



2023

STRIVING TO THRIVE IN U.S. CBD

CBD Market Forecast Highlights

Since 2015, Brightfield has offered a full data ecosystem for the CBD industry.

Consumer Insights

Brightfield is the best source for actionable CBD consumer insights. We help companies meet customers' ever-evolving needs and develop products that truly resonate.

Brand Health

Expand market share with insights across the customer journey from awareness through loyalty.



Market Sizing

Our multi-sourced market sizing data reveals category leaders and realistic market forecasts by product and channel.

About Us

Brightfield Group is the leading social listening-enabled research firm serving the global cannabis, CBD, and emerging wellness industries.

This is a **FREE** report

This report includes just a fraction of the data and insights in Brightfield Group's **U.S. CBD Market Landscape**.

Contact Brightfield Group
for access to the platform.

U.S. CBD Market Landscape includes:

- CBD market forecasts by product type and distribution channel through 2028 - both with and without federal guidance
- Brand shares for the top brands in the space by product type
- Expert market analysis into product innovations, the competitive landscape, and distribution channels .



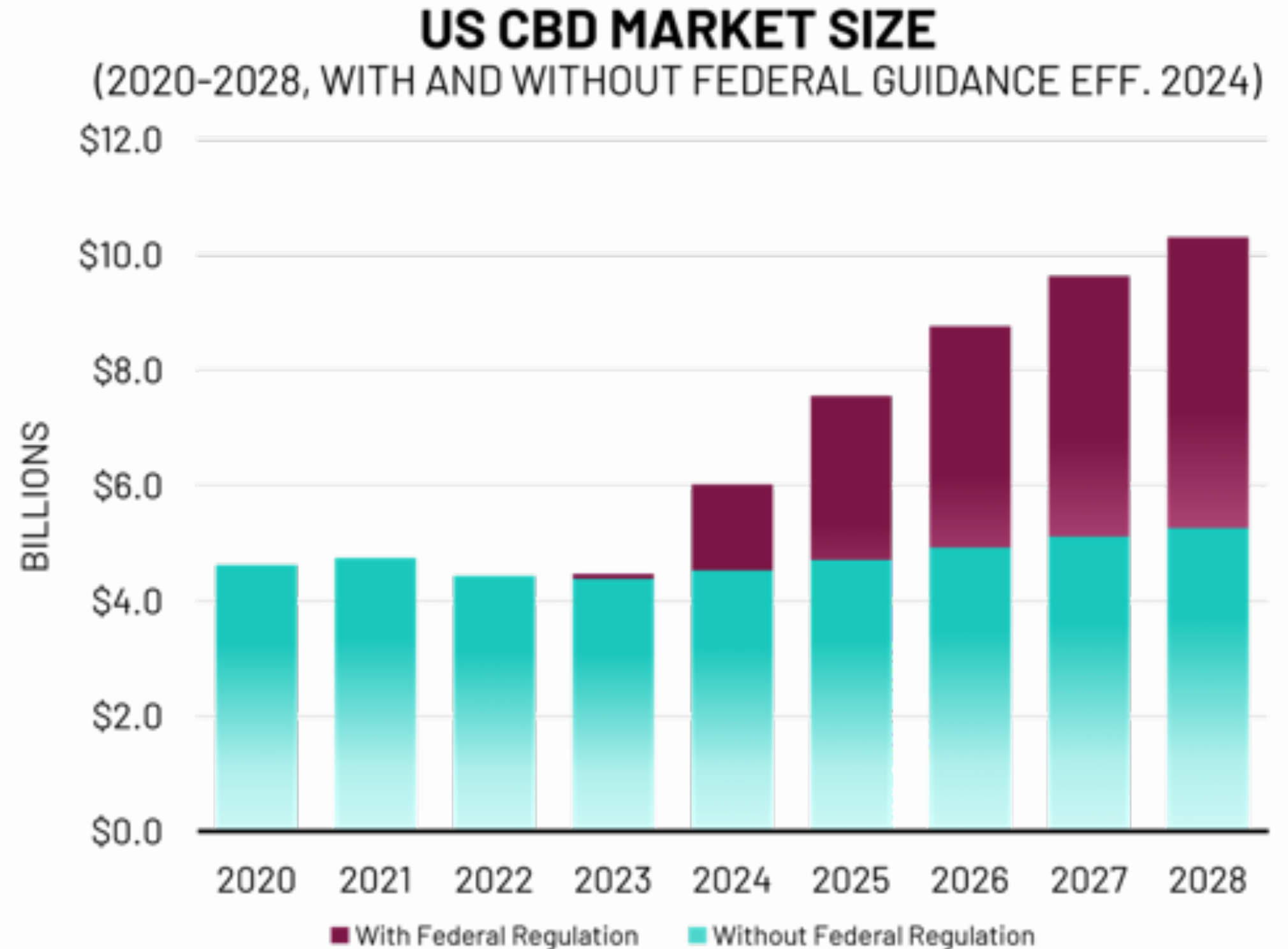
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Forecast: With & Without Federal Guidance

Without guidance, the CBD market is expected to remain more niche

Brightfield has two forecasts for the CBD market, one assuming the implementation of federal regulation by 2024, and the other assuming the status quo.



Forecast with Federal Regulation

The US CBD market is expected to grow from \$4.4 billion in 2022 to reach an annual value of \$10.3 billion by 2028 with the implementation of federal regulation.

Federal regulation will allow CBD products to be sold as dietary supplements and food additives, accelerating the growth of ingestible products like drinks and gummies. This will also increase acceptance and distribution in mainstream retailers.

Forecast without Federal Regulation

Without federal regulation, the CBD market is expected to remain niche, with annual sales in 2028 forecast to hit \$5.2 billion. This scenario will limit the growth of ingestible products and the acceptance of CBD by mainstream retailers.



Market Share

Large CBD companies hold 17% of the market, with the top 20 CBD companies in Q4 2022 having a sizable share.

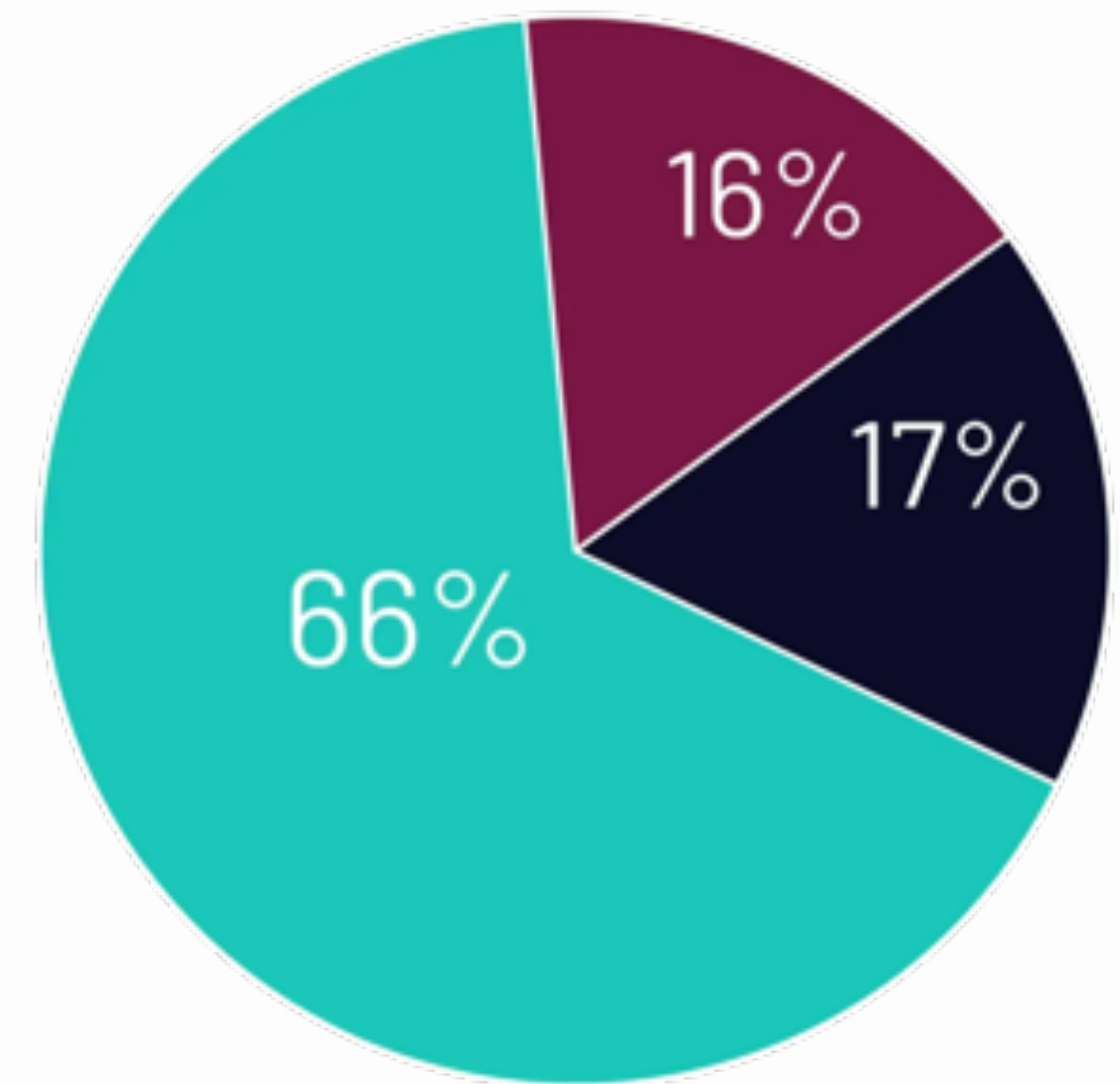
The share of the wider CBD space owned by pharmaceuticals saw an increase as sales of Jazz Pharmaceuticals' Epidiolex continued to increase over 2022. Meanwhile, consumer product CBD brand revenues dropped.

The number of CBD brands kept declining in 2022, now well below 2,000 - approximately half of the 3,500 active during its peak.

Prominent firms, most notably large public Canadian cannabis companies, scaled back their operations or exited the market entirely between 2022 and early 2023. However, there were several notable new entrants into the CBD space as well, including fashion house Kenneth Cole, and Blink-182 drummer Travis Barker.

US CBD MARKET SHARE BY COMPANY TYPE, Q4 2022

■ Top 20 Companies
■ Epidiolex (Jazz Pharmaceuticals) ■ Others



Source: Brightfield Group; 2023

Channels + Categories

While e-commerce sales surged during the height of the pandemic, 2022 saw the channel lose share as many consumers returned to brick-and-mortar retailers. Channels that saw the greatest year-over-year gains include **CBD specialty retailers, vape & smoke shops, and convenience & gas.**

Without any regulatory movement, the CBD distribution landscape is unlikely to see any large shifts, with companies instead competing for space within the same established outlets.

With federal regulation, the product categories poised to see the greatest success in up-and-coming mainstream distribution channels are overwhelmingly **ingestible products.**

Drinks are expected to make a place in both grocery stores and mass merchandisers, fitting in neatly with the array of functional beverage products currently available in these channels.



Limiting Growth

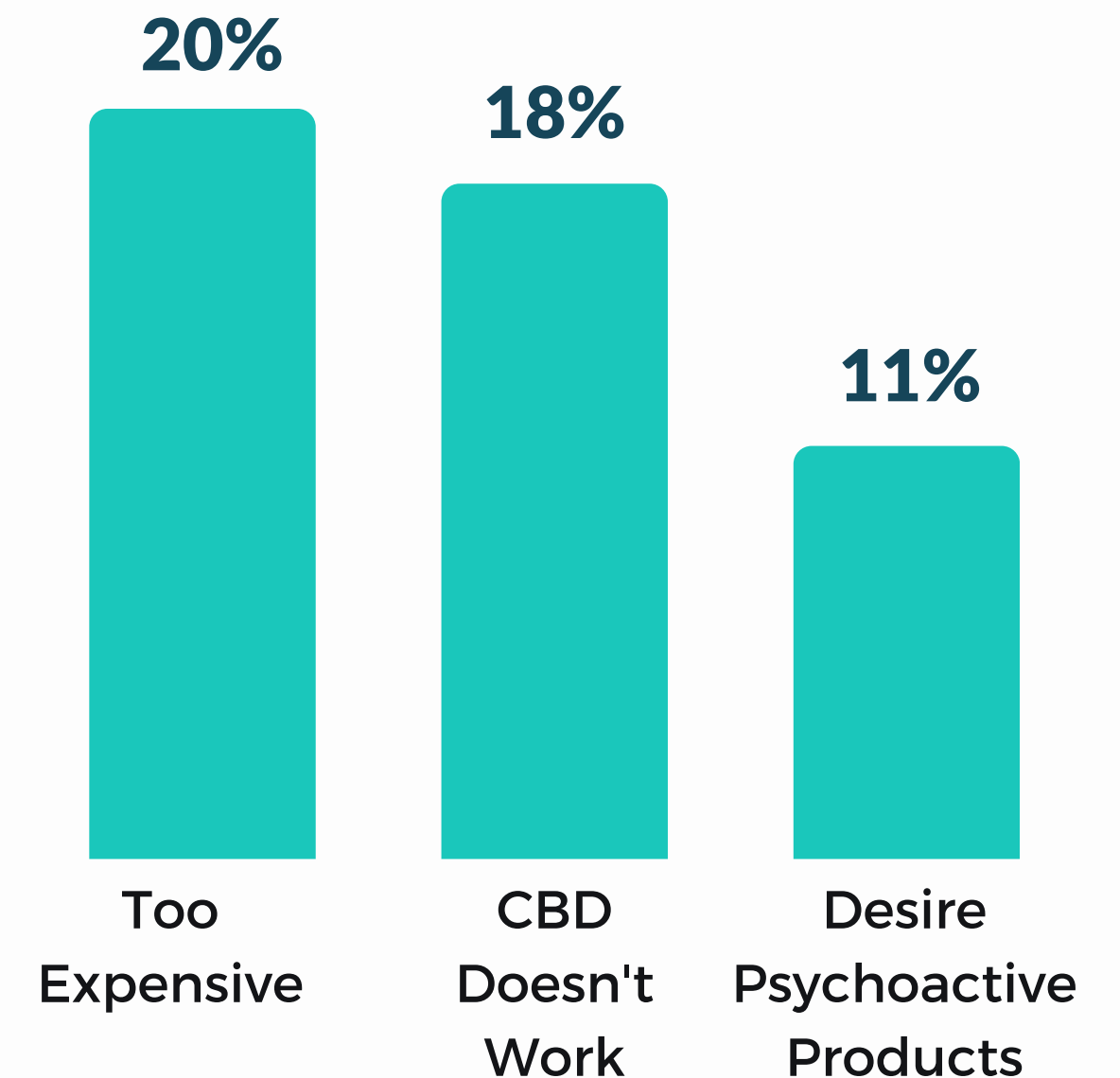
Though the CBD industry has seen significant price compression since the market exploded in 2019, CBD products being **too expensive** continues to be the main reason why consumers stop purchasing CBD.

Efficacy is the second most prominent concern, an issue reflective of the continued presence of fly-by-night brands in the space and difficulties with accurate product formulation/labeling that have been faced by many firms.

"**Desire for psychoactive products**" ranking third illustrates that there is a subset of consumers that continue to CBD as "cannabis lite" who will gravitate towards delta-8 and similar products when possible.

While these considerations must be addressed to maintain consumers, Brightfield survey data indicates that the percentage of the population using CBD has remained relatively steady over the last year, **indicating that most of those leaving the market are replaced.**

Why Did You Stop Using CBD?



CBD Differentiation

With CBD still finding its place in the wider cannabinoid and wellness markets, brands are leaning into different aspects of the category to appeal to a varied consumer base.

Some brands create **need-state-oriented products** that utilize functional ingredients to boost product efficacy, piggyback off existing consumer knowledge, and create defined ways to integrate CBD into consumer routines.

Other companies are leaning into **CBD's adjacency to cannabis**, prominently advertising the THC percentage in their full-spectrum products and creating goods incorporating additional cannabinoids.

More analysis on how CBD brands differentiate available in Brightfield's U.S. CBD Market Landscape.

Functional Ingredients & Need States



Other Cannabinoids





Want to see in-depth forecasts through 2028 + CBD company brand shares?

We've got that and more in our U.S. CBD Market Landscape

Get in Touch!



About Brightfield Group



Brightfield Group is the leading social listening-enabled research firm serving the global cannabis, CBD, and emerging wellness industries.

We combine traditional research expertise with AI-integrated social listening to provide a deeper level of consumer insights.

Marketing, innovation, and insights leaders have trusted us to help drive customer-centric strategies since 2015.

Learn more about our data at www.brightfieldgroup.com