



# KEEPING CONSUMERS AT THE CENTER OF YOUR BRAND STRATEGY

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# **BDSA PROVIDES A COMPLETE VIEW OF THE GLOBAL CANNABINOID MARKET OF TODAY **AND** TOMORROW**



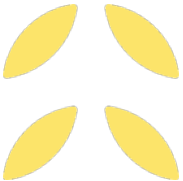
## **RETAIL SALES TRACKING**

Know exactly what is selling where, when, and at what price point



## **MARKET FORECASTS**

Gain a comprehensive understanding of market size and future opportunity



## **CONSUMER INSIGHTS**

Understand consumer (and non-consumer) segments, sizing, behavior, consumption patterns, purchase habits, and more



## **QUICK 2021 REVIEW**



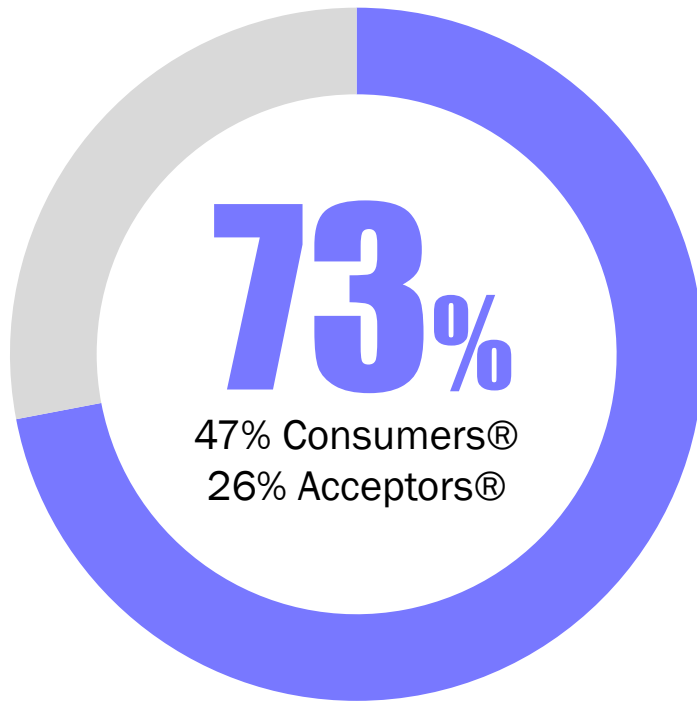
# 2021 GROWTH AND BDSA'S 2022 EXPECTATIONS COMING FROM MATURE, NEW, AND EMERGING MARKETS

MATURE cannabis states such as California, Oregon, and Colorado continue to grow

NEW legal cannabis states such as Illinois, Massachusetts, Michigan and new medical markets are developing at an ever-increasing rate

EMERGING legal cannabis states, like New York, are expected to yield huge contributions to BDSA's forecasted market growth out to 2026

# IN FULLY LEGAL STATES, ~75% OF ADULTS ARE “BOUGHT IN” TO CONSUMING



66% in CANADA

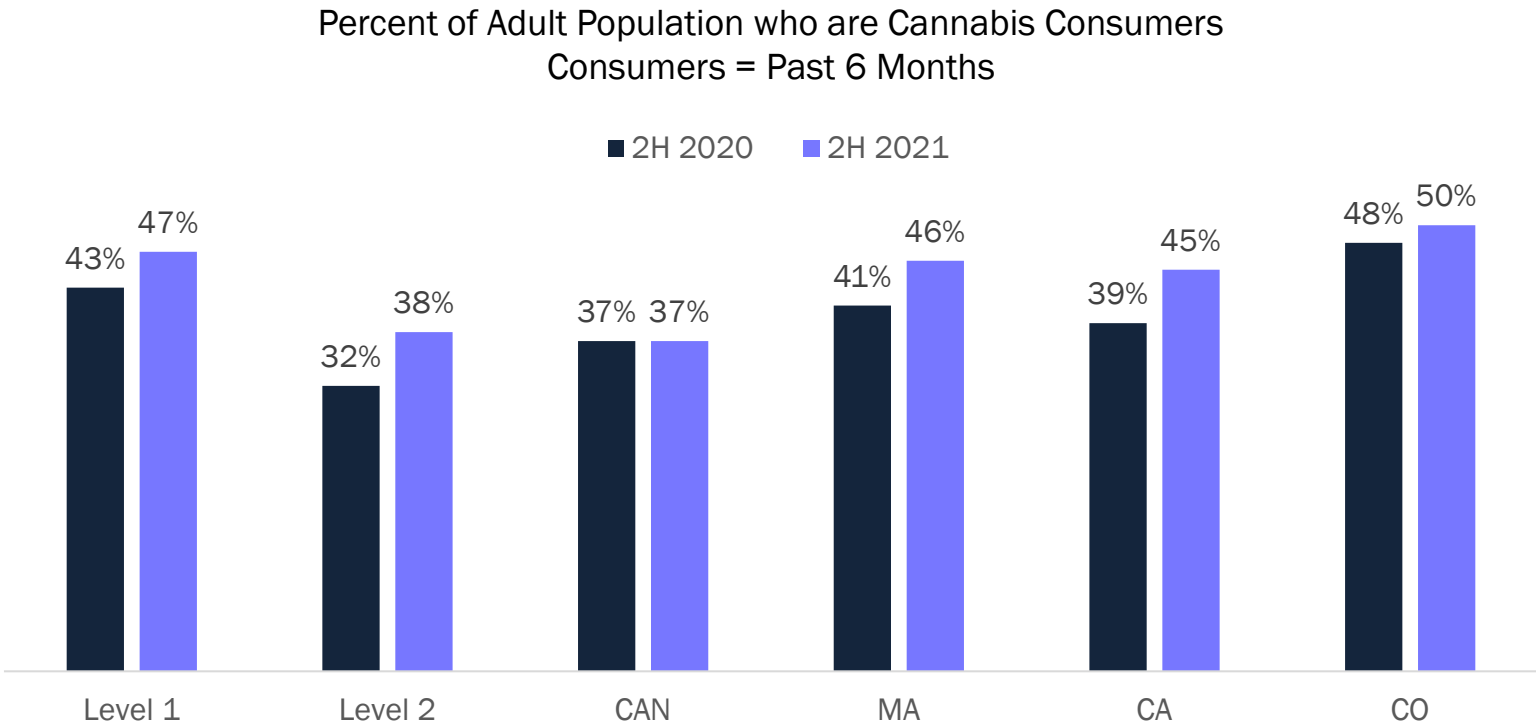
**...of adults 21+ in fully legal U.S. states consume cannabis or are open to consuming cannabis**

**27%**

are Rejecters®  
(would not consider in the future)

Source: BDSA Consumer Research: Q3 2021 U.S. Adults 21+ in Legal Level 1 States

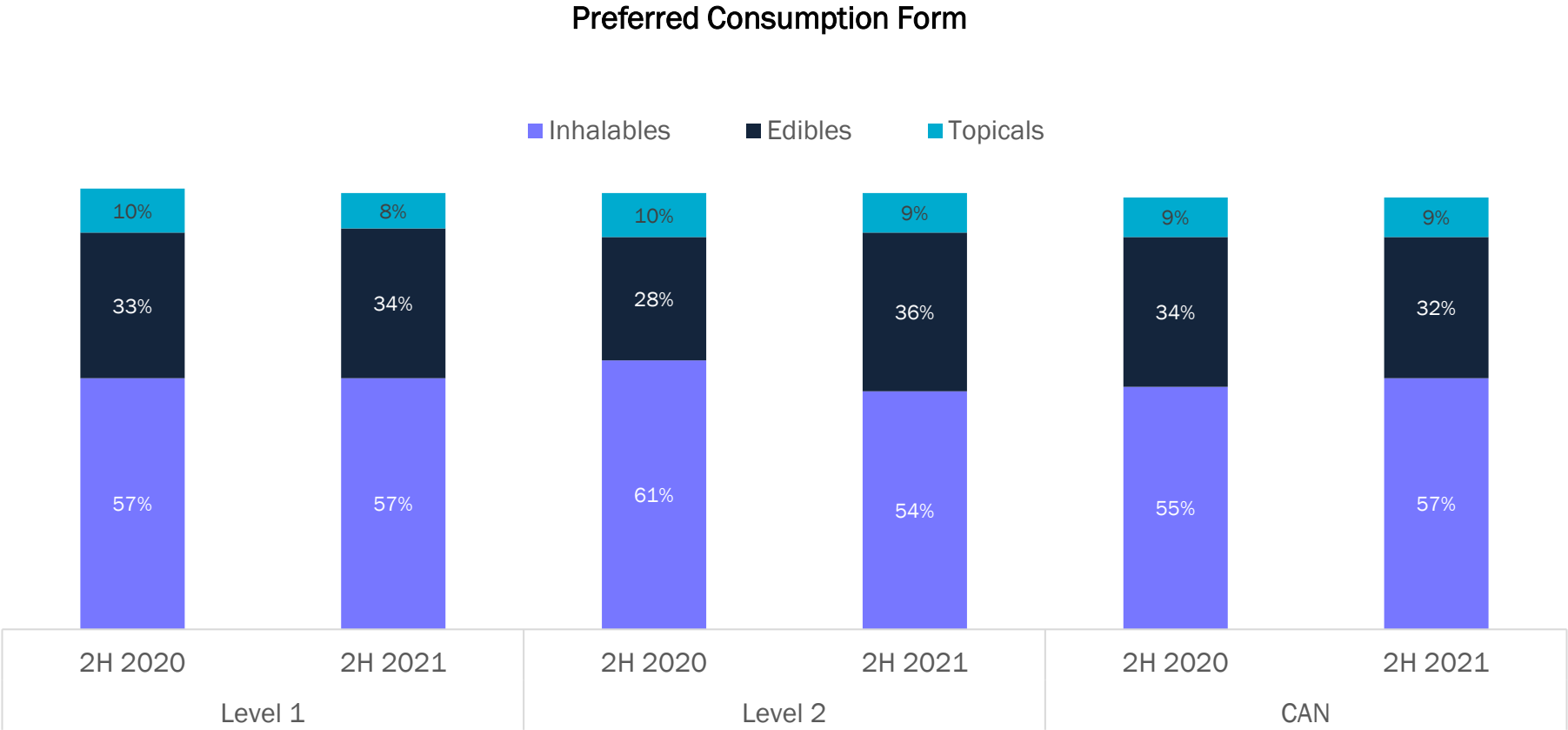
# THE CONSUMER POPULATION, EVEN IN MATURE MARKETS, GREW IN 2021



**IMPORTANT BDSA CONSUMER INSIGHTS TERMINOLOGY:**  
Consumer: Adult who has consumed cannabis in the past 6 months  
Level 1: Aggregate of fully legal adult-use states  
Level 2: Aggregate of medically legal states

Source: BDSA Trending Consumer Insights, 2H 2020-2H 2021

# CONSUMER ADOPTION GREW IN 2021, AND CONSUMERS CONSUMING ACROSS MORE FORMS AND MORE FREQUENTLY



Source: BDSA Trending Consumer Insights, 2H 2020 vs. 2H 2021



# **CONSUMERS: THE CENTER OF BRAND STRATEGY**





## **SITUATION: EXISTING CA EDIBLE BRAND MOVING INTO AZ**

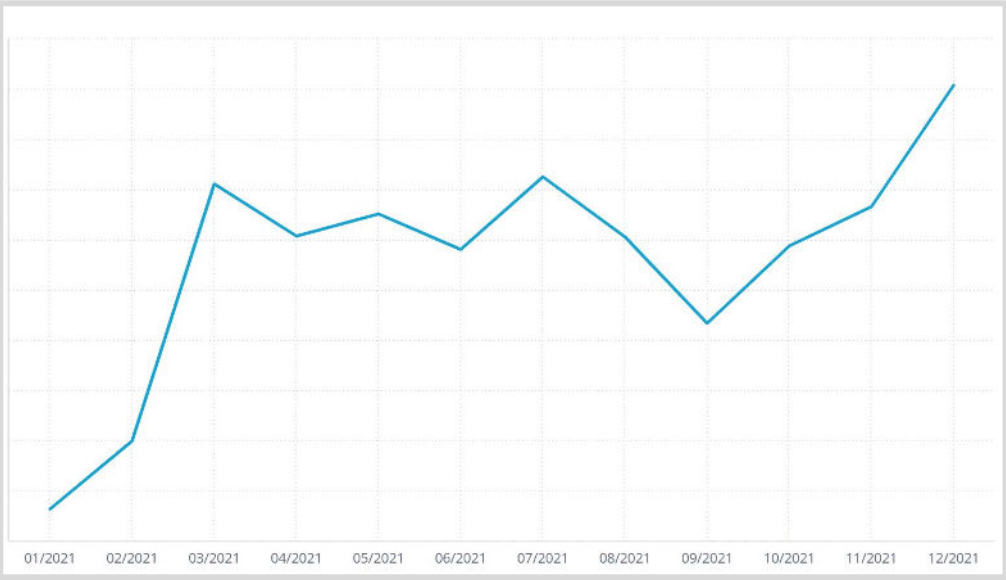
1. Understand performance in CURRENT market (CA)
2. Size the addressable market in the EXPANSION market (AZ)
3. Understand the who, what, and why of the EXPANSION market (AZ)
4. Identify how to enter EXPANSION market with what products targeted to which consumers

AN ACTIONABLE STORY BUILT USING SCREENSHOTS FROM BDSA'S  
GREENEDGE PLATFORM

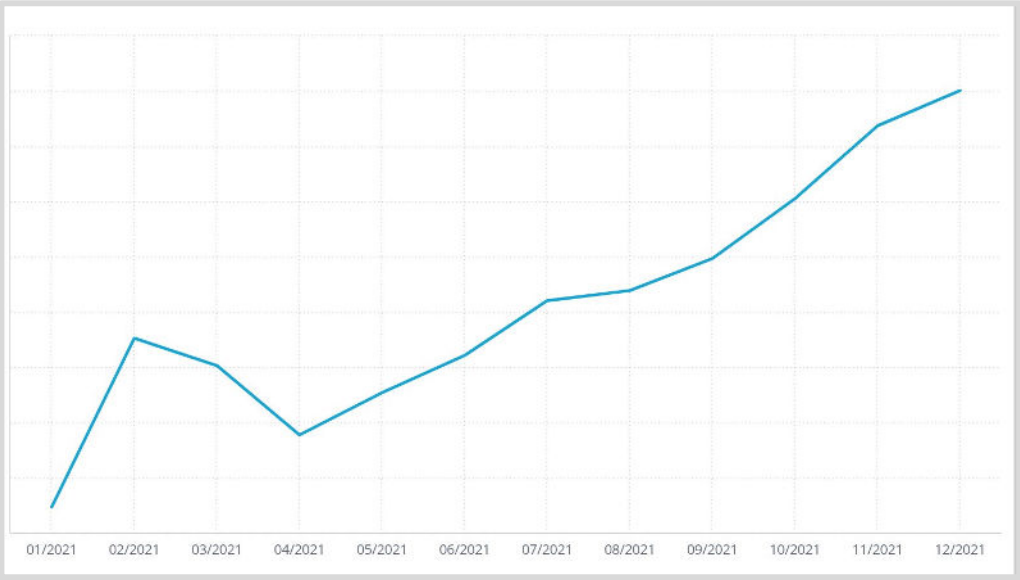
# STRONG AND GROWING CA BRAND PERFORMANCE (SALES + SHARE)—READY TO EXPAND

## BDSA Retail Sales Tracking: Monthly Brand Performance

EXAMPLE CA BRAND: Trended Dollar Sales



EXAMPLE CA BRAND: Trended Dollar Share

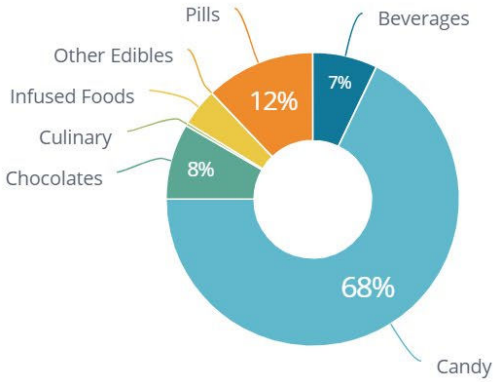


Source: BDSA Retail Sales Tracking Dashboards

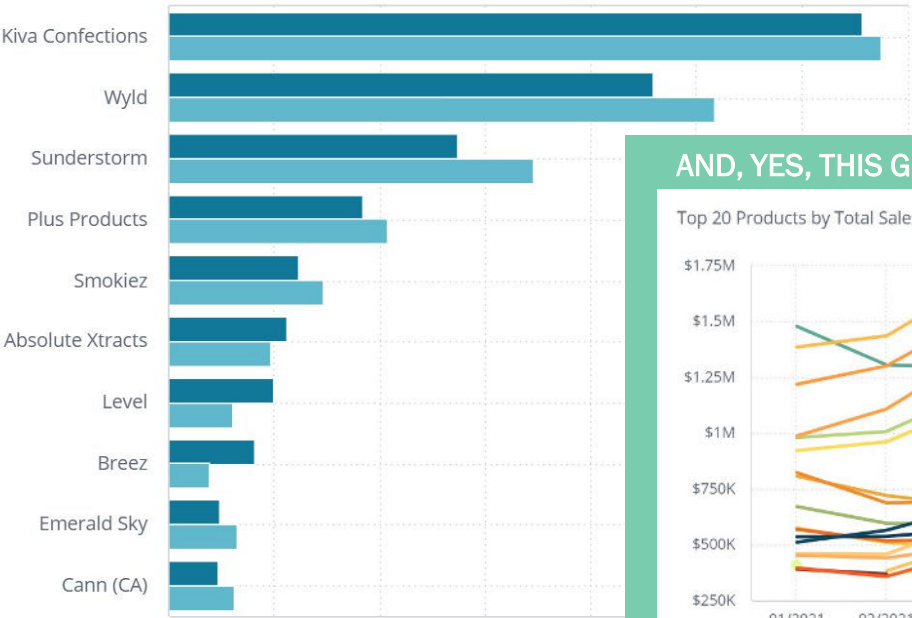
# TOP PERFORMING EDIBLE BRAND IN CA, COMPETITIVE WITH THE MARKET IN SKU, AVAILABILITY, AND PRICING

## BDSA Retail Sales Tracking: Top Brands and Top Products

Edible Category (\$) Share of the Top 10 CA Edible Brands

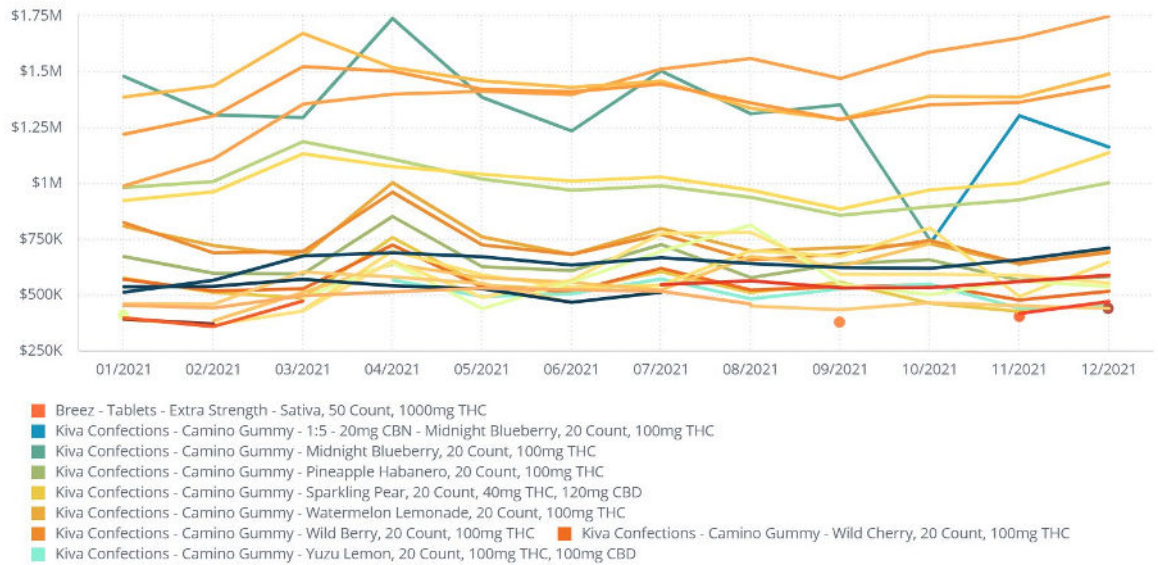


Top 10 CA Edible Brands



### AND, YES, THIS GOES DOWN TO SKU AND ATTRIBUTE LEVEL!!!

Top 20 Products by Total Sales - Trending

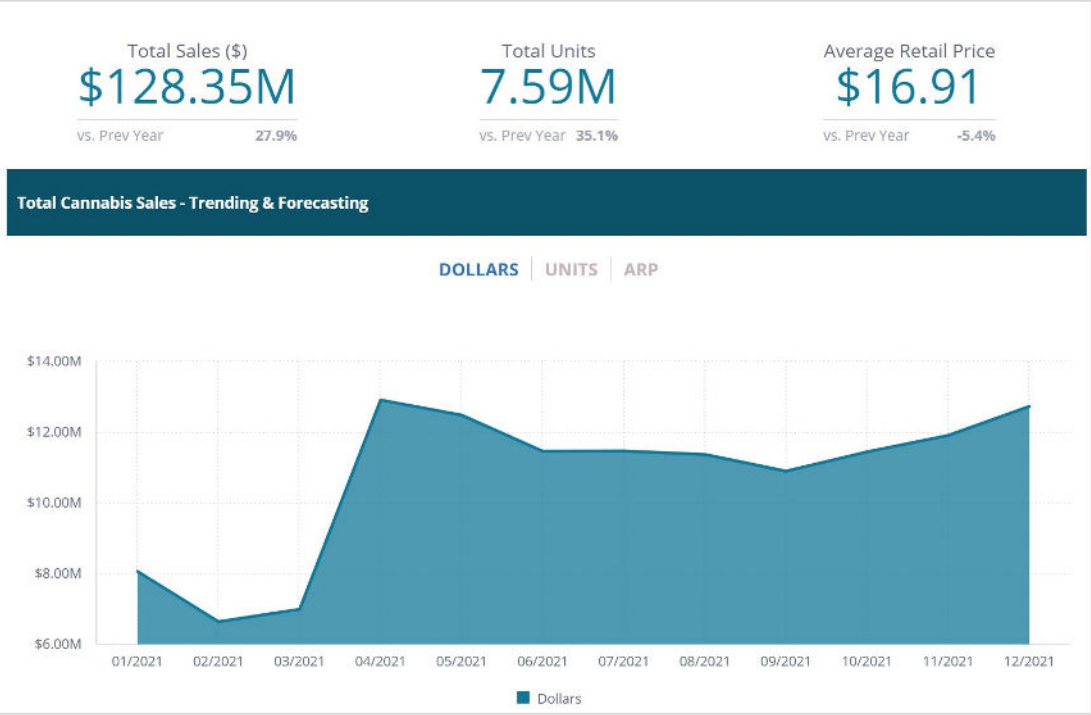


Source: BDSA Retail Sales Tracking, Assortment Top Brands and Top Products Dashboards

# AND AZ EDIBLE MARKET PERFORMANCE STRONG IN THE PAST YEAR

## BDSA Retail Sales Tracking: Arizona Edibles Market Overview

### AZ 2021 Edible Category Performance

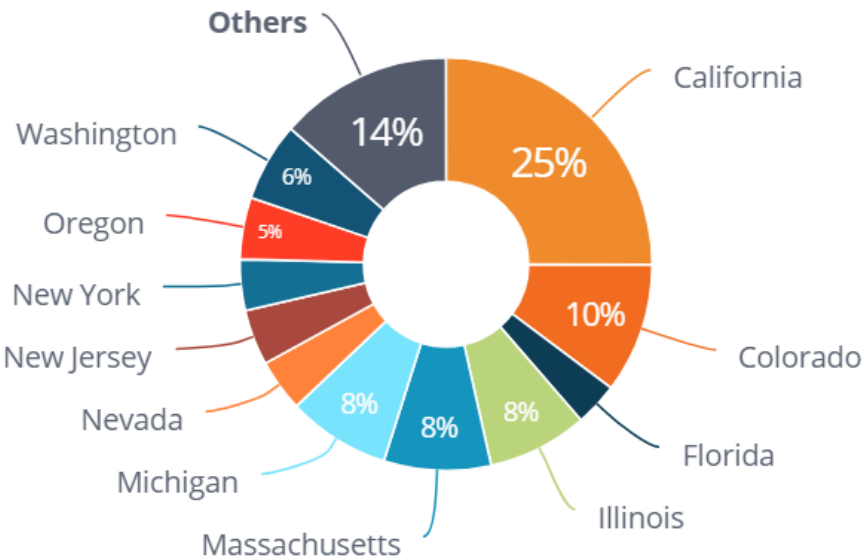


Source: BDSA Retail Sales Tracking, Market Overview Dashboard

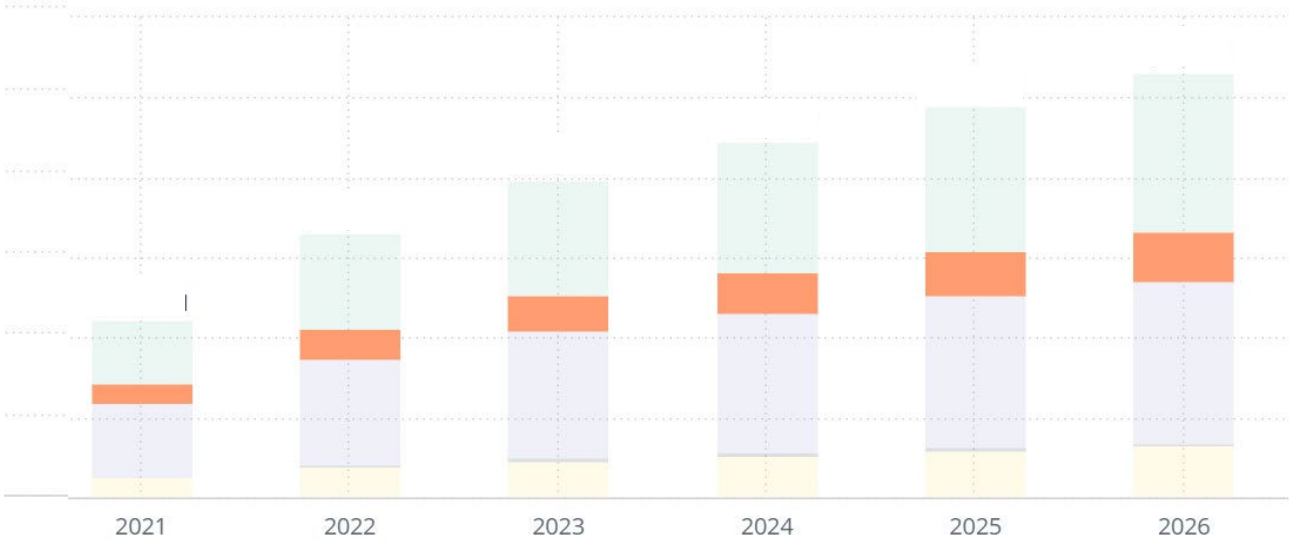
# AZ TOTAL MARKET AND EDIBLES GROWTH WILL CONTINUE, OUTPACING GROWTH OF OTHER US MARKETS

## BDSA Market Forecast: Arizona

Share of BDSA US Adult-Use Edible Forecast by State



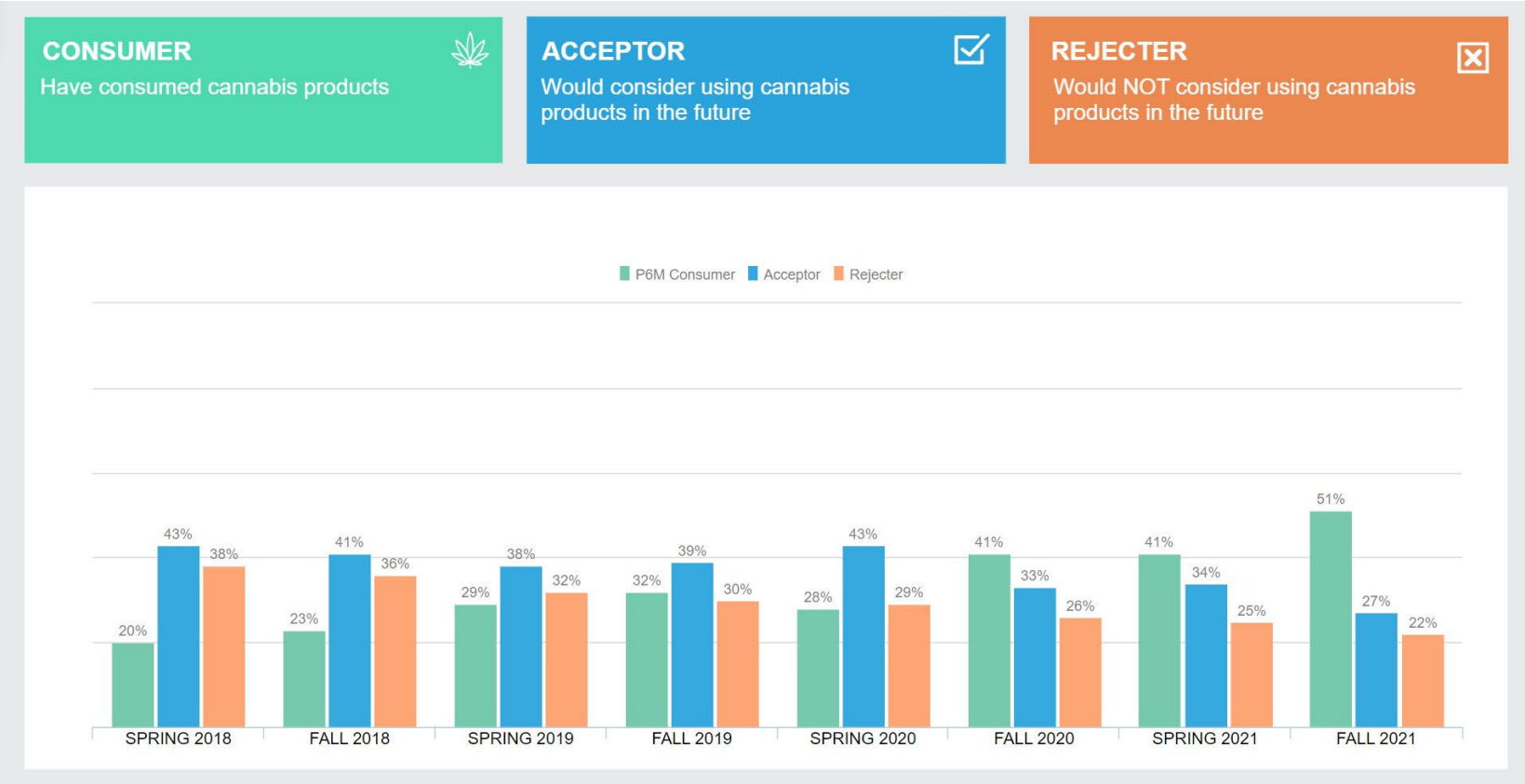
BDSA's AZ By-Category Forecast



Source: BDSA Market Forecast, Category Forecast Dashboard

# A \$1.5B TOTAL AZ MARKET DRIVEN BY +50% OF ADULTS CONSUMING CANNABIS

## BDSA Consumer Insights: Arizona Trended Market Overview



Source: BDSA Consumer Insights Trended Dashboards

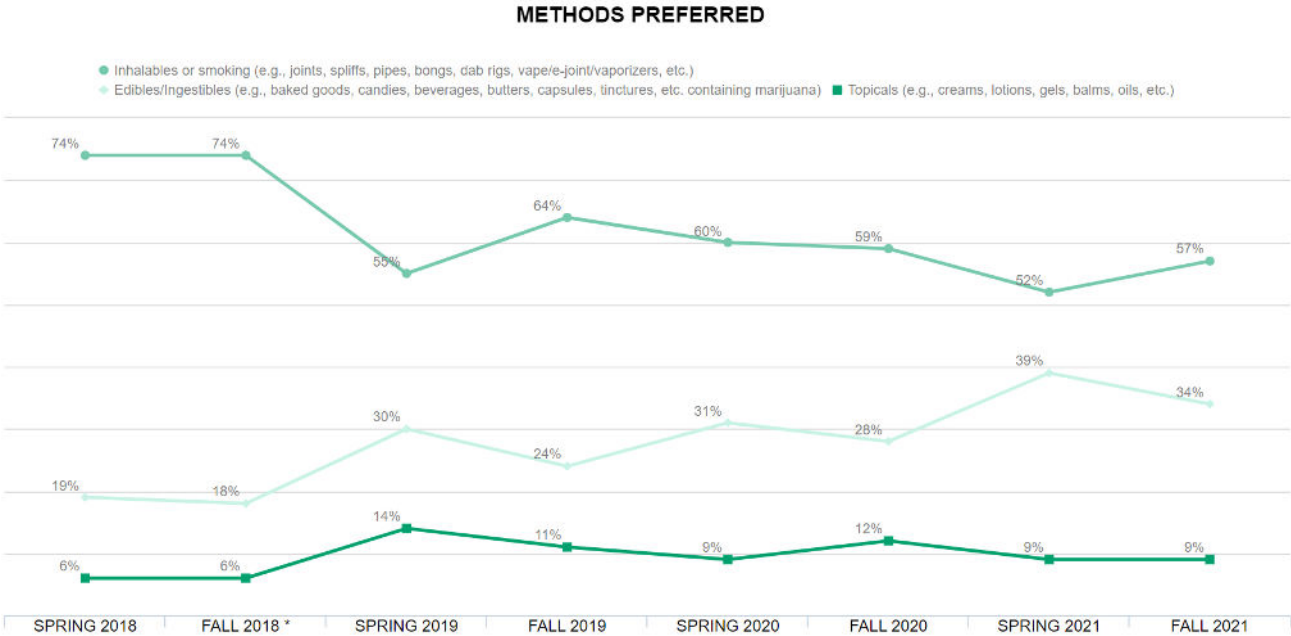
# 76% OF AZ CONSUMERS CONSUME EDIBLES...FORM FACTOR IS ONE RELATIVELY SIMPLE WAY TO ANCHOR A CONSUMER TARGET STRATEGY

## BDSA Consumer Insights: California versus Arizona Form Factor Consumption and Preference

### CALIFORNIA



### ARIZONA



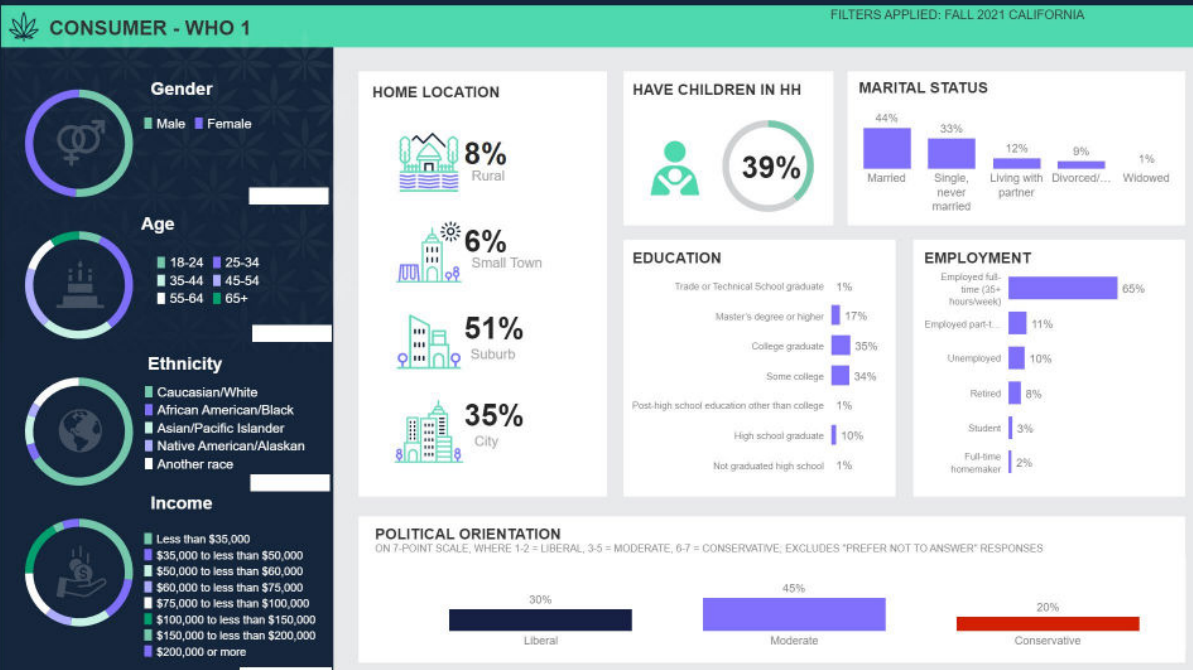
Source: BDSA Consumer Insights What and What Trended Dashboards



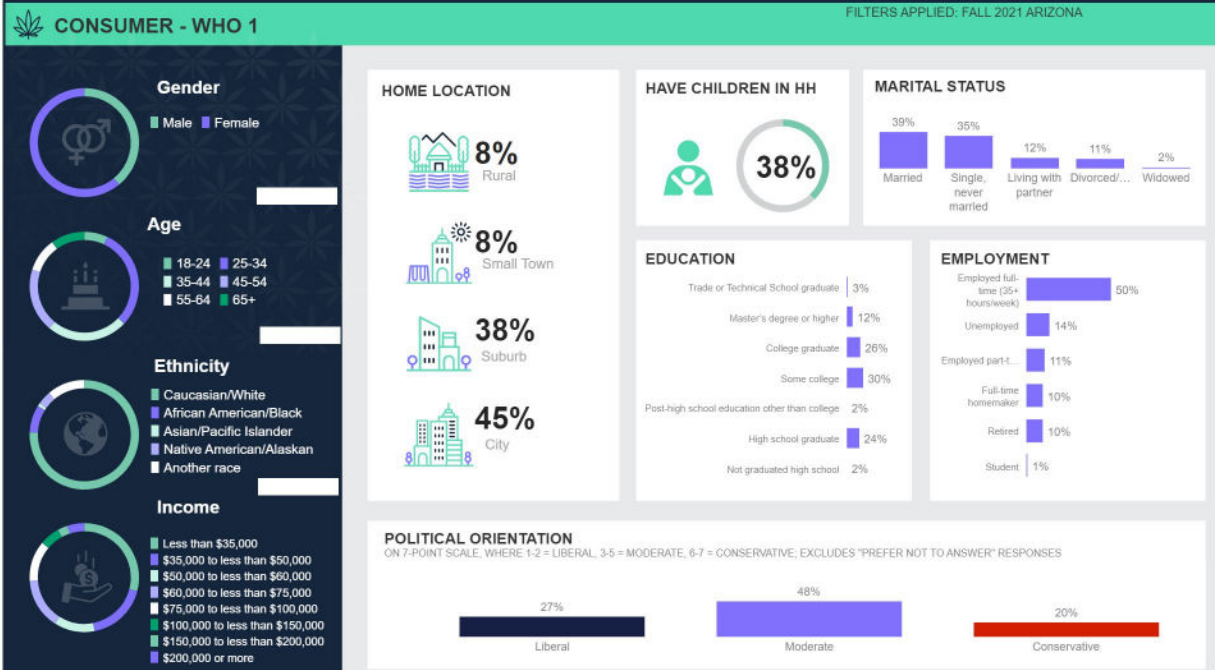
# COPYING STRATEGY FROM ONE STATE TO ANOTHER WILL NOT WORK

## BDSA Consumer Insights: California versus Arizona Edible Consumer Demo Summary

### CALIFORNIA



### ARIZONA



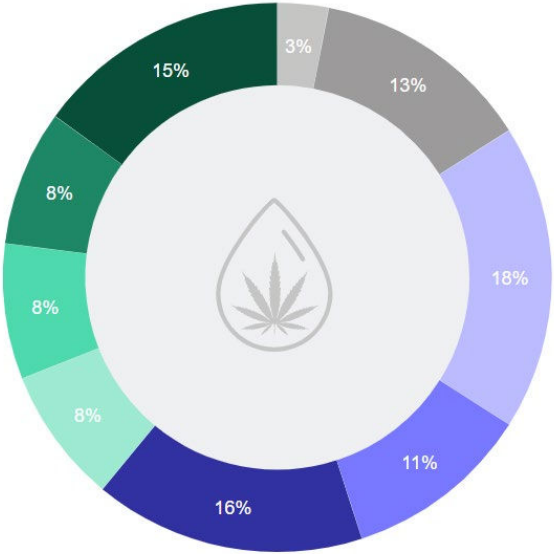
Source: BDSA Consumer Insights Who Dashboards



# KNOW WHAT YOUR TARGET CONSUMER WANTS

## BDSA Consumer Insights: Arizona Edible Consumer Purchase Influencers

WHAT IS YOUR IDEAL  
THC DOSAGE LEVEL AT A TIME?



- Less than 2.5 mgs
- 2.5 mgs to 5 mgs
- More than 5 mgs to 10 mgs
- More than 10 mgs to 20 mgs
- More than 20 mgs to 50 mgs
- More than 50 mgs to 100 mgs
- More than 100 mgs to 200 mgs
- More than 200 mgs
- Don't know

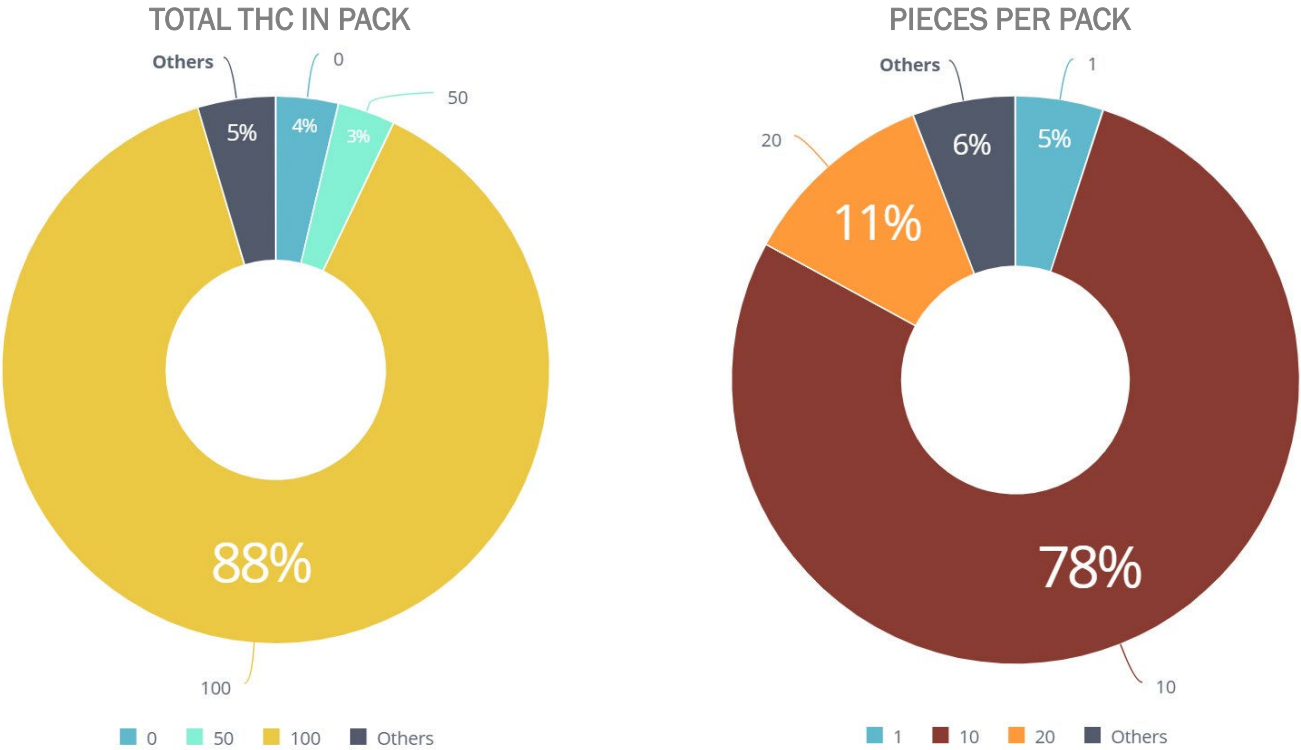
HOW MUCH DO THE FOLLOWING INFLUENCE  
YOUR PRODUCT CHOICE?



Source: BDSA Consumer Insights What and Source Dashboards

# AND MAKE SURE IT MAKES SENSE VERSUS WHAT IS HAPPENING IN-MARKET

## BDSA Retail Sales Tracking: Arizona Adult-Use Gummie \$ Share by TOTAL THC and Pieces Per Pack



### TOP 3 AZ GUMMIE SKUs:

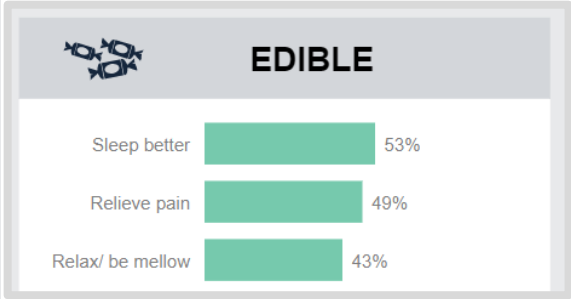
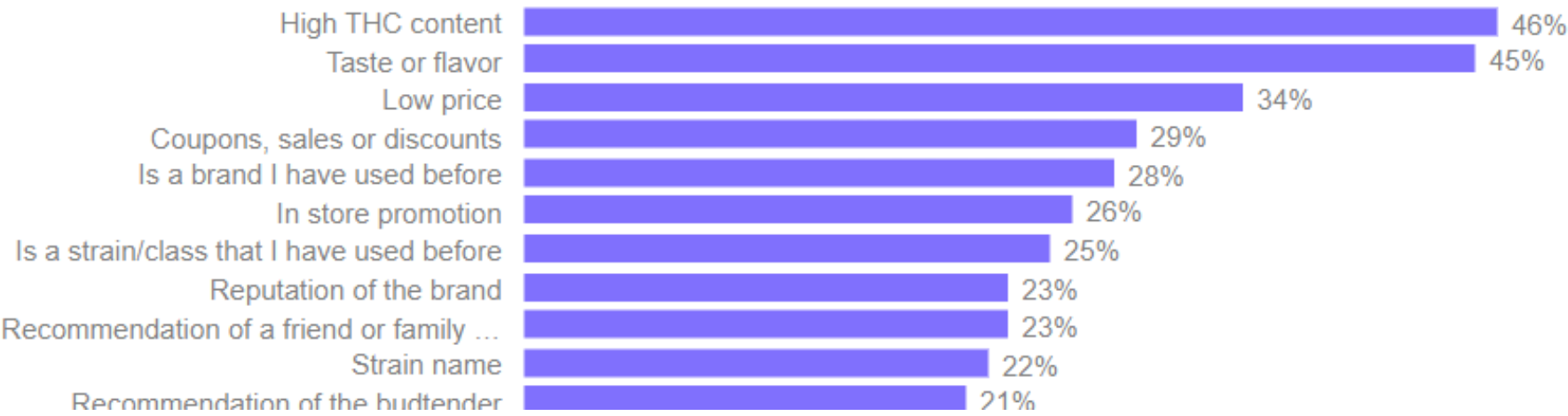
Products
Wana Edibles - Sour Gummies - Indica - Watermelon, 10 Count, 100mg THC
Wana Edibles - Sour Gummies - Sativa - Mango, 10 Count, 100mg THC
Wyld - Gummies - 2:1 - Indica - 50mg CBN - Elderberry, 10 Count, 100mg THC

Source: BDSA Retail Sales Tracking Category Assortment

# WORRY ABOUT THE DETAILS

## BDSA Consumer Insights: The Why and When of AZ Edibles Consumers

### HOW MUCH DO THE FOLLOWING INFLUENCE YOUR PRODUCT CHOICE?

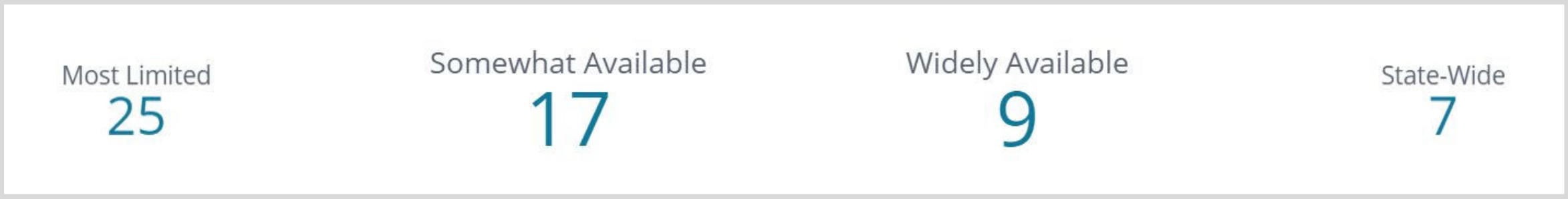


Source: BDSA Consumer Insights Why and When Dashboards

# KNOW WHO AND WHAT YOU ARE UP AGAINST

## BDSA Consumer Insights: AZ Edible Brand Availability and Product Innovation

### AZ Edible Brand Availability



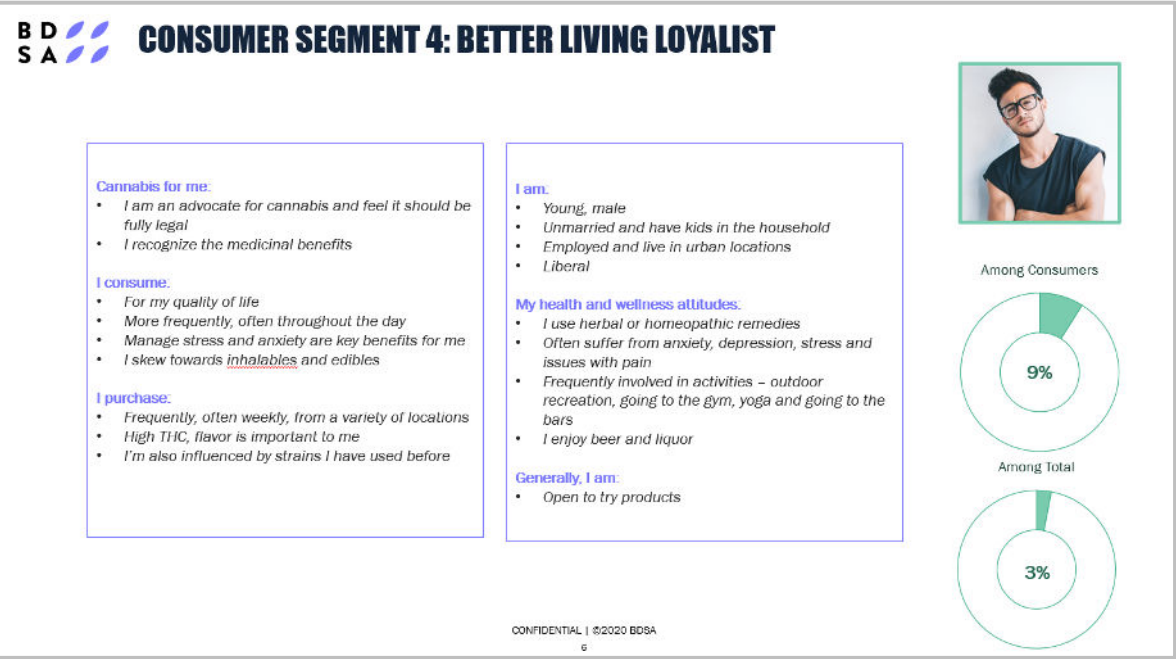
### AZ Edible Product Innovation



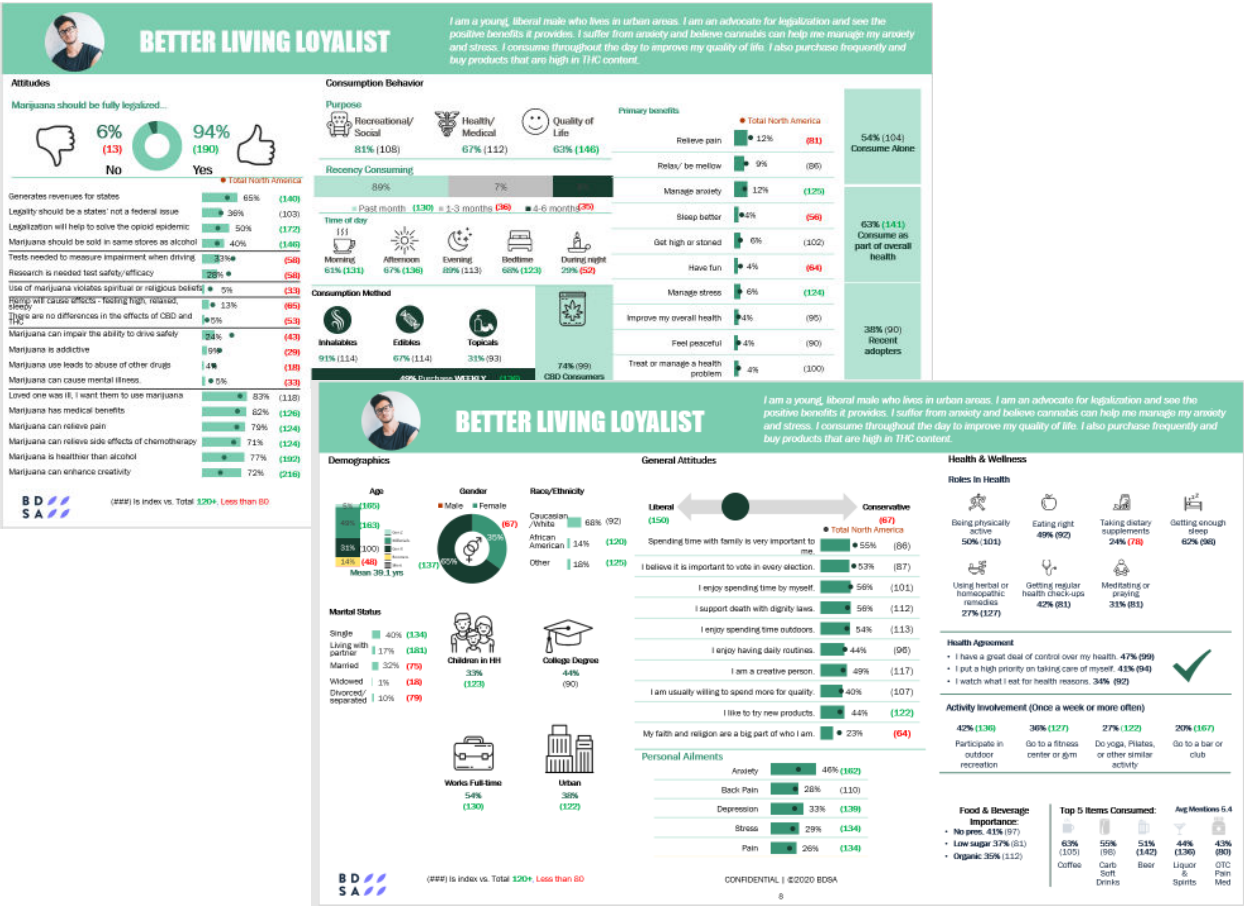
Source: BDSA Retail Sales Tracking Availability and Innovation

# EVEN IF YOU “ANCHOR” IN BEHAVIOR OR FORM FACTOR, THERE IS SO MUCH MORE YOU MUST KNOW ABOUT YOUR CONSUMER OR SHOPPER TARGETS

## BDSA Consumer Insights: Detailed Syndicated or Customized Consumer Profiles



Source: BDSA Consumer Segmentation EXAMPLE (Q3 2019 data)



# BDSA'S CONSUMER TARGET OR SEGMENT SOLUTIONS

## BDSA Trended Consumer Insights

- Research conducted 2x per year
- This is the source of the dashboard screenshots in this deck
- Drillable by geography, demographics, preferences, behaviors, dispensary shoppers, and more
- Know and track your consumer targets

## BDSA Consumer Segmentation

- Syndicated Attitudinal Segmentation
- 6 mutually exclusive Consumer Segments, 4 mutually exclusive Non-Consumer Segments
- Robust model to identify, size, and profile Consumer and Non-Consumer Segments across the US and CAN

## BDSA Custom Consumer Solutions

- Validate, size, and/or profile Clients defined Targets or Segments—need states, occasions, HML, form factor, etc.
- Create customized Consumer Targets in partnership with clients
- Overlay segmentation to stores and shoppers

**IT'S A NEW GAME.  
DATA. DEEPER.**

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