

Navigating a DTC World

CBD Consumer and
Brand Trends



A stylized graphic on the left side of the slide. It features a hand with a dark blue outline, holding a coin. The coin has a light blue outline and a dark blue outline, with a dollar sign (\$) in the center. The background of the hand and coin is filled with a pattern of light blue diagonal lines.

Agenda

- Welcome & Introductions
- Consumer Behavior Shifts
- Marketing Tactics
- Key Takeaways



Bethany Gomez

Managing Director



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Research Director

A little bit about us.

Who we are:

We provide multi-source consumer insights and market intelligence for the CBD and Cannabis industries. We have been answering difficult business questions with data-driven answers for these industries since 2015.



Our methodology:

We take a modern approach to a modern industry.

By integrating innovative technologies like machine learning, social listening, and natural language processing with robust human analysis across regulations, market sizing, and more, we are able to get a 360-degree view of the CBD and Cannabis industries.

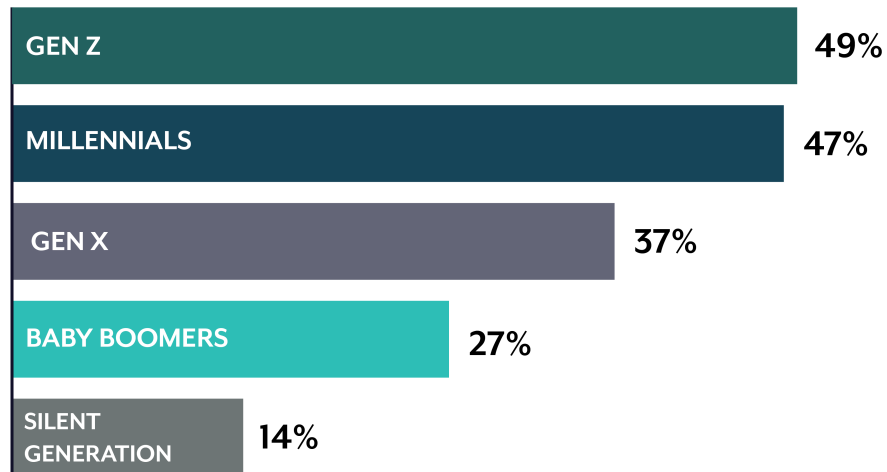
Consumer Behavior Shifts



CBD consumers went from this...

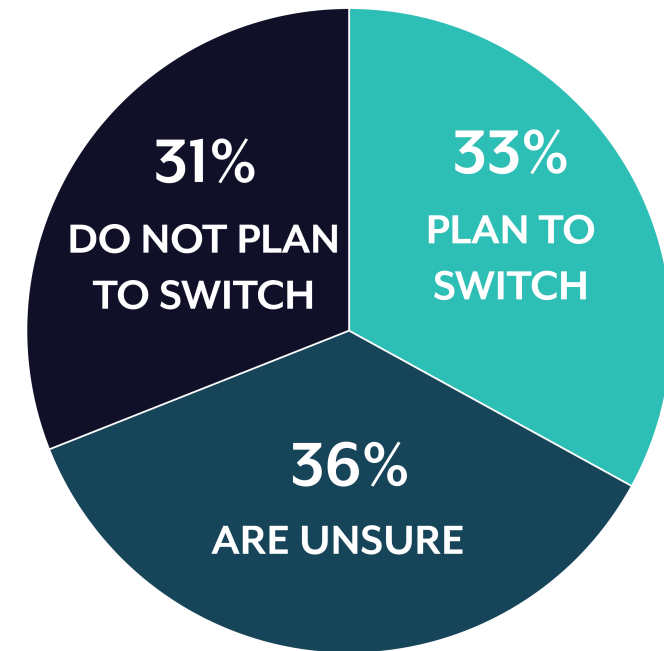
Changes in CBD Use By Generation

% PLANNING TO USE CBD MORE FREQUENTLY
BY GENERATION



Changes in CBD Purchasing Habits

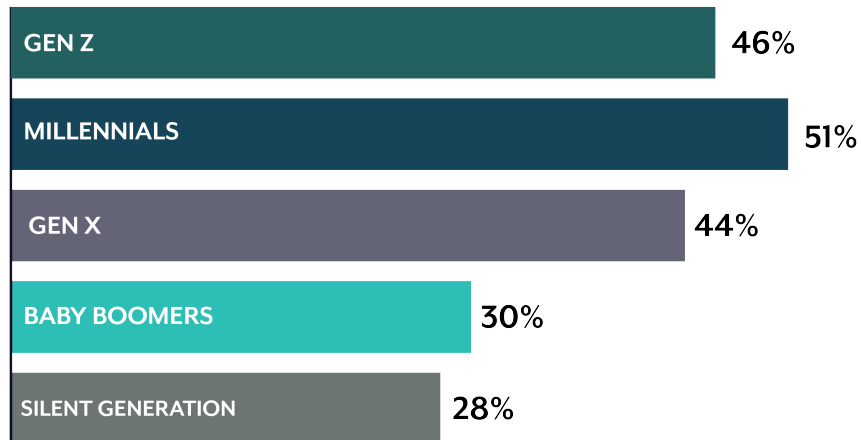
Will consumers switch to ecommerce?



...to this.

Changes in CBD Use By Generation

% USING CBD MORE FREQUENTLY
BY GENERATION



Total: Increased to 44%, up from 39% in Q2

75%

agree “CBD helps me deal with the stress of the pandemic”

Up from 69% in Q2

44%

switched to buying CBD online

41%

recently started purchasing CBD at physical stores again

Persona Deep Dive

55% use CBD at least 5 days/week

50% use gummies

53% buy CBD online



Wellness Users

More likely to be:

- Multicultural
- Women
- Age 40+

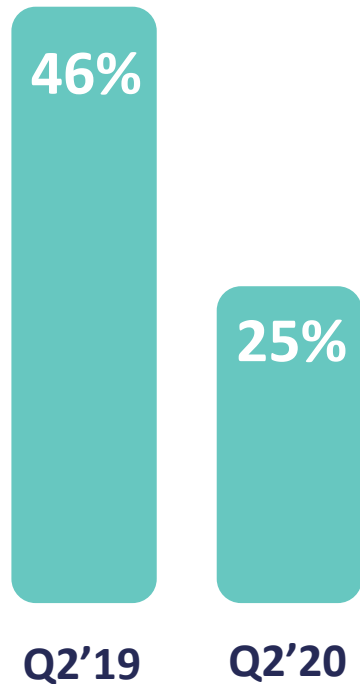
synchronicity™

Wellness Through Oneness™

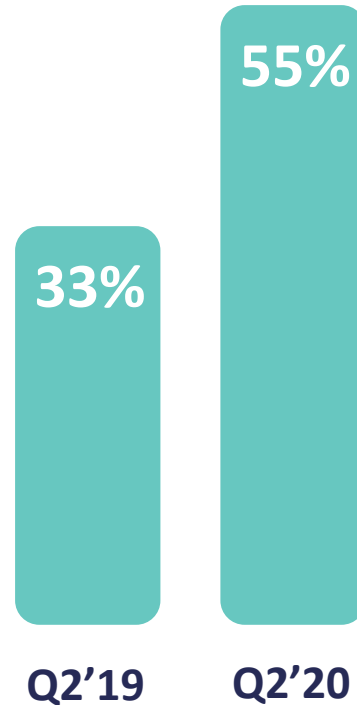


With fewer consumers entering, brands need to optimize their purchase funnel.

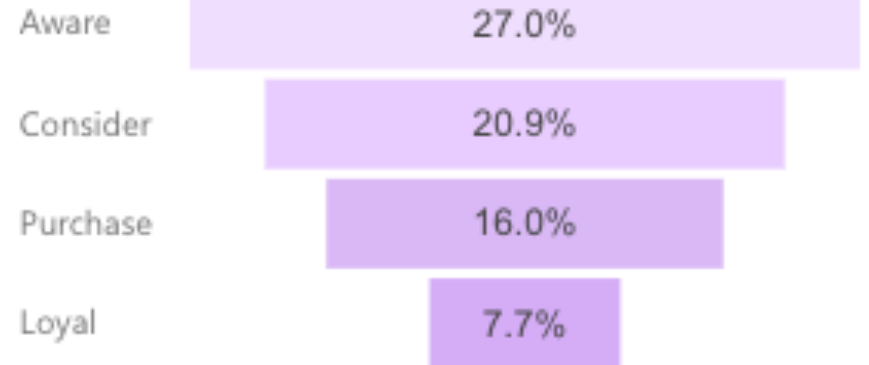
% of CBD consumers using
for 6 months or less



% of CBD consumers using
5+ times/wk



Purchase Funnel



Marketing Tactics



Brands well-positioned for e-comm rise in the ranks.



Brand campaigns triple down on a singular message.

Charlotte's Web Top Brand Descriptors

Trustworthy

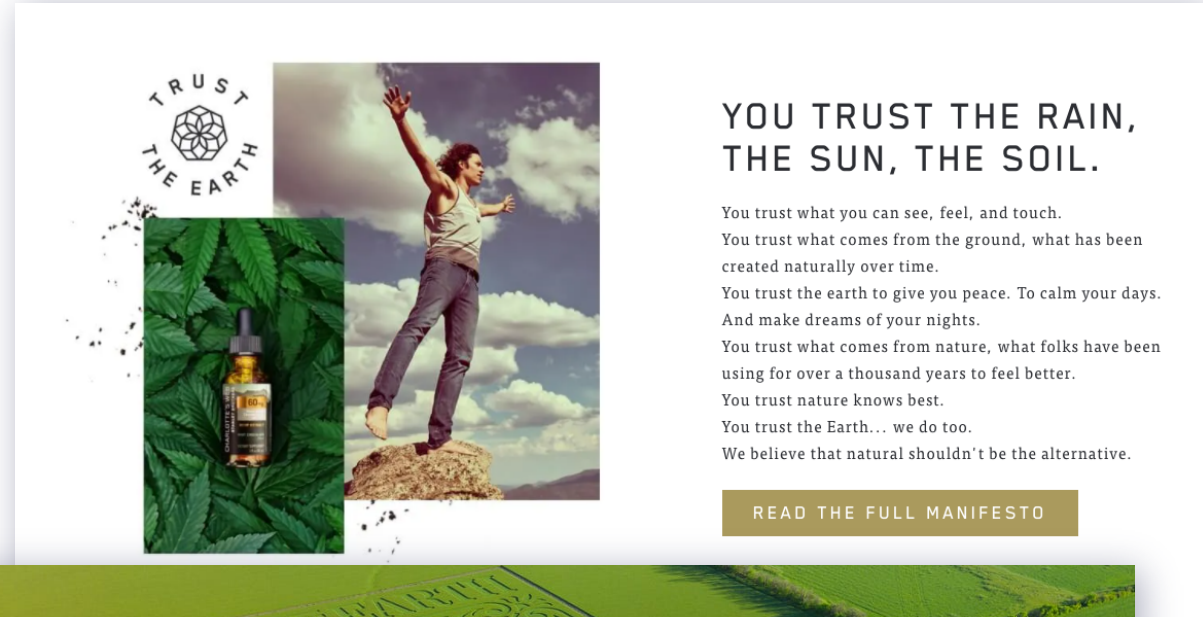
71%

High Quality

69%

Reliable

66%

A composite image for the 'Trust the Earth' campaign. It features a circular logo with a geometric design and the text 'TRUST THE EARTH' at the top left. Below it, a person is shown standing on a rock, reaching up towards a cloudy sky. To the left of the person, there is a close-up of a cannabis leaf with a small bottle of CBD oil resting on it.

**YOU TRUST THE RAIN,
THE SUN, THE SOIL.**

You trust what you can see, feel, and touch.
You trust what comes from the ground, what has been created naturally over time.
You trust the earth to give you peace. To calm your days. And make dreams of your nights.
You trust what comes from nature, what folks have been using for over a thousand years to feel better.
You trust nature knows best.
You trust the Earth... we do too.
We believe that natural shouldn't be the alternative.

[READ THE FULL MANIFESTO](#)



Directly driving consumers to purchase helps relieve awareness gaps.

No brand is above **27%** awareness among CBD consumers.

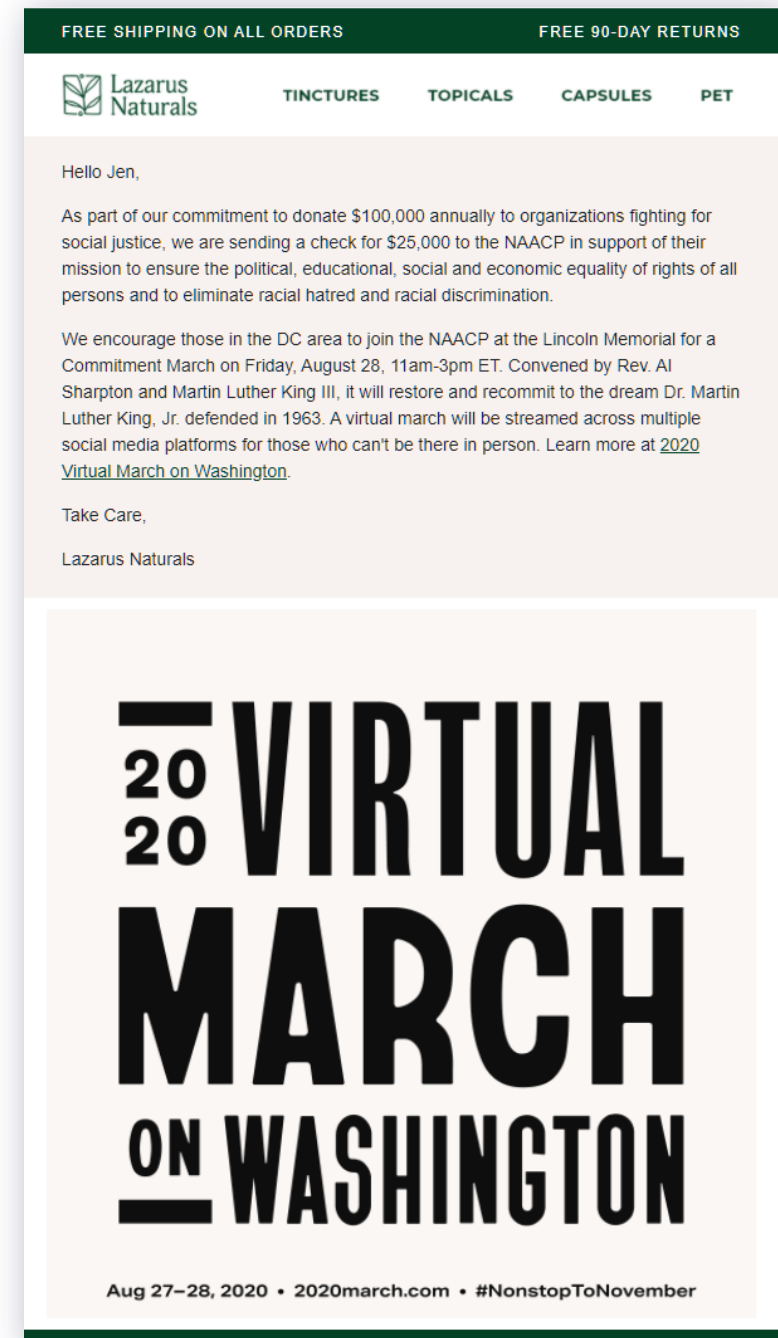
Once consumers enter the funnel, conversion rates skyrocket.



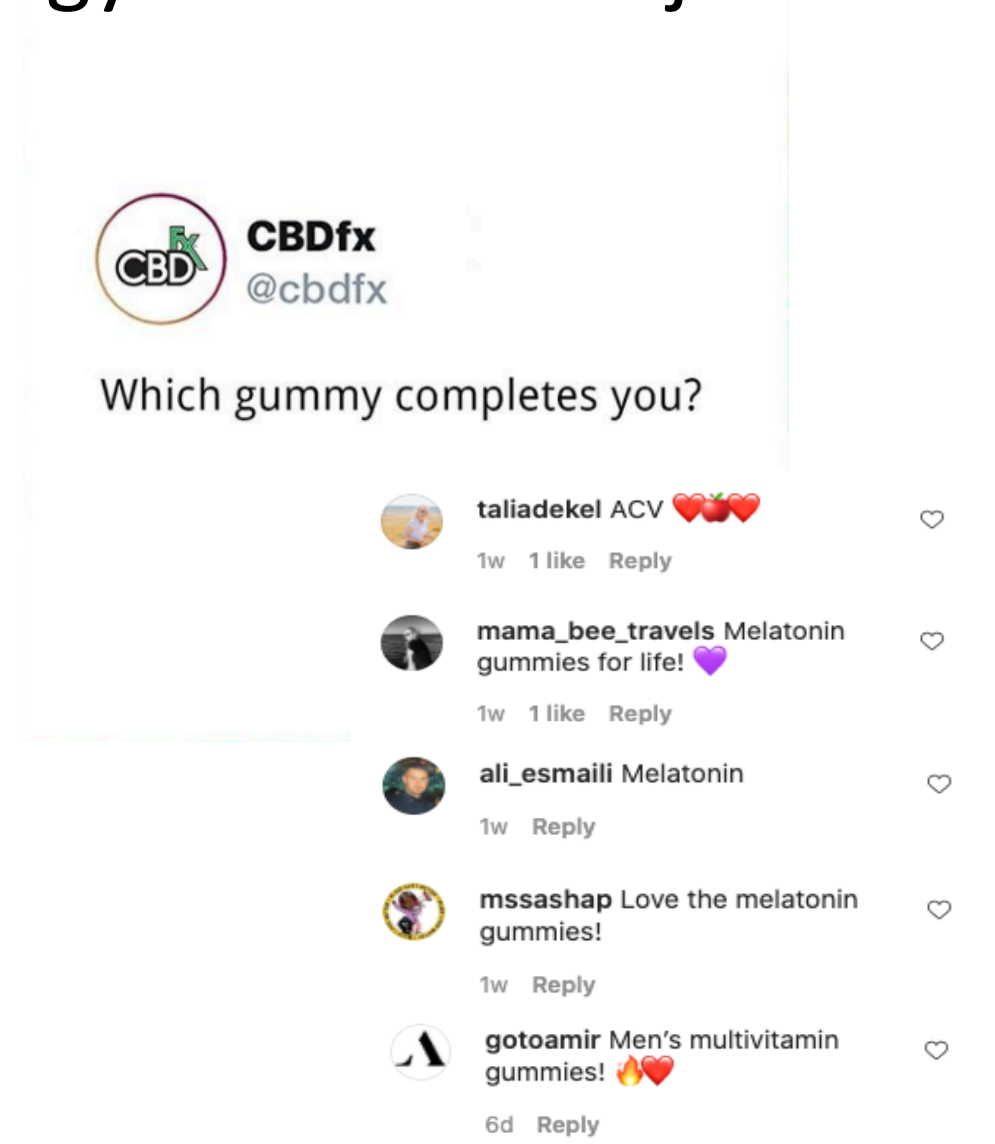
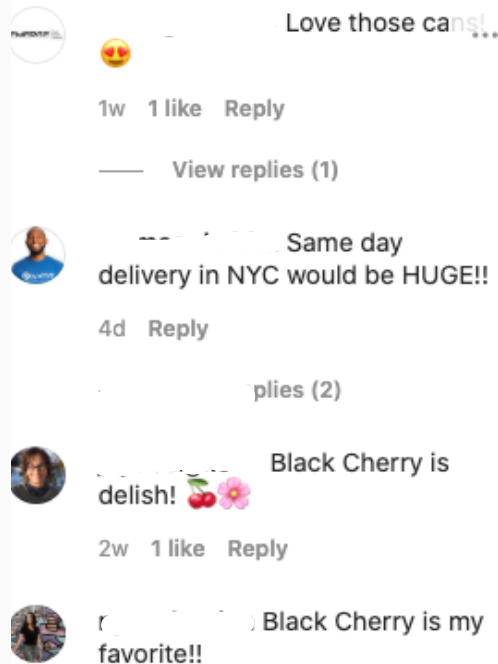
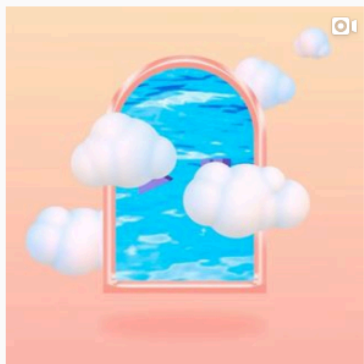
CSR initiatives create deeper relationships with customers.

67%

of consumers who have purchased Lazarus Naturals products say they are buying from a socially responsible company – *the highest among any brand.*



Developing an organic social strategy is more than just increasing follower count.



Deliver an easy + helpful shopping experience.

Medterra among the top CBD brands with Caring (56%) and Authentic (62%) as brand descriptors from purchasers.



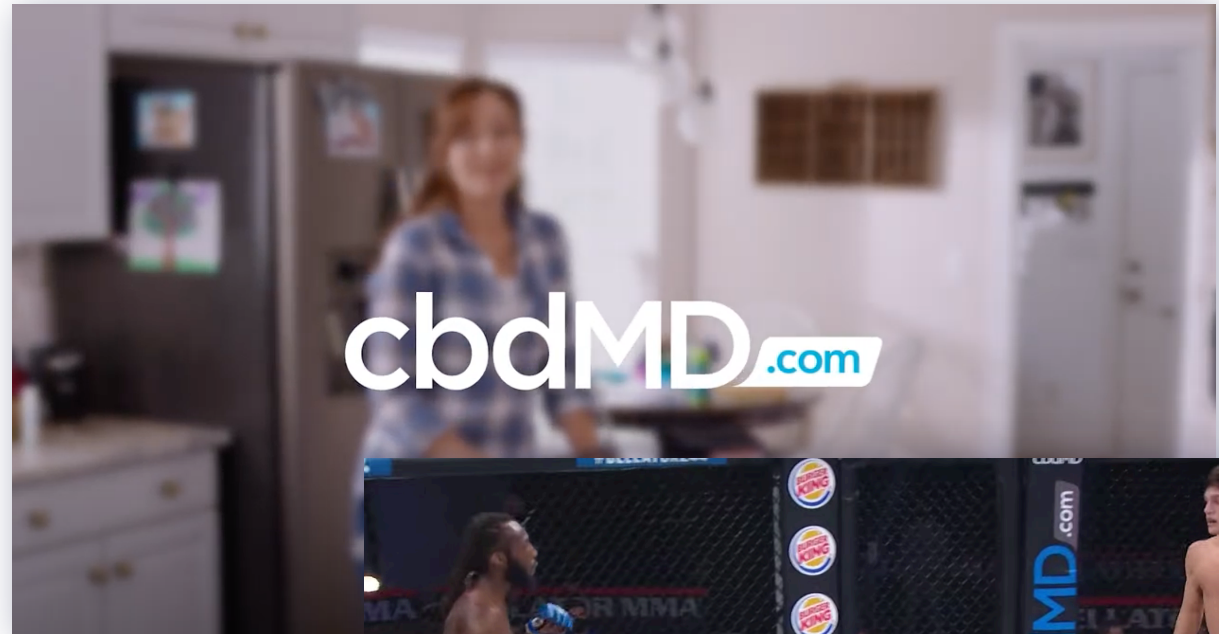
Made by people who care.
CBD can help.



SHOP NOW

Brands double down on e-comm positioning.

cbdMD Consider to Purchase conversion rate



Key Takeaways



Awareness grabs are more important than ever.



Consistently hit on a single message, especially on social.



Understanding your customers' values drives better marketing.



For example...

97% of CBD brands fit within small business guidelines and **66%** of US shoppers plan to shop local this year.

Ask yourself: Should my brand use SMB positioning as a competitive advantage? More importantly, do my customers care about locally-sourced CBD brands?

Your customers need a helpful + enjoyable shopping experience.



Thank you!

For more information, please contact
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brightfieldgroup.com

