard*, Food/Retail	16		Crocs 0.64 Challenger, Food/Retail	26		Disney 0.96 Premium, Media/Technology
7		Amazon 0.40 Standard, Food/Retail	17		Southwest 0.65 Standard*, Industrial/Transport	27		Starbucks 0.96 Premium, Food/Retail
8		Cash App 0.42 Challenger*, Home/Finance	18		Tesla 0.69 Challenger, Industrial/Transport	28		Microsoft 1.01 Standard, Media/Technology
9		Intel 0.43 Standard, Media/Technology	19		Schwab 0.72 Standard*, Home/Finance	29		Boeing 1.35 Standard, Industrial/Transport
10		Apple 0.46 Premium, Media/Technology	20		Johnson & Johnson 0.74 Standard, Home/Finance	30		Facebook 1.50 Standard*, Media/Technology

Margin of Error +/-0.02

* Companies that are Discounters or free to end users

Top Half versus Bottom Half Tiers

Smaller **Value Gaps** (customer expectations minus company performance) increases customer willingness to pay, NPS®, revenue growth and gross margin growth



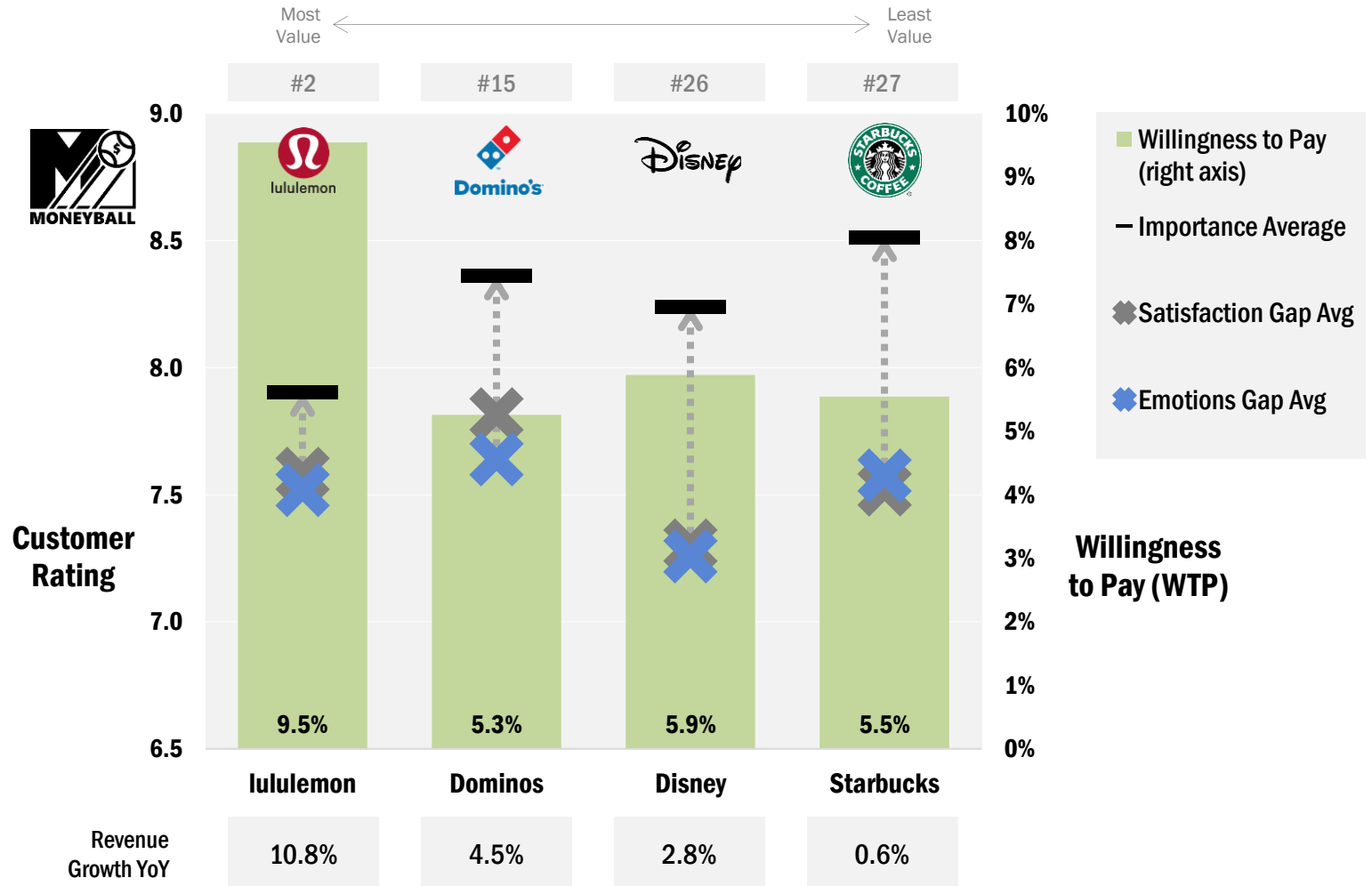
* Companies that are Discounters or free to end users

Moneyball Stick: Selected Companies

Moneyball Sticks for Lululemon, Dominos, Disney and Starbucks demonstrate how companies that control customer expectations achieve higher willingness to pay (WTP) than those only working to improve performance. Willingness to pay increases as companies close the gap to meet customer expectations.

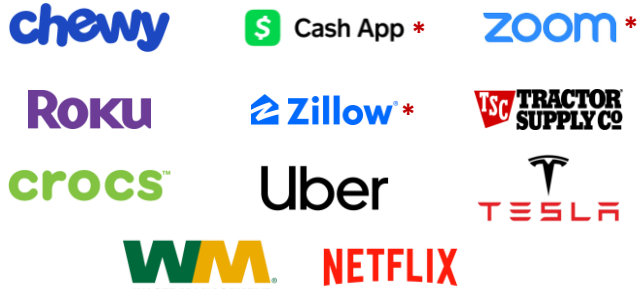


The Moneyball Stick is our visual framework that companies use to analyze where and how to create more customer value that drives revenue and margin growth.

The approach is similar to baseball's Moneyball, where team owners used analytics to identify undervalued players overlooked by conventional thinking to win more games.



Customer Positioning

Organized by how customers view the company: **Challengers** confront the status quo, **Premiums** compete on quality offerings, and **Standards** are leaders in their industry

		Value Gap (10-point scale)	Willingness to Pay (WTP)	NPS®	Revenue Growth YoY	Gross Margin Growth YoY					
Challengers		0.59 Points	6.74%	13.3	8.3%	0.96 Basis Points					
							0.60 Points	6.69%	12.3	2.3%	1.13 Basis Points
											

* Companies that are Discounters or free to end users

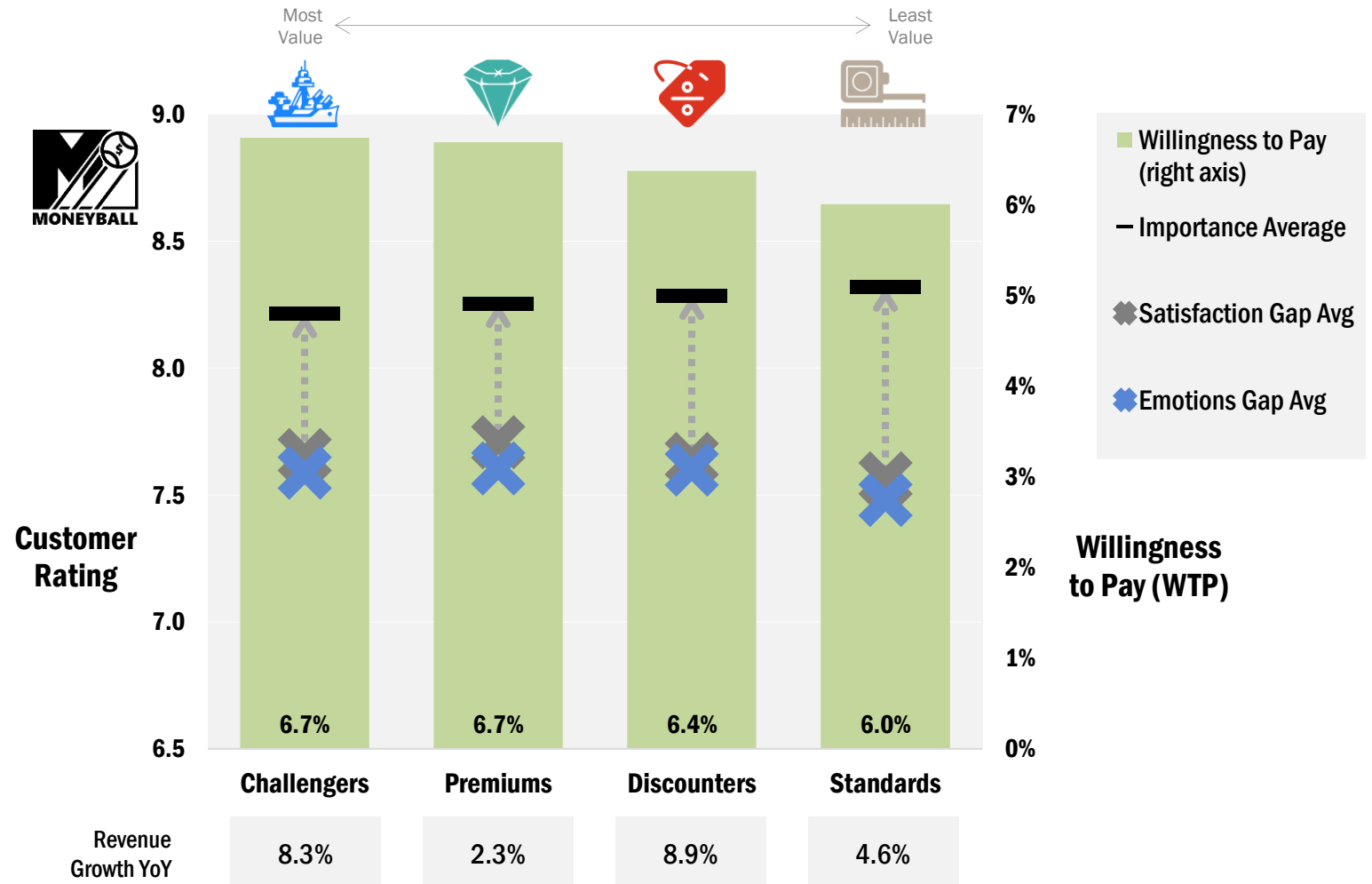
Moneyball Stick: Customer Positioning

Challenger companies – those confronting the status quo in their industry – are neck and neck with **Premium** companies when meeting their customer’s ideal in today’s market.

Challengers are growing revenues faster (8.3% vs 2.3%) while **Premiums** generate superior gross margin growth (1.13 vs 0.96 basis points).

Being the gorilla in your industry comes with its difficulties. Customers raise their expectations for industry **Standard** companies, forcing them to go head-to-head against smaller, more nimble rivals already at a performance deficit.

Higher Value Gaps lower a customer’s willingness to pay (WTP).



Most Competitive Companies 2025

Rated by the average Value Gap size (10-point scale) between what customers expect and how well a company performs

Company	Value Gap	YoY Rank Change	YoY Gap Change	Willingness to Pay	NPS®	YoY Revenue Growth	YoY GM Increase
1 Chewy	0.28	--	-0.01	6.0%	42.2	3.9%	0.86
2 Toll Brothers	0.33	13	-0.42	7.9%	6.1	8.5%	1.51
3 lululemon	0.35	4	-0.18	9.5%	12.8	10.8%	1.86
4 Roku	0.37	2	-0.07	5.5%	26.3	15.7%	1.40
5 Deere	0.38	-1	0.03	6.9%	11.0	-15.6%	2.04
6 Costco	0.39	-4	0.14	5.8%	39.8	6.8%	0.41
7 Amazon	0.40	1	-0.02	5.1%	24.3	11.9%	2.17
8 Cash App (Block)	0.42	4	-0.13	7.8%	6.8	14.8%	1.72
9 Intel	0.43	0	0.02	7.2%	18.8	2.6%	(3.47)
10 Apple	0.46	-5	0.09	6.4%	25.4	2.0%	2.08
11 American Express	0.48	-1	-0.05	6.7%	13.1	11.9%	(1.82)
12 Zoom	0.49	-9	0.21	7.0%	26.6	2.9%	0.20
13 Zillow	0.49	1	-0.07	4.9%	9.1	13.1%	(2.84)
14 Tractor Supply	0.57	-3	0.04	8.8%	15.3	-0.9%	0.73
15 Dominos	0.63	7	-0.24	5.3%	(1.6)	4.5%	0.98
Top Half	0.43		-0.04	6.7%	18.4	6.2%	0.52
Bottom Half	0.90		0.03	6.2%	(0.0)	4.5%	0.37

n = 6,699

Data Collection: December 11th, 2024 thru December 20th, 2024

Margin of Error +/-0.02

Company	Value Gap	YoY Rank Change	YoY Gap Change	Willingness to Pay	NPS®	YoY Revenue Growth	YoY GM Increase
16 Crocs	0.64	-3	0.09	7.5%	7.8	3.0%	3.03
17 Southwest	0.65	12	-0.44	6.9%	10.2	7.6%	(2.94)
18 Tesla	0.69	-1	0.04	8.6%	(5.6)	1.3%	(1.58)
19 Schwab	0.72	0	0.03	6.4%	1.5	-5.7%	(0.50)
20 Johnson & Johnson	0.74	5	-0.20	5.5%	(1.7)	-11.5%	1.95
21 Waste Management	0.76	2	-0.06	6.6%	4.9	6.2%	1.65
22 Uber	0.84	4	-0.16	6.2%	10.2	16.7%	(0.34)
23 UPS	0.85	-7	0.25	4.7%	31.8	-2.6%	0.19
24 Exxon Mobil	0.92	4	-0.18	6.1%	(14.4)	-1.5%	(1.10)
25 Netflix	0.96	2	-0.10	5.4%	2.9	14.8%	5.76
26 Disney	0.96	-2	0.09	5.9%	(2.2)	2.8%	2.34
27 Starbucks	0.96	-9	0.37	5.5%	0.4	0.6%	0.81
28 Microsoft	1.01	-8	0.35	5.1%	10.8	16.4%	(0.09)
29 Boeing	1.35	-8	0.49	6.8%	(32.8)	-3.3%	(5.97)
30 Facebook (Meta)	1.50	0	-0.04	5.9%	(23.8)	23.1%	2.38

NOTES

- In 2024-Q2, Chewy replaced Beyond Meat in the W-30
- We measure Cash App and Facebook with customers; Block and Meta are their parent company names respectively
- For Schwab, we measure Operating Margin, not Gross Margin

About wRatings and Methodology

We are a privately held SaaS (Software-as-a-Service) firm that makes sales growth visible through our patented, proven research methods and proprietary algorithms. We make a series of fixed investments in tools, predictive analytics, and benchmarking databases.

In May 2002, our research was highlighted as the cover article in **Harvard Business Review**. We are a partner to the **Wall Street Journal** and **Drucker Institute** to score the best managed companies, published every year since 2017.

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

The data in this report comes from our patented, online interview tool to ask customers about their functional and emotional ideals, and how well companies perform on them. Since 2020, over 90,000 customers rated these companies using our patented, proven research methods.

This quarter, 6,699 customers rated the W-30 companies between December 11th and 20th, 2024. The margin of error is +/- 0.02 points.

Fixed Investments



SaaS Platform



Patents & Algorithms



Benchmarks

Leveraged By



Online Panel



News & Articles



Reports & Indexes

Subscribed By

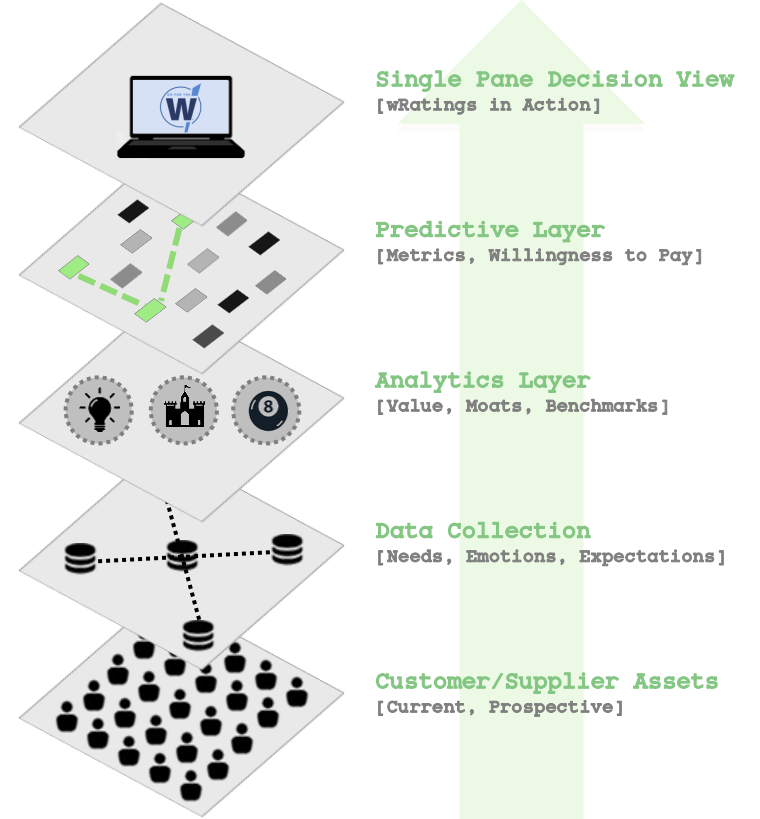


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THE REPORT

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