



Investing in This Stock Now Could Make You a Millionaire Retiree

Description

It's probably not the first time you've seen **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) as a recommendation at the Motley Fool. And there's a reason for it. The stock has seen a stratospheric rise since its last drop, gaining about 30% since the beginning of the year.

Yet there are a lot of analysts out there also putting up red flags, and honestly, they're not exactly wrong. But I wouldn't say they're 100% right, either.

If we look historically at Shopify since its initial public offering in 2015, investors at that time would be thrilled to know their \$10,000 is now making over \$75,000 at the time of writing this article. And, frankly, I don't think it's too late to jump on this internet sensation. Here's why.

Social media machine

Not only does this e-commerce platform give merchants a website to sell their wares, but it also provides opportunities through a number of social media channels. Merchants can use everything from **Facebook** and **Twitter** to Pinterest and Instagram.

That's where things have recently become tricky. Facebook's Instagram recently announced it would be creating a checkout option for businesses through its platform. This could seriously eat away at the previous spot Shopify held in this particular marketplace.

But honestly, social media was really only the beginning with this company. Shopify has invested so much into research and innovation, including potentially creating a virtual reality store in the not-too-distant future.

In the meantime, the company needs to expand much further than social media.

Enterprise expansion

Right now, Shopify's main merchants are small and medium business owners. The company has provided an easy way for these merchants to get their wares to market, but now it's thinking bigger. Literally.

Shopify Plus customers now make up 5,300 of the 820,000 merchants operating through Shopify, and Shopify is aiming to grow that to compete with big boys like **Amazon**. There's only one problem: Amazon is huge and so incredibly strong. It's built an \$871 billion e-commerce site with an all-in-one platform, where merchants can list, sell, and ship their products.

But this is also where Shopify can get an advantage. Can you name one specific merchant on Amazon? I'm guessing probably not. That's because it's incredibly difficult to stand out on Amazon. Shopify gives merchants the opportunity to have their own site, so the [consumer can focus on the merchant](#) with an attractive website.

If Shopify continues to buy up other businesses and become dominant enough in the market share, then it's possible it could become as big as Amazon, reaching share prices not just in the hundreds but possibly thousands.

Shopify international

Shopify has already proven it can handle big clients, hosting most of Canada's sites for selling marijuana after legalization. The company is now hoping that this proves to other countries, and international companies, that it can handle even their most delicate of sales.

As the merchant base grows, merchant solutions should soon outpace the company's subscription solutions segment. This would provide the opportunity for Shopify to become like Amazon and offer payments, shipping, and capital.

Bottom line

On Mar. 25, Shopify solidified its 30-day bull run with shares climbing 9% in that time. Sales continue to increase, with the company [reaching 54% in its most recent quarter](#), and that number should only continue to grow.

However, there is one thing I would warn investors about: where analysts are wary is with a potential recession. Should one hit, this stock could fall again. It's likely overvalued right now, so it might be better to wait for the price to come down before buying up shares.

But again, if you're looking for the long term, such as retirement, it might be good to buy a couple of shares and see where Shopify goes. I mean, if it really does become the next Amazon, and you invest right now for retirement with a plan to withdraw in 25 years, it is possible to get to that millionaire status. If you had \$100,000 in this company right now, you'd have 375 shares. That means you'll have 30 years for the stock to reach about \$2,650 per share, and given inflation in that mix, it's not such a crazy idea.

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Author

alegatewolfe

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