CANNABIS IS ESSENTIAL

Challenges and considerations for cannabis marketers

Lisa Buffo Founder & CEO, Cannabis Marketing Association





Lisa Buffo Founder & CEO Cannabis Marketing Association

Cannabis veteran since 2014.

CMA is a national membership based organization educating licensed cannabis businesses across the U.S. and abroad.

Consultant, a CMO.

Consultant, advisor, recovering cannabis



Trends

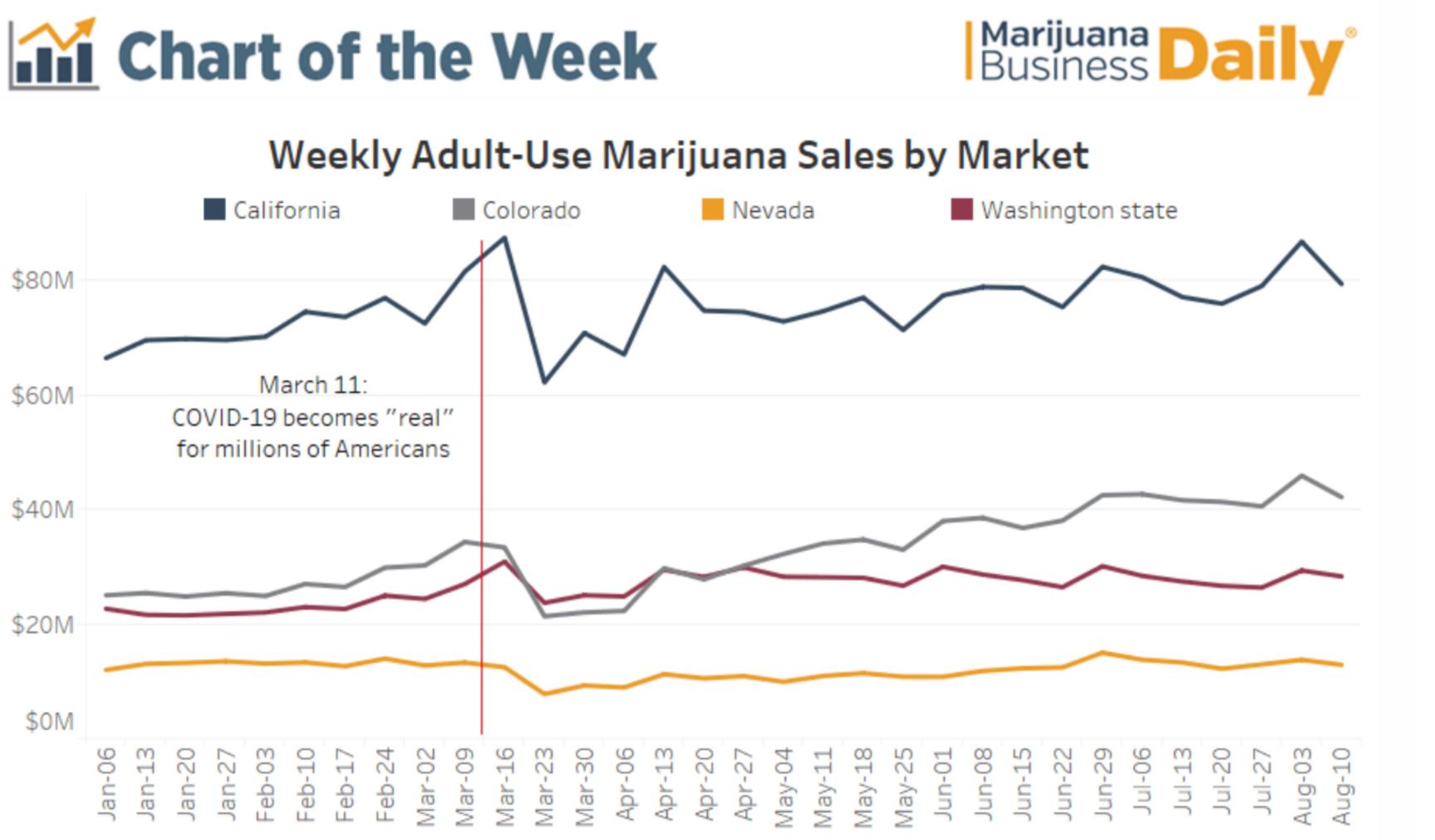
Challenges

Context

TRENDS



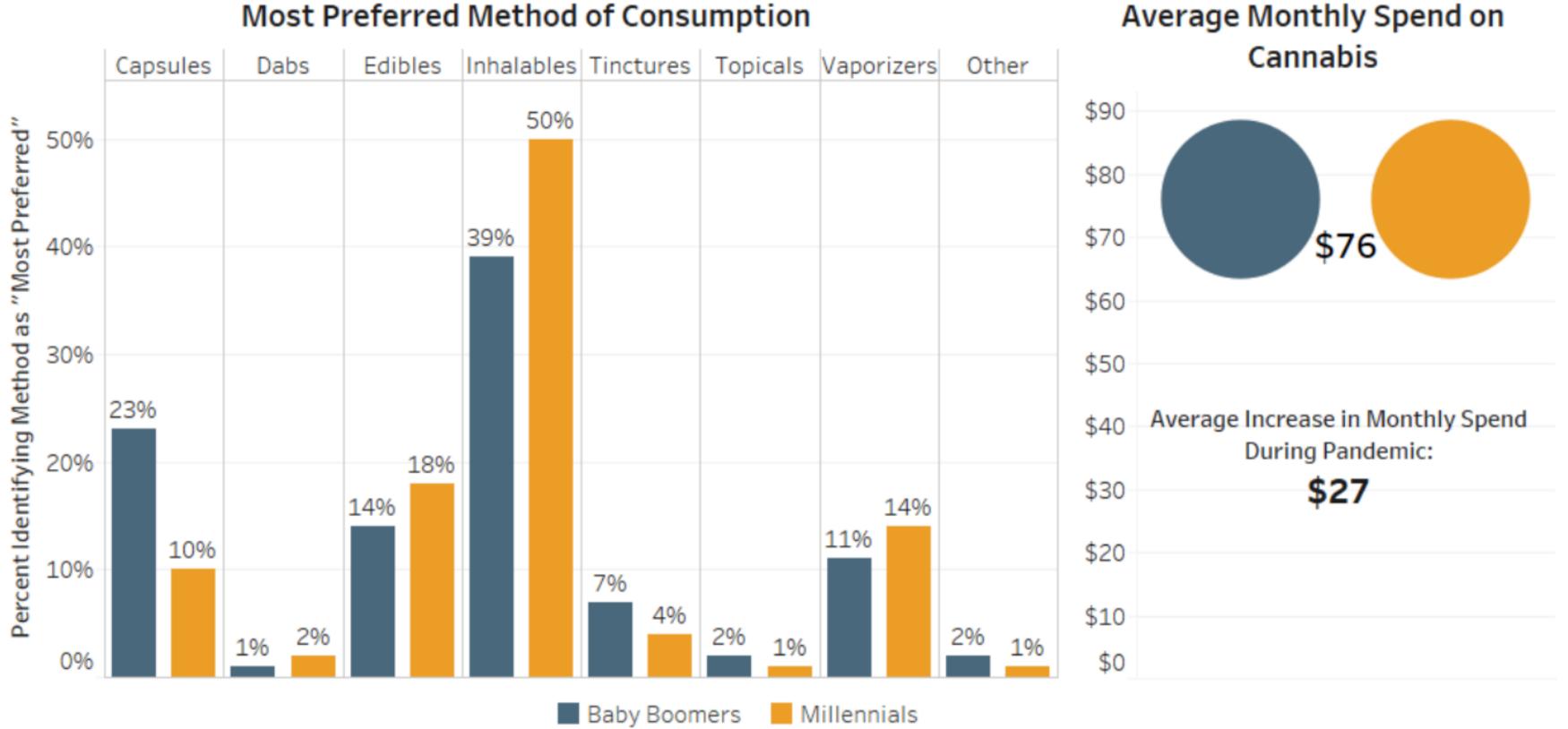




Source: Headset

Source: Marijuana Business Daily

Cannabis Consumption Behavior by Generation



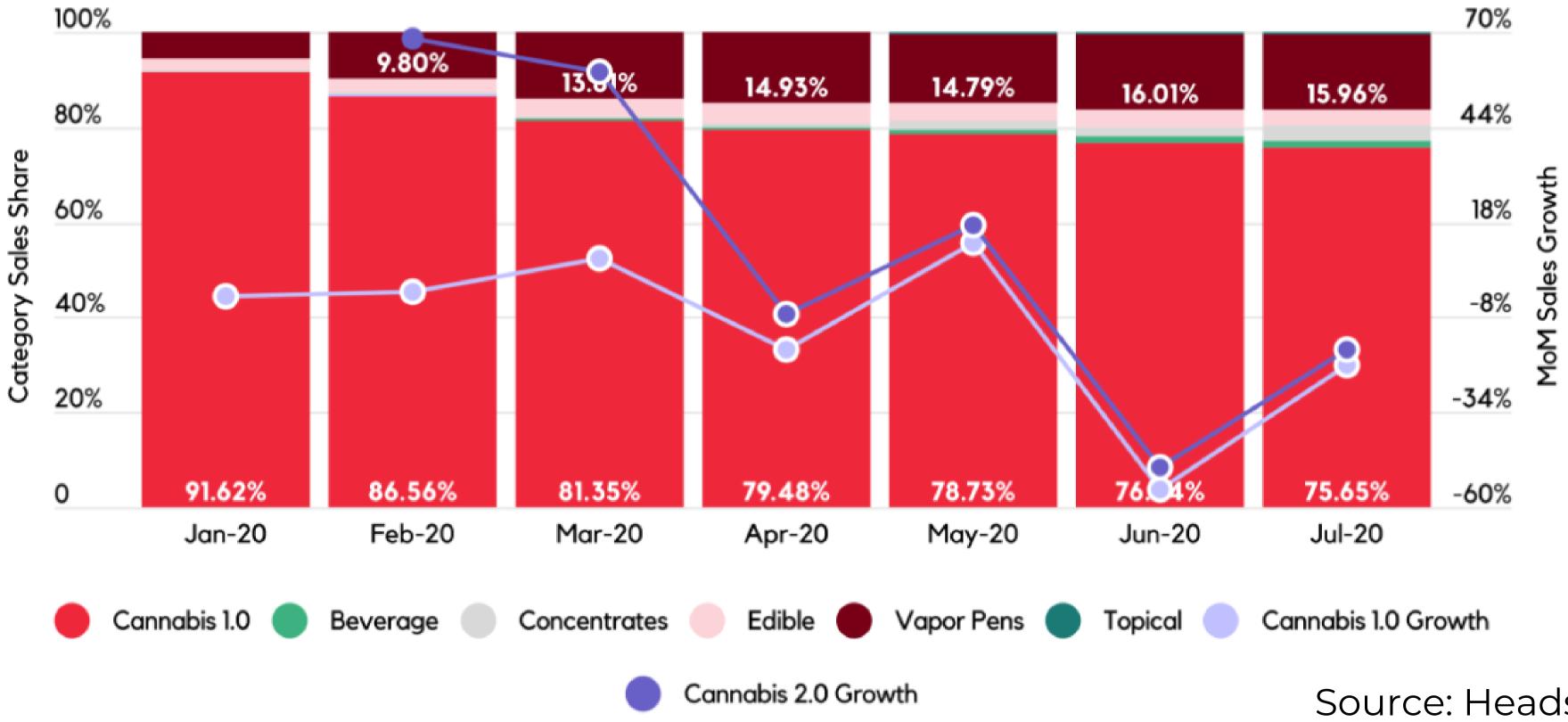
Source: Verilife and Headset

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Source: Marijuana Business Daily

Introduction of Cannabis 2.0 categories

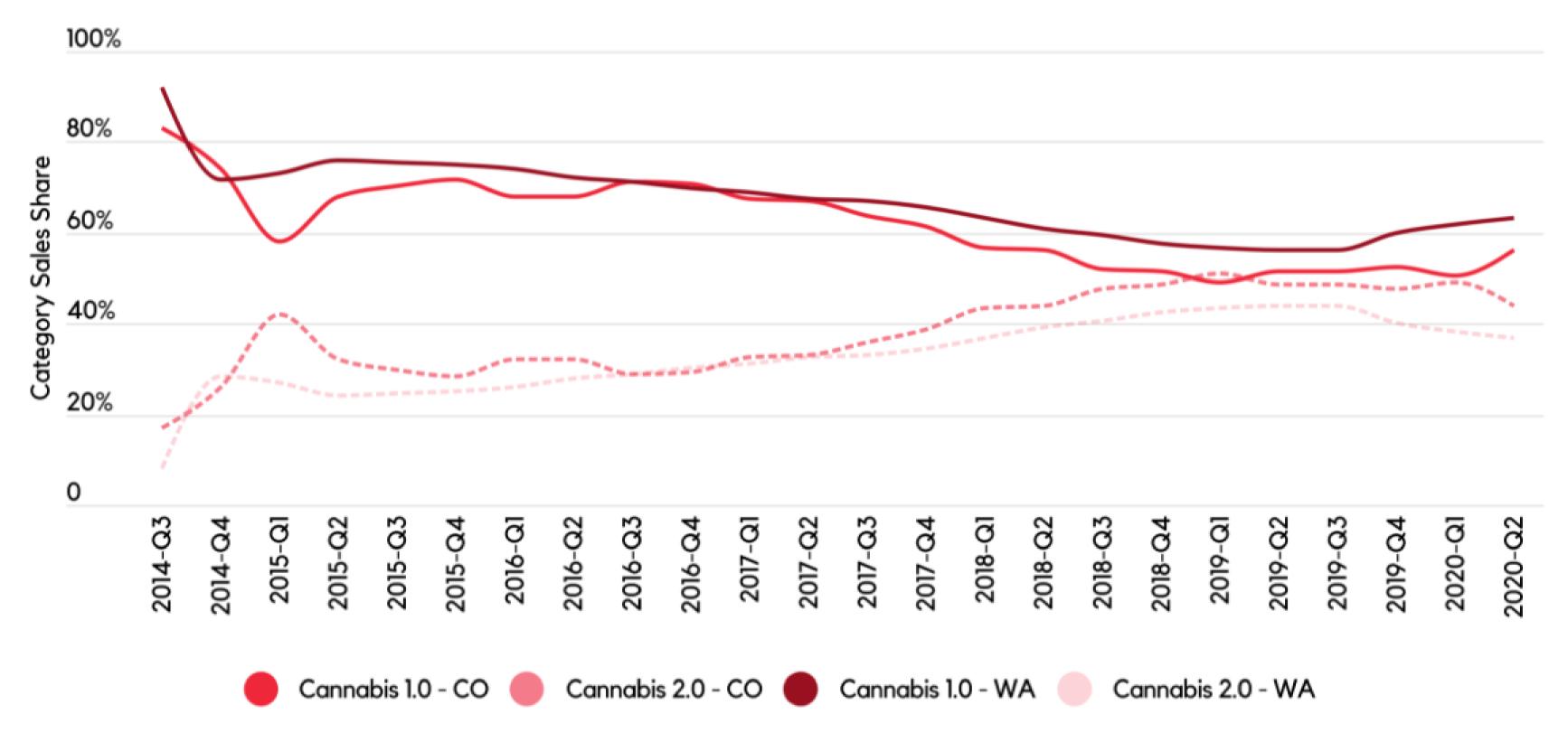
CATEGORY SALES MIX POST CANNABIS 2.0 LAUNCH - TOTAL CANADIAN MARKET



Source: Headset

Category shifts in developed markets

HISTORIC SALES SHARE OF CANNABIS 1.0 VS 2.0 CATEGORIES - WA & CO





Source: Headset



Cannabis sales have slightly **increased** since COVID-19

- Consumption behavior
- Cannabis 2.0 (Beverages, **Concentrates, Edibles,** growing categories

consistent across generations

Topicals, and Vapor Pens)

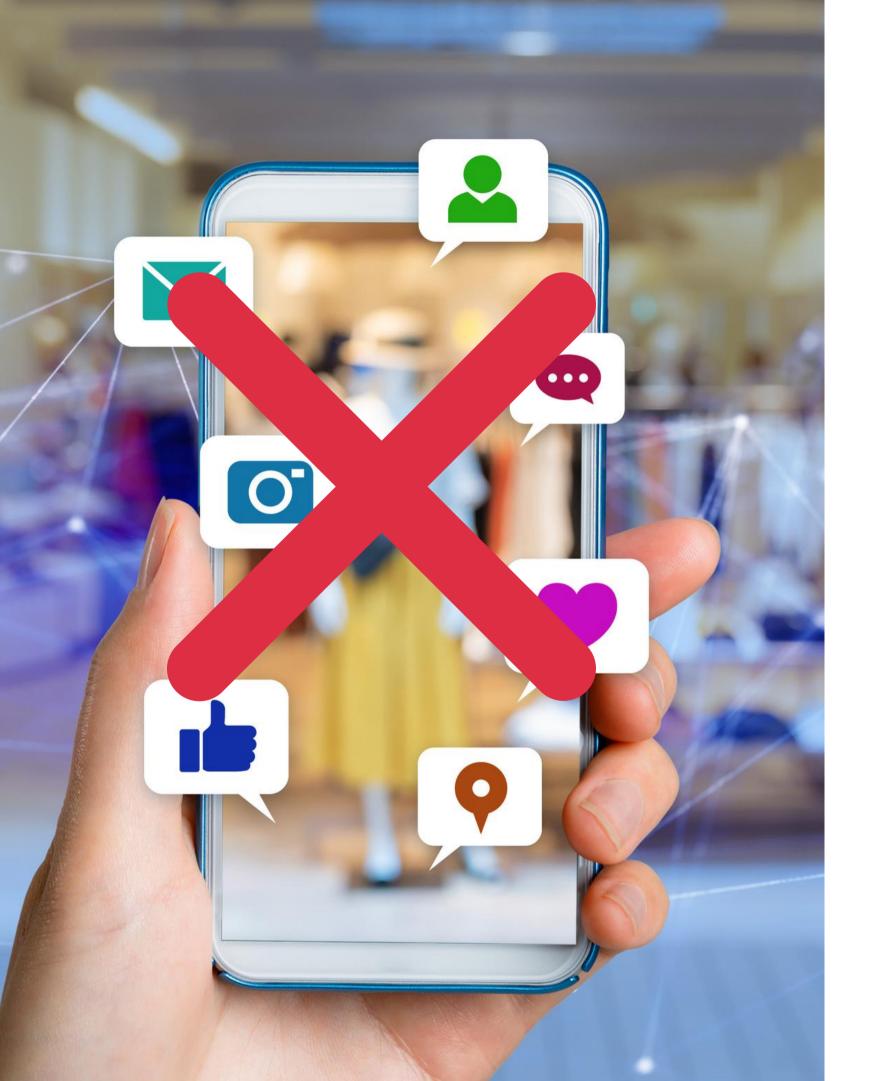
CHALLENGES

280E Tax Code

			Non-Cannabis Business	Cannabis Business
Marketing budget	—	Gross Revenue	\$1,000,000	\$1,000,000
		Cost of Goods Sold	\$650,000	\$650,000
		Gross Income	\$350,000	\$350,000
		Deductible Business Expenses	\$200,000	\$0
		Taxable Income	\$150,000	\$350,000
		Tax (30%)	\$45,000	\$105,000
		Effective Tax Rate	30%	70%

Source: National Cannabis Industry Association





limits

Paid Facebook, Instagram, Adwords are off

...plus Shadow Bans

CONTEXT





Language





THE DRUG WAR

Black Americans are arrested for violating cannabis possession laws at nearly **4x** the rates of whites, despite equal consumption rates.

Latino

40,000 cannabis prisoners in the U.S.

80% of the federal prison population is Black or

Source: Drug Policy Alliance, NORML

Innovation



• Try Cannabis 2.0 products with your adult-children

- Prepare for bootstrapped marketing budgets
- Educate yourself on the history of cannabis prohibition & its social implications
- Innovation in cannabis is getting to parity (for now)



Thank You

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