



Alert: Shopify (TSX:SHOP) Is Entering the NFT Industry

Description

Shopify ([TSX:SHOP](#))([NYSE:SHOP](#)) is getting into the [non-fungible token \(NFT\)](#) market. CEO Tobias “Tobi” Lütke just announced that the company has launched a new platform that allows users to create and sell their own NFTs.

If you're an investor, here's what you need to know.

What's happening?

Canada's most successful tech company is entering the most popular segment of the crypto market. Shopify's Tobi Lütke tweeted out an announcement about a new platform that would help Shopify merchants create and sell their own NFTs.

The Shopify NFT Beta Program launches today and is initially limited to only U.S.-based merchants. But the team seems keen to roll this out across the Shopify ecosystem.

Even in beta, the platform allows merchants to create NFTs on the platform using popular networks like Ethereum, Polygon, Near, and Flow. Merchants can then sell these digital pieces of art through Shopify Payments, Shop Pay, crypto payment gateways, credit/debit cards, or other payment options.

It seems like other Shopify tools and apps, such as email marketing and memberships, will also be available through the platform.

What's the big deal about NFTs?

As the company points out on its website, NFTs have been immensely lucrative. In the most recent three months, NFT sales have raked in US\$10.7 billion or CA\$13.67 billion in total revenue. The market has grown 700% over the past year.

The average NFT sells for US\$100, according to data collected by the Shopify team.

At the moment, NFTs are seen as a tool to enhance digital marketing and community building. The NBA's experiment with TopShots this year proved that NFTs could help major brands monetize their content in a new way. Since then, major brands such as UFC, F1, Taco Bell, Crockpot, and Campbell's have joined the bandwagon.

The momentum doesn't seem to be slowing down.

What does this mean for investors?

For investors, this simply means more revenue. As mentioned, NFT sales have generated billions of dollars for artists and brands this year. By making it easy for merchants to create, sell, and market these digital tokens on its platform, Shopify is seeking a slice of the market.

Shopify can charge fees for processing payments on NFT sales and recurring community membership programs. In the future, this platform could attract more blockchain developers who create unique Web3 applications that enhance the Shopify ecosystem.

This venture is also a sign that Shopify's team has its finger on the pulse of the tech industry. Innovative new ventures like this could be the catalyst for Shopify's next leg of growth.

Bottom line

Shopify's new NFT platform is exciting. The industry is massively lucrative and growing rapidly. If the momentum dies down, Shopify doesn't lose much. But if it continues, the company's top line could be greatly enhanced. For growth investors, this is an exciting development.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:SHOP (Shopify Inc.)
2. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

8. Yahoo CA

PP NOTIFY USER

1. kduncombe
2. vraisinghani

Category

1. Investing
2. Tech Stocks

Date

2025/07/08

Date Created

2021/12/16

Author

vraisinghani

default watermark

default watermark