

FROM PRODUCTS TO PEOPLE

Crafting Cannabis Brands that Connect

DECEMBER 2023



About the Data

U.S. Product Brand Health Study

As cannabis markets mature, brands play an increasing role in consumer purchasing. Cannabis is a unique product, but a product nonetheless. As such, consumers have feelings towards the various entities offering them bud, edibles, vapes, and all in between.

The U.S. Product Brand Health Study provides a precise view of the health of product brands by state and product type - determined by awareness, purchasing, and repeat purchasing.

- Awareness : % of respondents that are aware of the brand in aided exposure to brand list
- Purchase Ever: % of respondents who have ever purchased the brand
- Purchase Recently: % of respondents purchasing in the past 6 months
- Loyalty: % of respondents reporting they will purchase the brand again

This study is fielded twice a year, beginning in H2 2022 with over 8,000 respondents each fielding across 14 states with adult-use and medical cannabis markets.

States in the study:

- Arizona
- California
- Colorado
- Florida
- Illinois
- Maryland
- Massachusetts
- Michigan
- Missouri
- Nevada
- New Jersey
- New York
- Ohio
- Pennsylvania

Categories in the study:

- Concentrates
- Drinks
- Flower
- Vapes
- Gummies
- Other Edibles (non-gummy)
- Pre-Rolls
- Tinctures

About Us

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



This is our **FREE** report

This report includes just a fraction of the data and insights in Brightfield Group's **U.S. Product Brand Health Study**.

We conduct this study to help our clients:

- **Benchmark** current brand performance against competitors
- Quantify their **brand awareness, reported purchasing, and loyalty**
- **Allocate resources** more effectively
- Ultimately **improve their brand performance**

See how your brand (and your competition) is performing among consumers within your state and product category



Get in Touch!



Just a handful of the brands in our study...



Why Some Brands Stand & Others Fall

Cannabis brands are fickle. Some come from the greatest marketing minds in CPG backed by hundreds of data points, while others come from an idea and someone's "vibe." What is going to resonate with a shifting base of consumers has been a puzzle for cannabis marketers. While there are dozens of other variables in U.S. cannabis, brand is shaping up to be a serious part of consumers purchasing decisions. In 2023, **55%** agree cannabis brands are important to them when making purchasing decisions. Despite this, a whopping **79%** say they will purchase another brand if the one they were looking for is out of stock.

So how do businesses ensure they're the brand of choice - or at least an acceptable backup brand? By tapping in to what is currently resonating with cannabis purchasers in their state. Luckily, businesses can do this with Brightfield Group's Product Brand Health data.

In this report, we share trends from across the country to help brands inform their 2024 strategy. We'll explore the latest data on product brands from 14 states, including the new recreational market in Missouri, brands growing in Colorado's mature market, and the Arizona brand funnel. When looking at state and product data, we can see the occasions of use, purchasing influences, and desired effects by consumers of unique product types. With insights from new, emerging, and mature markets, brands can continue to build off the lessons of past decisions and other states to bolster their 2024 strategy and win in U.S. cannabis.

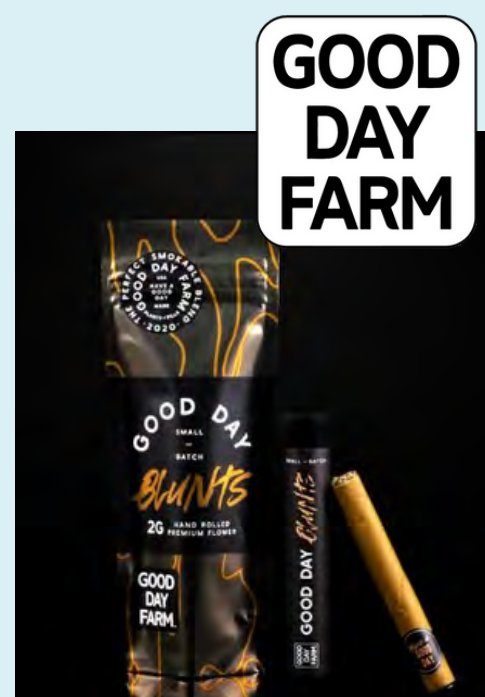
Source: Brightfield Group; U.S. Cannabis Consumer Insights; 2023



The Missouri Rec Market

Welcome to the Missouri recreational market! Missouri was the 3rd Midwest state to legalize cannabis and the 21st overall. The state had a well-functioning medical cannabis program that converted nicely to adult-use. The 63 cultivation centers, 204 dispensaries, and 84 manufacturing licenses awarded to medical operators since 2020 could apply for the adult-use program. It has had one of the strongest adult-use opening of any U.S. cannabis market so far, selling nearly \$350 million of adult-use cannabis in the first four months, from February to May 2023.

As has been seen in other states, when Cookies enters a market, it rises to the top of the funnel. Missouri is no exception. 50% of Missouri flower consumers are aware of Cookies with 30% purchasing its flower in the past 6 months. The brand has a marquee store in St. Louis, and its products are well distributed around the state at other dispensaries. MO consumers can enjoy strains like Apples and Bananas, Red Velvet, and Georgia Pie in flower, pre-rolls, and vape cartridges.



Good Day Farms (GDF) is the second-most purchased cannabis flower brand in the state, with 32% purchasing ever and 27% in the past 6 months. “The South’s #1 medical dispensary,” GDF gained an early foothold in the Missouri medical market and now offers a large swath of products to the state – including flower, pre-rolls, gummies, chocolate, honey, carts, disposable pens, and concentrates.

The brand has top awareness and purchasing among gummies, other edibles, and even pre-rolls consumers. Good Day Farms has done a good job of getting out there to make itself known as a pre-rolls brand, as it has more awareness, purchasing, and loyalty among pre-roll users than Cookies in the state. GDF’s pre-roll portfolio includes both “Good Day J’s” and 2-gram blunts.

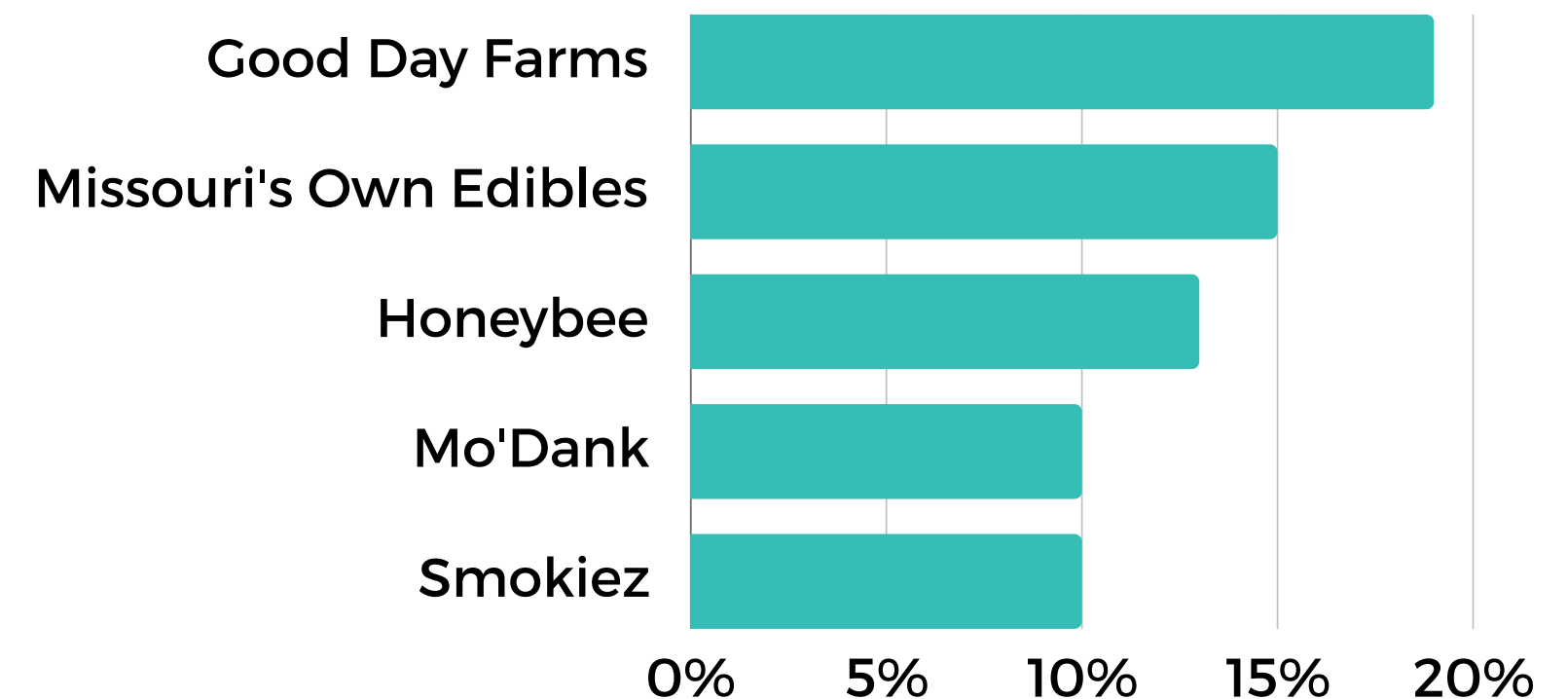
Missouri Edibles

Missouri saw more edible innovation in its medical market than some adult-use markets currently have. With many developed brands ready to hit the recreational market, it's not surprising to see no gummy brand with more than 19% purchasing ever. Consumers can choose from many good gummy brands in the state already. So far, Good Day Farms, Missouri's Own Edibles, Honeybee, Mo'Dank, and Smokiez have seen the most purchasing.

Other edibles and drinks brands also delight customers with sodas, suckers, crackers, and more – plus the milligram limit is not distinctly capped at 100mg per package as is seen in most other states. 250mg and 300mg options can be found on menus, giving brands more ways to differentiate and consumers even more variety.

Purchasing Ever: MO Gummies Brands

% of Missouri gummies users ever purchasing brand



See the top purchased flower, pre-roll, vape, drink, and concentrate brands in the Product Brand Health study!



Mature Market Moves: Colorado

Colorado has been a leader in adult-use cannabis since its adult-use legalization in 2014. As one of the most established markets in the U.S., the state offers excellent consumer access. The state sees plentiful retailers, a mix of brands, affordable prices, and a diverse range of products. All of which contribute to its yielding high per capita spending. Despite challenges like oversupply and tax issues in 2022, Colorado remains a top performer in the adult-use cannabis sector in 2023.

Colorado – among other states – saw a decline in “multiple times per day” cannabis use over 2023. Among flower purchasers, for example, multiple times daily flower use dropped from 55% in H2 2022 to 43% in H2 2023. Less frequent use means fewer brands can be enjoyed. As such, there was little upward movement in Colorado’s Product Brand Health funnel for H2 2023. Brands must work harder to compel users to pick them for their less frequent cannabis sessions.

[13 More States to Explore in the Product Brand Health Study!](#)

Brands Gaining Purchasing in Colorado

Natty Rems gained purchasing in the concentrates and vapes categories in 2023. While Natty Rems has been active in Colorado since the early days of recreational legalization, it lacked strong consumer purchasing in 2022. Last year, the brand only saw 2.5% of vape consumers recently purchase its carts. In the second half of 2023, 6% have recently purchased. The brand's awareness also grew from 10% to 15%. In the concentrate category, it saw recent purchasing rise from 5% to 9% year over year. However, its prevalence in the flower and pre-roll categories has only marginally improved.

Brands must stay competitive by revitalizing distribution partnerships and marketing efforts in mature markets. Natty Rems improved concentrate and vape metrics point to an improved product, additional marketing efforts, or new stores with its offerings. In a saturated market like Colorado, brands strive to be known for something –for Natty Rems, it is possibly becoming known for good extracts.



Another brand able to gain recent purchasing was **Belushi Farms** in the pre-roll category. It has seen 7% awareness in Colorado for H1 and H2 2023, likely thanks to the celebrity name and “Growing Belushi” TV show that documents Jim Belushi’s cannabis endeavors. However, from H1 to H2, the brand gained significant traction in recent purchasing, going from 0.2% to 3.5%! With purchasing previously so low, it seems the brand was able to boost distribution to reach more consumers. It is imperative brands get their product in front of potential customers– even known brands with a celebrity name.



But beyond being purchased once as a new brand to try, Belushi Farms has also raised its loyal following –boosting from 0.2% to 3.8%. So not only did the brand expand to reach more consumers, but those it did reach are enjoying Belushi Farms pre-rolls and intend to purchase again.

[Hundreds of Brand Funnels to Explore
in the Product Brand Health Study!](#)

Arizona: The Funnel by Product Type

For each of the 14 states in Brightfield Group's Product Brand Health study, awareness, purchasing ever, recent purchasing, and loyalty are tracked by product type. Here is a look at insights from Arizona's funnel.

CONCENTRATES The top three concentrate brands with the most awareness in Arizona are **Venom Extracts**, **Drip Extracts**, and **High Grade**. The first two saw little movement on the funnel. **High Grade** saw its awareness increase by 9% from H1 to H2 2023, with this translating to slightly more recent purchasing and loyalty. Most concentrate brands saw the same or decreasing recent purchasing in H2 2023.



DRINKS



Curaleaf and **Tonic** gained awareness and purchasing in AZ. While **Keef** and **Happy Hour** still see the most awareness, **Happy Hour** especially saw declining purchasing. Meanwhile, **Baked Bros** took a large dip wave over wave, falling from the top spot on the funnel to #3 for recent purchasing.

GUMMIES



PURE Edibles, **Curaleaf**, **Baked Bros**, **TRU Infusion**, and **Wyld** see the most purchasing for gummies brands in Arizona. Most brands experienced declines in recent purchasing, especially **Wyld**, going from 16% recently purchasing in H1 2023 to 10% in H2.

VAPES



STIIIZY solidified its top spot in Arizona vapes in 2023. Previously neck-and-neck with **Timeless Vapes**, **STIIIZY** took the firm lead in awareness, recent purchasing, and loyalty. 29% of AZ vape users have recently purchased a **STIIIZY** vape versus 19% having purchased a **Timeless Vape**.

FLOWER



Curaleaf and **STIIIZY** maintain a distinct prominence in Arizona flower purchasing. 25% have recently purchased **Curaleaf**, and 19% recently purchased **STIIIZY**. Rising in the purchasing funnel this wave was **AYR Wellness' KYND** brand; it previously saw only 3% of flower consumers recently purchasing and now sees 7%.

OTHER EDIBLES



A large swath of other edibles brands are seeing between 5% and 8% purchasing – only two see higher purchasing (**PURE Edibles** and **TRU Infusion**). Meanwhile, most of those with less than 5% purchasing saw further declines. The competitive set of other edibles brands is solidifying in the state, with consumers finding and sticking to their favorites. 17 other edibles brands tracked in AZ see a purchase-to-loyalty conversion rate of over 75%.

PRE-ROLLS



The Pharm and **Packwoods** increased their awareness among AZ pre-roll users wave over wave. **Jeeter** remains above the pack with 21% recent purchasing- the #2 brand only sees 11% recent purchasing. **Curaleaf's Find** pre-rolls began gaining traction with consumers. Less than 1% has recently purchased it in H1 2023, now in H2 2023, we see 4% of pre-roll consumers recently purchasing the **Find** brand.

Getting to the “Why”

Brightfield Group’s Product Brand Health study explores cannabis purchasing via product types in specific state markets. After finding out what products they use, we ask consumers to select the **top three occasions** they use each product type, the **effects they desire** for from that product, and the **top five influences** that affect their product purchasing. Here are some insights from H2 2023 that get into

Going Out with Vapes

Cannabis use in a bar or nightclub is especially prevalent among vape users. In Colorado, Maryland, and Nevada, 22% of vape users say the bar/nightclub is one of their top three occasions of vape use. Illinois and New Jersey see 21% of vape users enjoying carts in bars and nightclubs.

Vapes are a discreet way to consume cannabis, especially in spaces where nicotine vape use is permissible or has a designated area. Brands operating in these markets would be wise to partner with nightlife venues to appeal to this crowd. Branding and marketing can also adapt around this use case.

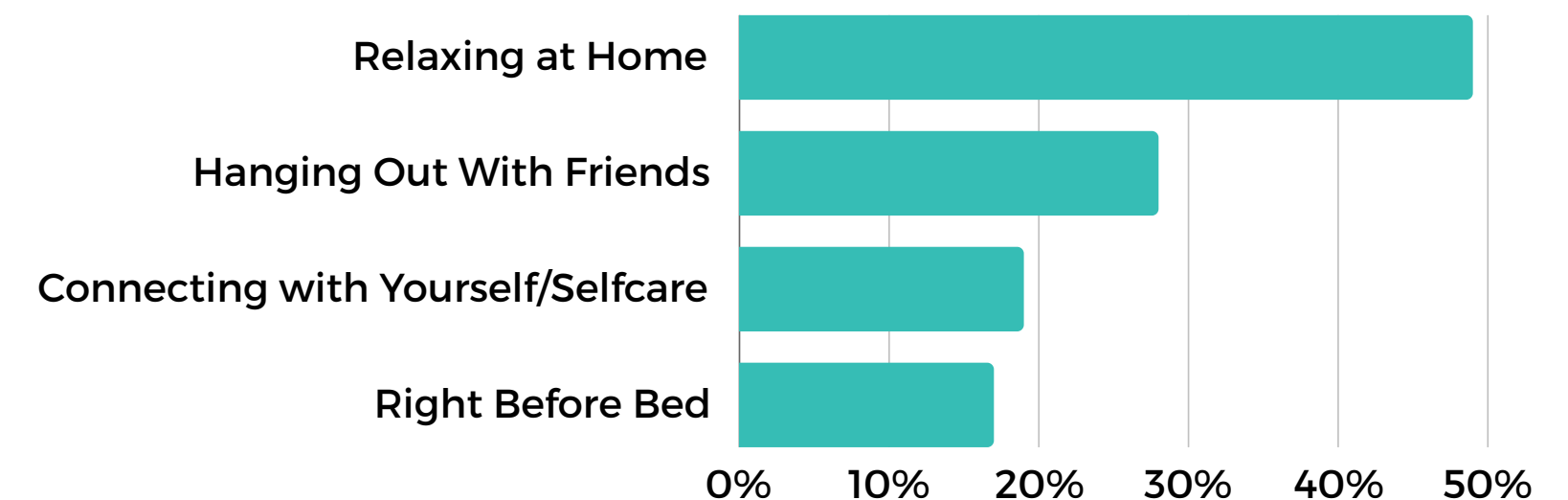
Cannabis Drinks Outside the Home

Relaxing at home is by far the top usage occasion for cannabis – and this includes drinks. Across the states in the study, 46% of drinks users enjoy them while “relaxing at home” with another 20% using “right before bed,” and 18% for “connecting with yourself/selfcare.” These occasions keep cannabis drinks a relatively solo activity, where one is winding down. But cannabis drinks are desperate to get out of the home and into social occasions currently occupied by alcohol. States with more robust drink options and longer histories of cannabis legalization are starting to see consumers catch on.

Massachusetts and Colorado see 30% or more drink users enjoying them while hanging out with friends. Illinois consumers saw an uptick in cannabis drink use in bars or nightclubs – likely due to increased 2-oz shots available in the state over 2023, making it easy to splash THC into any beverage. But it will take a combination of access and formulation for cannabis drinks to catch on in social space. Minnesota is the state to watch as THC beverages up to 5mg servings are now legally sold at bars. But cannabis drinks have to be easily available, accessibly priced, and taste good to garner a following, and so far, one or more of these components are missing from most states.

Drinks: Occasions of Use

% of recently purchasing cannabis drinks consumers using drinks at occasion



**See Occasions of Use for Each Product Type
in the Product Brand Health Study!**

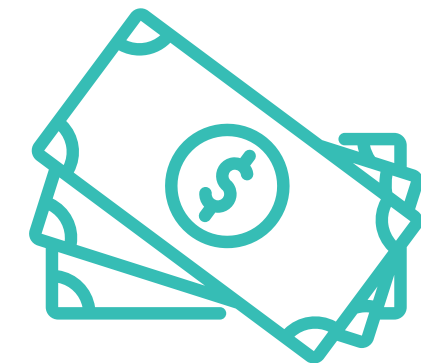
Who Cares About Terps?

Across markets researched, **only 9% of flower consumers said that “terpene profile” is a top purchase influence.** Groups more likely to say they’re influenced by terpene profile include: medical card holders, baby boomers, and those spending more than \$250 per month. The terpene profile is said to alter the experience of cannabis strains - it is said to be one of the factors influencing the effects of different cultivars. With cannabis, there is a learning curve, and knowledge of terpenes is a more advanced consumer topic.

In Maryland, a market that recently moved from medical to recreational sale in July 2023, a particularly high percentage of flower consumers discern their purchase based on terpene profile – 17%. The state’s labeling requirements include “itemization of cannabinoids/terpenes,” which may allow MD consumers a better understanding of the terpene profile of their flower. Ultimately, dispensary purchasers can only care about terpenes if the brand provides such information to them.



12% of medical card holders are influenced by terps



11% of those spending over \$250 are influenced by terps

Why Buy Pre-Rolls?

While the top desired effect of pre-rolls is still “relaxation” in every state, “fun” is the second desired effect in many states. This includes Colorado, Illinois, Maryland, Nevada, and New York. Pre-rolls are the classic shareable cannabis product – puff, puff passing to a friend for a fun time.

Emotional relief is another common desired effect, especially in California, New Jersey, Missouri, and Florida. Ease of use makes pre-rolls ideal for those using cannabis for relief from anxiety or other negative emotional experiences. Massachusetts and Michigan pre-roll shoppers second-most desired effect from pre-rolls is “sleep,” while Arizona pre-roll buyers uniquely desire “well-being.”

Source: Brightfield Group; U.S. Product Brand Health; H2 2023



Consumer data on the states and product types
relevant to *your brand* with Product Brand Health!

Get in Touch!





Brightfield Group's AI-Driven insights empower marketers and product developers to innovate & brand with confidence!

How Brightfield Group Data Solves Your Problems

Problem

Solution BRIGHTFIELD GROUP

Outcome

I need more customers

Category specific consumer insights across brands and channels

Double your customer base!

Consumers don't recognize my brand

Flexibly filter data to zoom in on key motivators, messages, and channels that resonate with your consumer

Increase consumer awareness by 100%

It takes too long to validate new innovations

Data to validate trends in emerging categories with real-time social listening & quarterly updated consumer surveys.

Cut go-to-market time in 1/2