Marketing Doctor

Marketing Check-up

Shopify

As of November 3, 2026

Condition: Healthy

Built for merchants, tested by AI

Shopify began when Tobi Lütke struggled to sell snowboards online and built his own software to do it. Twenty years later, the Ottawa company says it powers millions of businesses in more than 175 countries. As of November 3, 2026, the business is growing fast again after a hard reset in 2022 and 2023. This check-up looks at the merchant-first brand, how it came back from an overreach, and the next test: shopping that starts inside AI assistants.

Key takeaways

- Shopify's positioning has stayed clear since its 2015 listing: software that lets independent sellers compete.
- Lütke bet the pandemic surge in online shopping would last. When it didn't, he cut staff, said plainly that he got it wrong and sold the logistics business to return to the core.
- The recovery is real. Merchants sold US$119.1 billion of goods through Shopify in the third quarter of 2026, up 29%.
- In our view the next test is keeping merchants visible as more shopping starts inside AI assistants. Orders from AI search platforms rose 15 times in about a year, from a small base.

Marketing health check

Area	Finding
Positioning	Clear. Software that lets independent sellers compete.
Merchant growth	Strong. Goods sold through Shopify up 29% in Q3 2026.
Focus	Restored. Logistics handed to Flexport in 2023.
International	Growing. International revenue up 36% in 2025.
AI shopping	Early. Orders from AI search up 15 times, from a small base.

Timeline

When	What happened
2006	Shopify starts after Tobi Lütke builds software to sell snowboards online.
May 2015	Shopify lists on the New York Stock Exchange, serving more than 150,000 merchants.
2020 to 2021	The pandemic pushes shopping online, and Shopify bets the surge will last.
Jul 2022	Shopify cuts about 10% of staff; Lütke says the bet didn't pay off.
May 2023	It cuts 20% of its workforce and hands logistics to Flexport.
2025	Revenue grows 30%, and international revenue 36%.
Feb 2026	Orders from AI search platforms are up 15 times since January 2025.
Nov 3, 2026	Q3 results: merchants' sales through Shopify up 29%.

What happened: a brand built for merchants

Ottawa-based Shopify began when Tobi Lütke struggled to manage sales for his own snowboard company. When it listed on the New York Stock Exchange in May 2015, it served more than 150,000 merchants, and Lütke told CNBC the previous decade had been a lost decade for entrepreneurship. That clear positioning, software that lets independent sellers compete, still defines the brand. Shopify now says it powers millions of businesses in more than 175 countries.

The diagnosis: an overreach, admitted

The pandemic pushed shopping online, and Lütke bet the surge would last. In July 2022 he cut about 10% of staff and wrote in a memo, reported by CNN: “It’s now clear that bet didn’t pay off.” He added that placing the bet was his call, and that he got it wrong.

In May 2023 Shopify cut 20% of its workforce, more than 2,300 people, and handed its logistics division to Flexport for a stake in that company. We read the sale as a return to the core: software and payments for merchants, without warehouses to run.

The result: growth that follows merchants

The recovery is real. Revenue for 2025 grew 30%, with international revenue up 36%. In the third quarter of 2026, merchants sold US$119.1 billion of goods through Shopify, up 29%, and Shopify’s revenue grew 32%.

The mix is shifting too. Subscription Solutions, mainly the plans merchants pay for each month, grew 20%. Merchant Solutions, which grows with merchants’ sales, grew 35%. We read this as a brand whose fortunes are increasingly tied to its merchants’ success, and we would track merchant outcomes as closely as Shopify’s own revenue, the approach we set out in our guide to marketing KPIs.

Expectations are part of the brand too. On results day, investors focused on a small miss against estimates. When fast growth is the story, every quarter is judged against it.

The next test: shopping inside AI assistants

Shopping is starting to move into AI assistants. In February 2026 Shopify said orders to its merchants’ stores from AI search platforms had risen 15 times since January 2025, from a small base. President Harley Finkelstein said large language models do not bypass Shopify’s checkout.

If AI agents pick products for shoppers, merchant brands risk becoming line items in a chat window. Keeping merchants visible there is the same problem we cover in AI search visibility. We would watch three things: growth in merchants’ sales, subscription growth, and whether AI shopping brings merchants new orders without taking their customers.

Lessons for your marketing

1. Name your mistakes in plain words, as Lütke did in 2022.
2. Sell or close the parts that do not fit the brand, even ones you built.
3. Tie your brand to your customers' success, and measure their outcomes as closely as your own.
4. Treat expectations as part of the brand. When growth is your story, every quarter is judged against it.
5. Plan for AI assistants as a new front door, and make sure your brand stays visible there.

The doctor will see you now.

Book a free marketing check-up at marketingdoctor.ca/contact. We'll examine your marketing, show you what's holding growth back and prescribe what to fix first.

Sources

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