



What's Hot in Pot Retail

Summer 2018 will bring more than warmer temperatures — it will also turn up the heat on the cannabis market. As Colorado and Washington enter their fifth summer of legal recreational cannabis sales, and California prepares for its first, it is time to examine what's currently *Hot in Pot*.

1 Consumer surveys show us shoppers are diverse, 40ish, enjoy cannabis once a week, and are physically active, social, and more satisfied with life than non-Consumers.



2 Buying decisions today are influenced by the brand on the label, gaining ground on taste, texture and benefits. The branded side of cannabis sales comes in at 40 percent of the overall market.



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3 Flower remains the most popular single category, representing about half of all sales. And some of the flower, like Willie's Reserve, is branded.



4 Candy is experiencing rapid growth (currently 38 percent of all edibles). The edibles marketplace supports a diversity of products — from tinctures to boxes of truffles.



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5 The top two candy sales gainers: gummy candies, 53 percent growth on sales of \$11.6 million, and, chocolate pieces, 166 percent growth on sales of \$1.5 million.*



6 CBD branded products represent a small portion of the cannabis market, but CBD-oriented products sold in dispensaries experienced rapid growth during Q1.



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7 CBD sales growth highlights: high-CBD candy, 102 percent growth on sales of \$20 million; high-CBD gummies, 925 percent growth on sales of \$5.4 million; and, high-CBD tinctures, 111.5 percent growth on sales of \$8.1 million.*



As California's adult-use market begins to reach its projected potential, and with more states coming on-board throughout 2018 and beyond, the cannabis industry will continue to lead the charge as the fastest growing industry in the United States. Very hot indeed.

