



## Why Shopify Inc. Is a Great Investment Opportunity

### Description

While the market continues to decline, the sheer number of great stocks that can be purchased for bargain prices seems to have no end.

One such company that is heavily discounted at the moment is **Shopify Inc.** (TSX:SH)([NYSE:SHOP](#)). Shopify is a cloud-based multichannel commerce platform. The platform allows clients to set up e-commerce storefronts that are fully scalable and integrate with social media platforms. The storefronts are typically brought online in a fraction of the time that would typically be required.

Here's why the current discount on the stock makes Shopify one of the best bargains on the market today.

### Shopify has massive, untapped enterprise potential

Shopify currently has 200,000 clients that are, for the most part, small- to medium-sized businesses. Many of these companies are attracted to the simplicity of the model that allows set up of a storefront in a fraction of the time that other storefronts take.

That's not to say that there's a lack of larger companies; Shopify has a different enterprise offering called Shopify Plus for larger companies.

The company already boasts a number of large well-known companies as Shopify Plus clients, and given the ease at which Shopify has set up countless other storefronts and the popularity of the platform, this is one metric that should drive significant revenue for the company.

### Shopify is forging partnerships

One of the things I'm most excited about are the agreements that Shopify has put in place. Rather than providing a walled garden for the e-commerce platform on the client website, Shopify has expanded outwards.

The company has so far put partnership deals in place with a number of large, well-known social media

sites such as **Facebook**, **Twitter** and **Instagram**. The integration of Shopify's services with these social media sites allows "buy now" functionality as a natural extension of the easy-to-use platform, which will strengthen the relationship between Shopify and clients.

### **Shopify can be purchased for an insanely low price**

The current market downturn has made companies like Shopify some of the best bargains available on the market. The stock currently trades at \$32.70, and is only down by 8% year-to-date. Extending out to the period (since the company only went public last year) shows the stock increasing by about 5%. While this may not seem like much, keep in mind that most companies were down 15% (or in some cases 25%) during that same period.

Consensus among analysts is a buy rating with price targets edging closer to the high \$30s, and with good reason, too. The company is expected to post positive results and show significant growth in the upcoming quarter.

In my opinion, Shopify represents one of the best opportunities for investors looking to buy in to a tech company that is trading at a significant discount and has massive potential for growth.

### **CATEGORY**

1. Investing
2. Tech Stocks

### **TICKERS GLOBAL**

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)

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