



## The Next Amazon: This Stock Can Rise 1,000% in 12 Months

### Description

Everyone wishes they invested in **Amazon** ([NASDAQ:AMZN](#)). A \$1,000 investment would now be worth millions. No matter what happens, all this stock seems to do is go higher.

Most people are ignoring this opportunity, but the next Amazon stock is already here.

### You can't argue with success

The first thing you'll notice about **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) stock is its incredible performance. Shares are up 42 times in value since going public in 2015. Amazon stock rose just four times in value over the same period.

The second thing you'll notice about this stock is that it operates in a similar market: e-commerce.

Today, around 60% of U.S. shoppers turn to Amazon *first* when buying online. But where do the other 40% go? That's where Shopify is making its money.

"At first glance, Shopify isn't an Amazon competitor at all: after all, there is nothing to buy on Shopify.com. And yet, there were 218 million people that bought products from Shopify without even knowing the company existed," [explained](#) Ben Thompson. "The difference is that Shopify is a platform: instead of interfacing with customers directly, 820,000 3rd-party merchants sit on top of Shopify and are responsible for acquiring all of those customers on their own."

The number of merchants is now over one million. By providing an easy-to-use, instantly deployable e-commerce platform, Shopify is powering the anything-but-Amazon movement. You've likely shopped at a Shopify-powered site before without even realizing it.

## Amazon stock versus Shopify stock

These businesses have a ton in common. Both are tapping the multi-trillion-dollar e-commerce market,

but in very different ways.

The best part is that both approaches are winner take all. That is, they grow stronger over time, with growth often accelerating.

Consider Amazon. The more merchants that it attracts, the more valuable it is for shoppers to shop there. And the more shoppers there are, the more attractive it is for sellers to move to Amazon.

Shopify's e-commerce platform is similar because it opened up tool development to outside developers. Anyone can build and monetize new capabilities for Shopify users.

The more merchants move to Shopify, the more developers will be incentivized to make the platform even better. The more developers that build, the more customers will want to use Shopify. It's another virtuous cycle. An unstoppable feedback loop.

"That is the beauty of being a platform: you succeed (or fail) in the aggregate," Ben Thompson concluded.

## Bottom line

At the end of the day, Shopify and Amazon shouldn't be considered competitors. Sure, they're tapping the same market, but they're doing so in very different ways, and there are plenty of spending dollars for everyone to succeed massively.

Shopify stock has already risen by 4,200% since going public. If it rose another 1,000%, it would still be *half* Amazon's size. Once people understand that its platform model won't stop growing anytime soon, expect the share price to rise significantly.

"There's a chance the stock could double again before 2020 is even finished, especially if holiday sales data continues to outpace expectations," I recently [stressed](#). Just don't forget to remain patient.

## CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

## TICKERS GLOBAL

1. NASDAQ:AMZN (Amazon.com Inc.)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:SHOP (Shopify Inc.)

## PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred

5. Quote Media
6. Sharewise
7. Yahoo CA

**Category**

1. Coronavirus
2. Investing
3. Tech Stocks

**Date**

2025/06/30

**Date Created**

2020/12/20

**Author**

rvanzo

default watermark

default watermark