
CBD: FDA Impact & the Path Forward

2022 Mid-Year US CBD Report



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Learn more as a Brightfield Partner!

This report includes **just a fraction of the data and insights** that Brightfield Group clients receive. Contact us **to access the full report** and learn how consumer **insights amplify Point-of-Sale data** to help you better understand the roadblocks and opportunities across the CBD market.

In the full report, you'll learn everything here, plus:

- How federal guidance could drive a 40%+ CAGR in key retail channels
- Who dominates CBD sales online and in brick-and-mortar stores
- How the top 20 CBD companies performed this quarter
- Which novel approaches companies have taken to improve their market positions
- How companies have moved to define CBD's place in the wider wellness market
- How e-commerce will be affected by consumer's increasing post-covid mobility
- What the top CBD product is, and how long its reign is expected to last
- The key growth drivers affecting the CBD industry

To learn more about our solutions for CBD, [request your demo here.](#)



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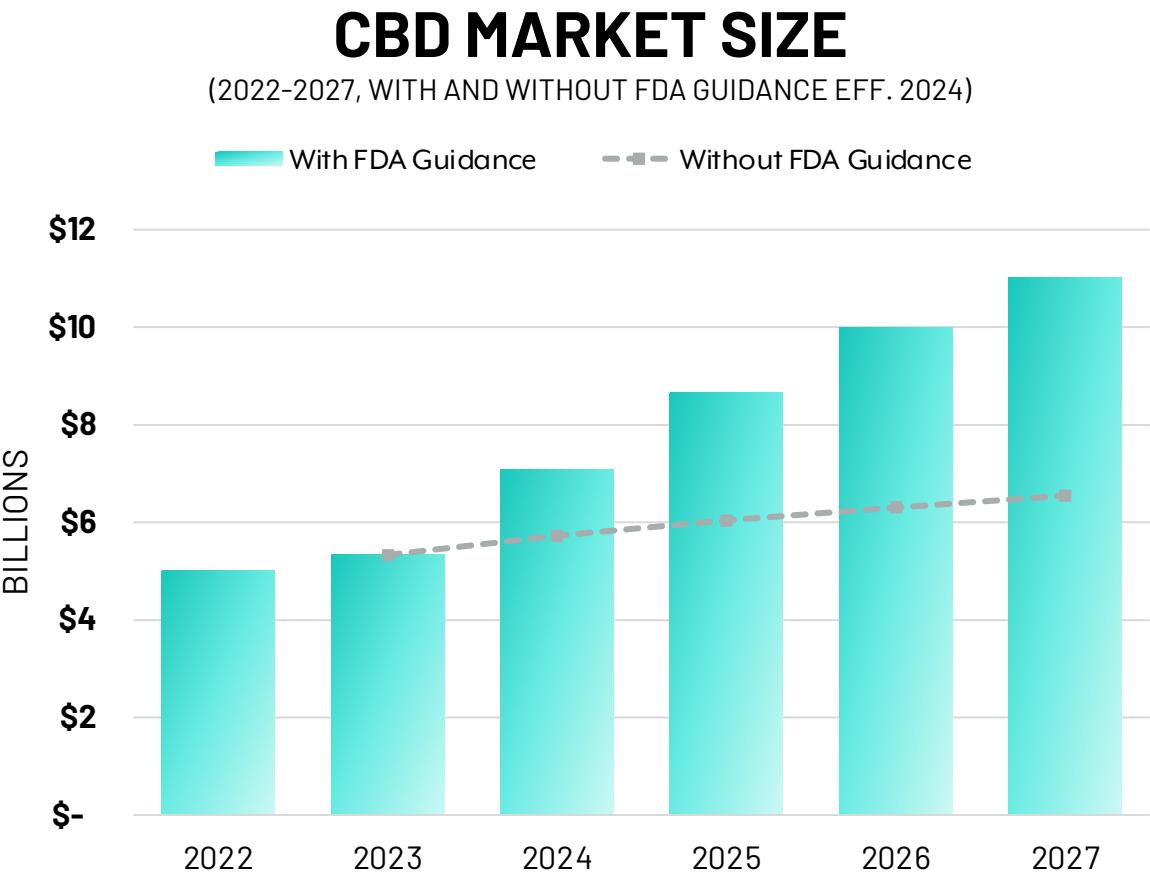
Market Size Overview

A note on this forecast: This update includes **forecasts for two scenarios – with and without Food and Drug Administration (FDA) regulation** – to help prepare clients for what to expect if FDA guidance delays continue and for changes in the market that would occur upon federal regulation.

The US hemp-derived CBD market is expected to reach **\$5.0 billion in retail sales in 2022**.

If federal regulation were to be implemented by 2024, sales are expected to reach **\$11.0 billion by 2027**, driven by accelerated growth of ingestible products like capsules and gummies as well as increased acceptance by mainstream retailers.

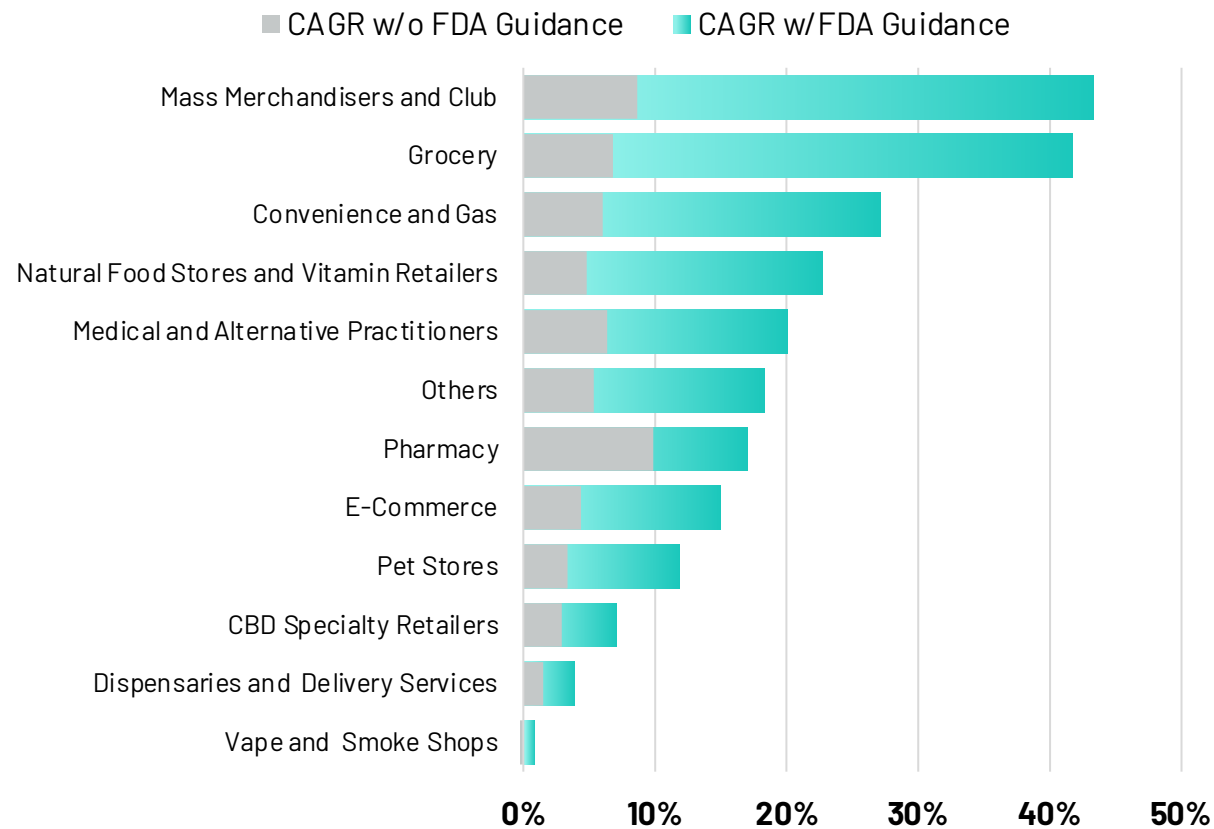
Without such guidance, the CBD market is expected to remain decidedly lower.



Holding Patterns

COMPOUND ANNUAL GROWTH RATE (CAGR)

(BY DIST. CHANNEL, WITH AND WITHOUT FDA GUIDANCE EFF. 2024, 2022-2027)



Growth in the CBD industry is heavily dependent on FDA regulation, with 2027 sales forecast to be over \$4 billion dollars greater if regulatory reform occurs by 2024 than if no such changes are made.

The CBD industry continues to face challenges in the form of a shifting product mix and competition from other hemp-derived cannabinoids, though price compression has begun to subside, and the industry is increasingly attracting attention from large firms.

While waiting for increased oversight, companies have been **seeking to define CBD’s place in the wider wellness landscape**, with some leaning into the historical associations with cannabis and others focusing on creating supplement-like products that address specific need states.

Company Shares

The top 5 CBD companies have remained the same within the past year; Charlotte's Web and Your CBD Store (SUNMED) continue to hold the top two spots.

Companies that saw significant gains during Q1 2022 include **High Tide** (NuLeaf Naturals, FAB CBD) and **HeavenlyRx/Simply Better Brands** (PureKana).

Charlotte's Web continues to hold the greatest portion of online CBD sales.

When it comes to brick-and-mortar sales, retail-oriented chains Your CBD Store (SunMed) and CBD American Shaman hold the top two spots with Charlotte's Web in third place.



Distribution Channel Spotlight: Grocery



Whole Foods Product
Example: ShiKai CBD Cream



Kroger Product Example:
Mediterra Rapid Cooling
CBD Cream

CBD sales in the grocery channel are set to reach **\$131 million in 2022, up 18.8% from 2021.**

Large grocery chains are risk-averse when it comes to CBD and, as a result, **topicals are expected to constitute 41.5% of grocery CBD sales in 2022**, followed by tinctures with 19.1%.

Ingestible products are expected to experience significant growth in the channel following an official CBD regulatory framework.

Key Takeaways

Growth in the CBD industry is heavily dependent on FDA regulation, with 2027 sales forecast to be over \$4 billion dollars greater if regulatory reform occurs by 2024 than if no such changes are made. If federal regulation were to be implemented by 2024, sales are expected to reach \$11.0 billion by 2027.

While waiting for increased oversight, companies have been seeking to define CBD's place in the wider wellness landscape and using tactics like creating non-CBD products that can be sold through mainstream outlets and partnering with retailers who do not sell CBD to increase distribution and reach a novel base of consumers.



See what's next in CBD and Cannabis, and emerging CPGs with user-friendly data on:

Market Landscape

Understand market position for strategic planning

Market Sizing

- Overall sizing and 5-year forecasts by product type and distribution channel.

Product Innovations

- Up-to-date product trends and innovations.

Company Profiles

- Detailed profiles with positioning, strengths, news and more to understand the composition.

Global Reach

- Understand the landscape across the US, Europe, LaAm, and Asian Pacific region.

Consumer Insights

Foster authentic customer relationships

Identify Target Personas

- Utilize standard personas or create your own for robust segmentation.

Understand Product Usage

- Insights into how, when, why, and which cannabis products consumers use.

Recognize Market Needs

- Take a forward-looking view at cannabis consumers to understand market needs.

Data collected quarterly via balanced survey, N = 5000/quarter. Integrated with consumer social media. First collection was Q3 2019.

Brand Health

Monitor brand performance across the top CBD brands

Understand the Competitive Landscape

- Track where you rank alongside competitors within the purchase funnel and across key satisfaction metrics.

Perfect Your Brand Positioning

- Leverage consumer data on your brand to hone in on the right audience that aligns with your brand strategy.

Diagnose Brand Roadblocks

- Solve marketing pitfalls across your purchase funnel—awareness, consideration, purchase, and loyalty.

Data collected quarterly via balanced consumer survey, N = 5000/quarter. First collection was Q3 2019.

To learn more about our solutions for CBD, [schedule a demo](#).

Brightfield Group is the leading research firm for emerging categories including CBD, cannabis, and wellness. By integrating multi-source data with AI and research expertise into our cross-comparable data lake, we uncover robust insights as new markets develop. We have helped Marketing, Innovation, and Insights leaders drive customer-centric strategies on their next big idea since 2015.

See what we can do for you at brightfieldgroup.com.



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