

TOP SUMMER TRENDS IN CANNABIS

BDSA's Independence Day Cannabis Predictions

Summer is in full swing and the 4th of July is right around the corner. Festivities on Independence Day and other days this summer are expected to be even more pronounced this year, with social activities, travel, and public areas fully reopened across the country. BDSA predicts Independence Day to bring a double digit increase in daily dollar sales compared to typical days this summer for days around the holiday, and likely bring in the highest daily dollar sales total for any day this summer

WILL THE CURRENT ECONOMIC SITUATION HURT HOLIDAY SALES?

With many consumers concerned about inflation, and industry professionals concerned about a softening in cannabis sales since the end of 2021, some may expect that the current financial situation will stunt the boost in sales that the holiday weekend usually brings. While a valid concern, Memorial Day weekend sales from 2020 paint a picture of increased holiday demand in spite of challenging times.. Even with the fresh impact of the pandemic, almost all BDSA-tracked cannabis markets still saw a double digit increase in daily dollar sales around the Memorial Day Weekend compared to other days that month in 2020.

Furthermore, cannabis is a "sticky" good, as it is consistently one of the last products Consumers looking to cut costs put down, and one of the first things that they pick back up when things improve. Given that many Consumers may begin to cut down on travel due to high fuel costs and logistical nightmares with mass transit options, it's likely that cannabis remains a fixture of the 4th of July weekend for many.

30% INCREASE IN DAILY SALES

July 4th in 2021 was a major event for cannabis sales, as a freshly vaccinated Consumer base was excited to get out and enjoy some fun in the sun. In CA last year, the Friday preceding Independence Day saw the highest daily dollar sales for any day of that month, with sales totaling 30% higher than the daily sales average for July 2021.?



30%

Higher sales in CA for the Friday before Independence Day versus daily sales average for July 202.

25%

Increase in number of beverage brands from Q1 2020 to Q1 2022.

56%

Of all alcohol consumers aged 21 and over also consume cannabis.

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WHAT ABOUT BEVERAGES?

While beverages remain a small percentage of total cannabis retail dollar sales (1-2%), beverage availability has greatly increased over past years, with BDSA Retail Sales Tracking showing that the number of beverage brands has increased ~25% between Q1 2020 and Q1 2022. The emergence and expansion of new and hot brands, social gatherings, and warm weather could boost beverage sales across mature markets.

CANNABIS AND ALCOHOL?

BDSA Consumer Insights data from Q4 2021 shows that 56% of all alcohol consumers aged 21 and over also consume cannabis, a 7% increase since Q4 2020. Expect co-consumption of cannabis with alcohol to be a part of the summer celebrations for a growing number of revelers.

CANNABIS OVER ALCOHOL?

Hanging out with friends and enjoying a cold beer is a common alcohol occasion on Independence Day and most other summer holidays. These occasions occur often in more personal settings but can extend into more public spaces. Beer, particularly Craft beer, is a common beverage for these situations. Cannabis may overlap with craft beer's space on the holiday weekend, as nearly 40% indicate these moments are also a cannabis occasion.