



Shopify (TSX:SHOP) Unveils New Growth Plan: Crypto and Big Tech Partnerships

Description

E-commerce giant **Shopify** ([TSX:SHOP](#))([NYSE:SHOP](#)) has had a rough year. The stock has lost an astounding 80% of its value since November 2021. The company is now determined to turn things around. It unveiled a new growth plan today that includes deeper integration with cryptocurrencies and other technology platforms.

Could this salvage the stock? Here's a closer look.

Shopify's new growth plan

The Ottawa-based tech giant unveiled over 100 new products and integrations today. Most of these are technical upgrades to the way merchants on the platform interact with their shoppers. The most noteworthy products are Shopify Audiences and Shopify Markets.

Audiences is a digital ad tool that should help merchants broadcast their stores to a wider audience. This tool should simplify and lower the costs of customer acquisitions. Meanwhile, Markets open up global e-commerce to merchants of all sizes. This tool allows merchants to list products in different currencies, collect local taxes in other regions and comply with local laws and taxation. Shopify believes this could boost international sales up to 40% for some merchants.

Big tech

The company is also leaning on technology giants to boost growth. Previously, the team announced a partnership with **Meta Platforms** that integrate Shopify elements into Instagram. Today, the company has announced similar integrations with Meta's peers, including Google, TikTok, **Twitter**, and **Apple**.

The Shopify team is highly optimistic about the future of shopping on social platforms. In an interview with the *Globe and Mail*, Shopify president Harley Finkelstein said traditional commerce was done in the town square, “because that’s where people spent their time.”

Today, consumers spend their time watching videos on TikTok or interacting on Twitter, which is why these integrations have the potential to create a digital bazaar environment. Whether this strategy works remains to be seen.

Cryptocurrency

Shopify founder Tobias Lütke has been deeply involved in the cryptocurrency community. Last year, the company partnered with Crypto.com to allow its merchants in some regions to accept over 20 cryptocurrencies.

Today, the team announced the adoption of [non-fungible tokens](#) (NFTs) and Tokengated Commerce. These tools should help merchants create and sustain a community of loyal fans who receive premium access to special editions of products and early access to new launches.

The cryptocurrency sector has dipped into a bear market recently, which makes these integrations riskier. However, the products are positioned as marketing tools to drive engagement and community building. This strategy has had some success with NBA TopShots and other sports events in the past, so it might also work for Shopify’s merchants.

Bottom line

E-commerce companies have had a rough year. Shopify’s growth dropped to the slowest pace in seven years. If we face more inflation and a recession ahead, consumers could further cut back on online shopping. To mitigate these risks, the tech giant needs a shift in strategy.

Today’s announcement of new products, partnerships with tech giants, and crypto community tools could boost the company’s sagging growth trajectory. The stock is already up 4.5% on the news. Keep an eye on this trend reversal.

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