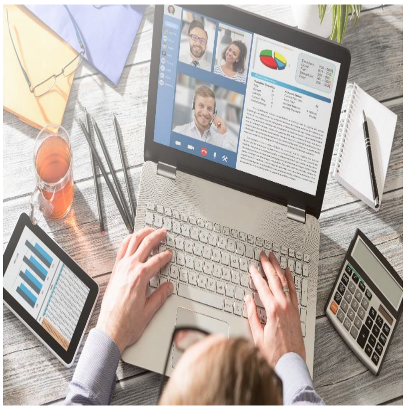

Got $2,000? These 2 Tech Stocks Are No-Brainers

Description

When it comes to growth investing, the single most important thing is to be able to identify large secular trends before everyone else. For example, investors that got into electric vehicles or renewable energy before the majority of investors have definitely seen very generous gains on their positions. In this article, I will discuss two companies that seem to be on great growth trajectories and should find a home in every growth investor's portfolio.

e-commerce is still growing rapidly

The first, and most obvious, secular trend at the moment is the rise of e-commerce. **Shopify** (TSX:SHOP)(NYSE:SHOP) enables merchants to operate online stores. It is the leading online store builder company among English-speaking countries.

Shopify's multi-tiered pricing plan is also very attractive to both merchants and investors. For the merchant, they can try out Shopify's platform for a smaller fee and scale up as they find success, whereas investors can see a continually increasing amount of recurring revenue year over year.

Currently, Shopify offers four subscription tiers. The most basic plan is aptly named Shopify Basic and costs only $29 per month. On the high end, meant for large corporations, the company offers Shopify Plus, which costs over $2,000 per month.

Shopify's revenue has continued to grow each year. Its fiscal 2019 annual revenue was $1,578.2 million, which represents a 47% increase over the previous year. This most recent quarter, the company reported $767.4 million in revenue — good enough for a 96% growth compared to Q3 2019. While most would think that Shopify's subscription plans are the bulk of its revenue, merchant solutions drive the company's growth.

In fact, Shopify offers so many additional solutions that merchants can use to find success. Offerings such as Shopify Payments, Shopify Shipping, and Shopify Capital are just examples of the optionality that the company has. It has so many revenue streams that have shown to be successful, that it will be difficult for Shopify to not continue growing in the future.

Telehealth will be much bigger in the future

The second trend that investors should take note of is the rise of telehealth. This industry is still very much at its infancy, and widespread adoption will probably not occur for a few years. However, the COVID-19 pandemic has certainly sped up this process. We have seen companies like **Teladoc**, in the United States, grow very quickly as a result. In Canada, **WELL Health Technologies** (TSX:WELL) appears to lead the pack.

The company is one that fulfills the David Gardner investing principle of holding companies that "reflect your best vision for our future." WELL Health aims to improve the experience and health outcomes of all patients. By wholly owning health clinics and adding more than two thousand other clinics into its network, WELL Health is able to do just that. The company first focused on growth in Canada, but has recently ventured into the massive American market.

I am a strong believer that WELL Health will grow for many years as the world becomes more digital. Investors have already been generously rewarded by its stock this year, but the story has just begun.

Foolish takeaway

Growth investors should take note of secular trends. Doing so as early as possible will generate the greatest returns. Companies like Shopify and WELL Health are in the midst of riding big waves in their respective industries. Investors should consider adding shares of these companies into their portfolios.

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