

# What Was Hot in Pot Retail *in 2018*

## Top 10 Cannabis Product Trends

Insights by  **BDS Analytics**

Consumer spending in 2018 on legal cannabis exploded, growing nearly 30% to \$11 billion dollars. That's a whole lot of smoking, vaping, eating, drinking and other nouveau forms of mood-lifting imbibing. So what trends came out of the retail world this year? Here's our data-informed, experientially-influenced top 10 list.

**1** In the cannabis beverage market, we witnessed a proliferation of products beyond large bottles of liquid. Powdered drinks, shots, and tea, for example, are making inroads into markets.

Even though most of the flower available in retail today is unbranded, the landscape is changing as branded product is rolling out – and gaining traction - in markets across the US.

**2**

**3** By the end of 2018, we saw the “\$30-\$35” price category establish itself as the going away leader, with “\$25-\$30” in 2nd position, and “\$35-\$40” rounding out the top three.

More and more exotic products are being launched in retail everyday including dissolvable powders for food and drink, inhalers, orally dissolvable strips, and even suppositories. The market is getting *interesting* to say the least.

**4**

**5** While products high in CBD find homes within the flower, concentrates and topicals categories, it is in the world of edibles where CBD-rich products are emerging with muscle.

Gummies are the most popular form of edible cannabis in California. They represent 27% of all edibles products, dwarfing baked goods and chocolate bars (10% and 8% respectively). And the most popular flavor? Watermelon.

**6**

**7** As the microdosing movement gains footholds across the US, the standard dose is shrinking. For example, in California the top six chocolate bar products are all divided into 20 servings, with each serving containing 5mg of THC — 10mg used to be the standard.

Our consumer research reveals the degree to which cannabis enthusiasts leverage forms of the plant for everything from sleep to pain to anxiety-relief. It's significant: 50% of all Consumers use it for essentially medical reasons.

**8**

**9** Diminishing prices for flower receive a fair amount of press attention, but we don't hear as much about the flip-side — relatively stable and even spiking prices for branded products.

Brand strength is about more than just market growth. When we compare data from the first half of 2017 with the same period in 2018, we find that the top 10 brands in Colorado and Oregon command both higher prices on average and significantly more market share than competitors.

**10**

Where is retail headed in 2019? We have our theories, many of which are being fueled by the data we are pulling from our GreenEdge™ Market Tracking Platform. But for now we are reveling in what was a significant year for cannabis. Like us, keep your eyes open in 2019 as trends begin to take shape, more and more customers come flooding through dispensary doors, and governments and municipalities across the US take a proverbial step back and let customers do what customers do. Spend money.