



Our Guide to CBD Consumer Insights



BRIGHTFIELD GROUP



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Introduction

Consumers are, well, everything. They drive industries forward, shift them around, and even have the power to phase some out. Businesses need to understand their current and prospective consumers in order to effectively market products and grow their company. In CBD, consumers don't know what products they want because they don't know what is possible. In emerging industries, the best companies look to survey results, social data, as well as public information to get a handle on the CBD consumer.



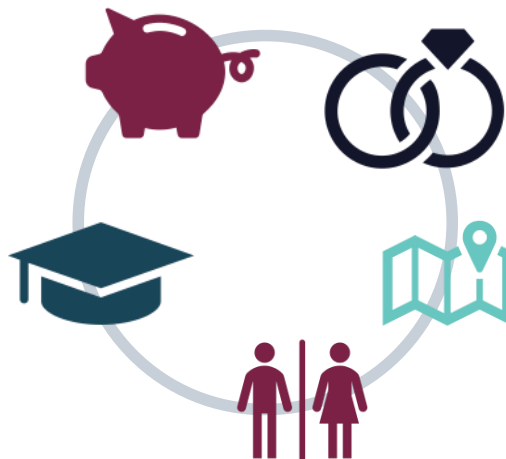
Brands aim to make decisions from their own consumer data (assuming they can pull insights in a clean manner). The challenge, however, comes from ensuring this data is truly representative of this rapidly moving market, as well as extracting the proper insights that put your company in good position to succeed.

Consumer insights provide a complete view of the types of people that could be your next customers, fueling impactful messaging, compelling products, and greater returns.

Demographics

Demographics are the foundation for developing deep consumer insights. Segmenting a population by using demographics allows companies to determine the size of a potential market. Companies also leverage them in order to make decisions on new products, marketing strategies, and content. These can include:

- Age
- Gender
- Location
- Income
- Sexuality
- Ethnicity
- Marital Status
- Education
- Having children or not





CBD consumers of all different demographics will have varying behaviors across product preference, frequency of use, average spend per product, and more. For example, married women over 50 may prefer low-dose CBD edibles while married men 20-30 may prefer high-dose tinctures. Changing one or two demographic attributes in your analysis can drastically change what the data tells you.

Usage and Paths to Purchase

Millions of consumers are entering the CBD market as it becomes more mainstream. This leads to a better understanding of how different consumers use and purchase CBD - from usage rate and dosage to where consumers buy and what they look for.

This can be broken down by asking 4 simple questions:

How? Why? What? Where?

How consumers use CBD changes depending many variables, including demographics. Just like our example above, consumers of all kinds will have different preferences on how they consume CBD (via edibles, concentrates, topicals, etc.).

"Understanding the 'why' drives anything from product and brand messaging to distribution strategy"

Many consumers don't use CBD every day (though a significant portion use 5+ days/week). Frequency of use is important for developing consumer insights as brands look to establish a place in consumers' lives based on how present CBD is during their day.

Consumers use CBD for many reasons. Understanding the 'why' drives anything from product and brand messaging to distribution strategy. Many consumers use CBD for medicinal purposes. From anxiety to epilepsy, the use cases for CBD cross the vast medical spectrum despite widespread research confirming its benefits.



CBD's molecular makeup allows it to be very malleable when infusing it into other products. While many companies are creating CBD products that seem like gimmicks, there is a wide range of CBD product types that many consumers purchase. Edibles, for example, can be broken down even further with product types like Baked Goods, Drinks, and Candy/Gummies. Entire businesses are created from a single product sub-category, allowing for a lot of consumer choice.



Where consumers buy CBD is an ever-evolving topic. 2019 brought the first large retailers into the CBD space, significantly increasing availability and awareness to the general population. We expect more and more consumers to leverage this channel over time along with channels like dispensaries, doctor's offices, and online.

Personality Attributes and Psychological Motivators to Buy

With the massive influx of CBD consumers, brands are trying to find their way across the ever-expanding ocean of consumer data. Understanding the 'who' and 'what' are very foundational to robust consumer insights. But do you know the 'why?'

Having data-driven insights on why people spend their money on certain CBD brands and products is the key to setting up your marketing and sales strategies to win.

Buying decisions are both emotional and logical. Anyone that is a buyer (of any product) is dissatisfied with something. It is often unclear what that something is. Our brains develop and finalize our purchasing decisions while our hearts help justify them.



People are more likely to respond to product and brand messaging that speaks to who they are psychologically. Each person aligns with a set of psychological constructs that can be tapped into in order to help drive purchasing decisions. Here are some of the most common:

- Reward & Incentives – Behavior is dictated by a desire for external rewards
- Power & Authority – Behavior is dictated by the perceived ability to take action and make changes in one's life or to influence others.
- Belonging & Community – Behavior is dictated by membership, influence, and a shared emotional connection
- Achievement & Accomplishment – Behavior is dictated by external or internal goals

Consumer Interests Outside of CBD

CBD is often a small part of the average consumer's day. They have jobs, workout routines, hobbies, and social lives. It can be difficult to resonate with CBD consumers when you only know their demographics or usage behaviors. By understanding who they are outside of CBD, you can begin to deeply relate to CBD consumers.

People are interested in, well, a lot of different things. From sports and fitness, to music and arts, it is easy to get overwhelmed with how consumers spend their time. It's important to break them out and by categorizing the social media interests from our CBD consumers, this is what we get:

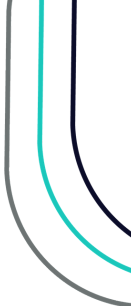

- Fashion & Beauty
- Food & Travel
- Health & Sports
- Home & Community
- Music & Arts
- News & Pop Culture



There are certain categories that rank much higher than the others across various personas. What is most important, however, is understanding the relationships these consumers have with specific people, brands, and organizations on the internet. By understanding brand preference (ie: Target vs. Walmart) across the social landscape, you can drive partnership and content strategies that resonate with real consumers.

Topics of Conversation Surrounding CBD

The content that people put out on social media can be a gold mine for brands and consumer insights enthusiasts. Social media gives you the opportunity to understand who and what people are talking about in the context of CBD, and by developing robust lookalike audiences, the population of people reached is immensely magnified.



So what do we mean by context? Well, CBD can be talked about across many different topics. From pain and fitness, to self-care and pets, consumers are discussing CBD in ways that are increasingly aligning with product segments.

Social-driven insights like this can drive product and consumer-focused decisions as well as influence marketing and sales messaging.

We're Brightfield Group, and we provide consumer insights and market intelligence for the CBD and Cannabis industries. Fusing intelligent machines with real human analysis, we help you navigate the dynamic CBD and Cannabis markets as data-driven storytellers. With us, you don't just get the numbers; you get a trusted partner, providing a robust picture of the landscape and an actionable plan for the road ahead. See what our products can do for you at www.brightfieldgroup.com.

