



These 2 Stocks Have Made Investors Rich Over the Past Year

Description

With 2020 finally coming to an end, it is only natural that we look back at how Canada's publicly traded companies have fared. In a year filled with uncertainty, whether from a worldwide pandemic or a national election, certain companies have managed to impress investors.

Looking at the **Toronto Stock Exchange's** top 30 gainers, nine companies have been frequent features in my Motley Fool articles. These include companies such as **Trillium Therapeutics**, **Galaxy Digital**, **WELL Health Technologies**, **Docebo**, **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)), **Maxar Technologies**, **Goodfood Market** ([TSX:FOOD](#)), **Tecsys**, and **Lightspeed**. Indeed, it has been a great year for those that have an interest in my areas of focus.

In this article, I will look at what allowed Shopify and Goodfood Market to blossom into top Canadian growth stocks.

The beginning of an incredible shift

Consumers have been steadily shifting toward e-commerce over the years. In the United States, e-commerce accounted for just under 10% of all retail sales in Q1 2018. By the start of 2020, its share of retail sales accounted for about 12%.

A steady increase in adoption over the past two years has also been documented in the United Kingdom. There, e-commerce made up about 17% of all retail sales, and was noted as increasing to just over 20% by the start of 2020.

Because of the COVID-19 pandemic, the adoption of e-commerce is believed to have accelerated [by four to six years](#). By Q2 2020, online sales accounted for about 16% of all retail sales in the United States and more than 30% in the U.K. Clearly, consumers have decided that online retail is essential today.

Shopify and Goodfood Market both operate in this industry, albeit in two completely different ways. The former is an e-commerce enabler. Shopify's platform allows merchants to create online stores and sell

products around the world. Today, there are more than 1,000,000 online stores powered by Shopify across 175 countries.

Meanwhile, Goodfood Market is an online grocery and meal kit provider with the capacity to serve more than 700,000 subscribers.

Both companies have found that consumers may continue to use online retail methods even after the pandemic. Recently, Shopify announced that its merchants totalled a record \$5.1 billion in sales over the Black Friday-Cyber Monday weekend.

This amazing performance was anticipated by the company, as Shopify reported that BFCM shoppers in the U.S. planned to spend 23% more this year. Additionally, Shopify found that 49% of all consumers planned to shop online only, while 48% of shoppers intended use online retail methods in addition to visiting physical retailers.

What does the future look like for these companies?

The coming years look very bright for both companies, assuming they can continue executing at exceptional levels. Shopify has made amazing progress in establishing a presence within the online retail space.

This year, the company announced partnerships with **Facebook** and **Walmart**. These allow merchants that use Shopify's platform to integrate their stores into two exceptional retail networks.

Goodfood Market believes that its future looks promising as well, as seen in the company's latest earnings report. There, the company reported the results of a consumer survey. When asked whether the pandemic has significantly influenced consumers to purchase groceries online rather than in-person, 54% agreed.

Further, 90% of consumers that purchased groceries online during the pandemic indicated that they planned to keep doing so in the future.

Foolish takeaway

As of this writing, Shopify has gained 183% over the past year. Meanwhile, Goodfood Market stock has increased 165% over the same period.

Both companies are [proven winners](#) in the stock market. As consumers continue to shift toward e-commerce, Shopify and Goodfood Market should continue to grow.

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