



## Shopify Inc. (TSX:SHOP) vs. Lightspeed POS Inc. (TSX:LSPD): Which Did Better in 2020?

### Description

Tech stocks soared during this last year. Those involved in e-commerce especially saw an enormous boost even while the world was in lockdown. But when it comes to the top e-commerce stocks out there, **Shopify Inc.** ([TSX:SHOP](#))([NYSE:SHOP](#)) and **Lightspeed POS Inc.** ([TSX:LSPD](#))([NYSE:LSPD](#)) were at the top of the list.

Yet even as shares from both companies reach all-time highs, which stock did better overall this year?

### Lightspeed

This point-of-sale provider has been on fire since its initial public offering almost two years ago. It didn't look like the stock could do much better, until the market crash. Suddenly, Lightspeed fell as the world wasn't sure what would happen next — especially as Lightspeed mainly focused on small and medium-sized retail and restaurant businesses.

But nobody could've foreseen what happened next. The e-commerce industry soared practically overnight, and Lightspeed expanded into the e-commerce industry as well. It even offers businesses a free trial to get their business back on track during this trying time.

The company managed to continue record-breaking revenue, most recently seeing revenue increase 70% year over year. All in addition to its presence on the **New York Stock Exchange**, it also acquired ShopKeep to continue expanding in the United States.

As for shares, the company has seen growth of 111% in the last [year](#) alone. If you had invested \$10,000 in Lightspeed one year ago as of writing, today that would be worth \$21,276.84 as of writing.

### Shopify

While Lightspeed was entering the e-commerce industry, Shopify was taking it over. Yet no one really

saw this coming at the beginning of last year. In fact, with many economists believing a market crash was on the way, there was worry about how Shopify would handle itself. And indeed, it crashed with the rest of the economy. But since then the stock has soared.

Businesses needed to get online, fast. Shopify was the first [choice](#) of many, as merchants can have the benefit of their own store front while still taking advantage of Shopify's large audience. Merchants signed up in droves, with revenue soaring yet again from recurring revenue.

Most recently, revenue increased 96% year over year! While this likely won't be the case in years to come, the company is clearly able to take advantage of this rise in e-commerce use.

And again, when looking at shares there has been growth of 188%. So clearly, the company beats Lightspeed in returns alone. If you had invested \$10,000 in Shopify one year ago as of writing, you would have \$28,843.22 in your portfolio.

## Foolish takeaway

If you're looking at just returns from the last year, it clearly looks as if Shopify is the winner. But if it's sustainability you want, you might want to consider digging more into Lightspeed. Not only is the stock much cheaper, but the company has a lot more room to grow compared to Shopify.

Economists tend to agree, so as for the winner in 2021, only time will tell. But right now, my money would be on Lightspeed.

### CATEGORY

1. Coronavirus
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### TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. NYSE:SHOP (Shopify Inc.)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:SHOP (Shopify Inc.)

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alegatewolfe

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