



Docebo (TSX:DCBO) Stock Is Still Down 63%: Should You Buy it?

Description

The tech sector in Canada has started to recover, but at its current growth pace, it may take several months to reach the peak (if it does) it hit in 2021. We may be well into the following year when the sector's recovery can be considered complete.

Still, some stocks are outpacing the sector regarding recovery, while others are lagging. And **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) is in the latter group. But before you get inspired by the stock's impressive discount tag, it's a good idea to take a deep dive into the company and the stock's performance history.

The company

Docebo is a Learning Management System (LMS) that claims to be much more than a typical LMS. It's a learning suite that combines everything you may need for "professional learning." Docebo is not a learning platform for students where teachers connect with their students.

Instead, it's an artificial intelligence (AI) powered platform that allows businesses to educate employees and create a far more substantial impact than traditional training and educational tools.

The platform has six different products that allow businesses to create, shape, and modify the educational content they want their employees to learn from. It also tracks their performance, measures its impact on the business numbers, and can even integrate learning experience into the employees' workflow.

The company has helped over 2,800 businesses, and its impressive client portfolio includes names like **Walmart**, **AWS**, and **Thomson Reuters**.

The stock

The irony when it comes to Docebo stock is that we have only seen its performance in a healthy,

regular market for a few months. The stock was listed on the TSX in October 2019, and in about six months before the pandemic-driven 2020 crash, the stock appreciated about 24%, which is relatively modest, especially for a tech stock.

But after the pandemic hit, and tech companies started to soar ahead of the market recovery, Docebo stock also went through the roof and rose about 900%, peaking in September 2021 with the rest of the sector. The correction was proportional to the growth, and the stock fell almost 70% at its worse.

Now, the company is recovering with the rest of the sector, and it's difficult to predict which growth pace it will follow — the post-pandemic or the pre-pandemic one.

It's important to note that it's one of the best LMSs in the world, and as learning grows more digital, the company may see its client base and its revenues grow. The stock may follow the organic business and financial growth, and you may see decent returns if you buy the discount now and hold it for a long time.

Foolish takeaway

Docebo stock might ride the current recovery wave along with other [tech stocks](#) in the country, though the pace may differ. The sector is recovering relatively slowly, but if this slow speed comes with better consistency, then it may be a healthy enough tradeoff.

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