



# Consumer Targeting

Explore consumer attitudes around cannabis usage and purchase behaviour when buying legal, illegal, in store or online.





Our consumer targeting analysis helps you better understand how the market has changed and how to leverage this knowledge to positively affect your business.

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## 2020 Ontario Cannabis Trends

### COVID-19 IMPACT

We've noticed an increase in consumption, most likely due to a rise in working from home and other social-distancing behaviours. There has also been a notable shift from medical to recreational cannabis spend, with consumers mainly stocking up on dried flower.

### RETAIL STORE EXPANSION

With the acceleration of retail store application approvals by the Alcohol and Gaming Commission of Ontario, we've seen an increase in the legal market share. Access to stores has also become less of a barrier for those who previously purchased from illegal channels.

### CANNABIS 2.0 / ASSORTMENT EXPANSION

We've seen an expansion of vape, edible and beverage categories, and the addition of new categories (such as extracts and topicals).





# Segments



**Frequent  
Tokers**



**Edible  
Connoisseurs**



**Legal Buds**



**Self  
Soothers**

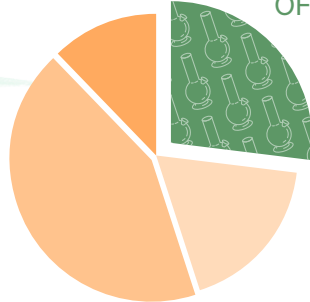


# FREQUENT TOKERS

Frequent Tokers are legacy consumers (92% consumed before legalization), young to middle-aged men who earn a low income (42% earn under \$60,000 a year). They obtain their cannabis from illegal sources — mainly dealers and mail-order marijuana (MoM) sites, and make up 11% of consumers and 27% of spend.

**11%**  
OF CONSUMERS

**27%**  
OF SPEND



## PREFERENCE

They prefer hybrid strains (41%) and consume mostly dried flower through joints, bongs and pre-rolls. In the future, they are open to purchasing hash and edibles (specifically soft chews), in addition to dried flower.

## CONSUMPTION

They consume daily (on average, five times a day), mostly in the mornings (29%) and evenings (33%) to relax and unwind.

## PURCHASE HABITS

They purchase mostly online through illegal sources a few times a week, and they are price sensitive and typically perceive legal cannabis as higher priced. Frequent Tokers are influenced by friends, family and dealers, and have tried shatter, vapes and kief more than other segments.

## HOW TO GAIN THEIR BUSINESS

- Showcase 14 g and 28 g dried flower product offerings
- Ask your budtenders to focus on price and quality
- Budtenders need to build long-lasting, education-based relationships with these consumers
- Budtenders should provide significant knowledge on consuming hash
- Ensure price tags are on all products



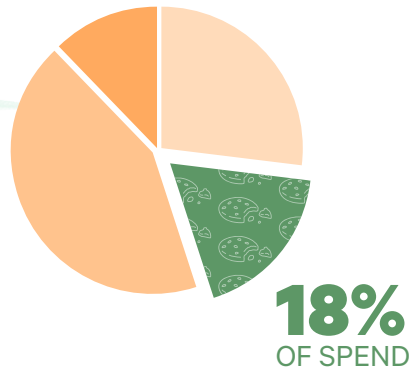




# EDIBLE CONNOISSEURS

Edible Connoisseurs are mostly young to middle-aged men with average to high incomes (37% make \$60,000 to \$100,000 per year). Half are legacy consumers (48% consumed before legalization), but 25% are new consumers. They obtain most of their cannabis from illegal sources (mainly MoM sites) and make up 17% of consumers and 18% of spend.

**17%**  
OF CONSUMERS



## PREFERENCE

These consumers prefer indica and hybrid strains, and consume mostly soft chews and baked goods. They report that they plan to purchase these in the future. Not many of these consumers prefer dried flower (24%).

## CONSUMPTION

They consume weekly (47%), mostly at night (35%) and in the evenings (31%) to assist with relaxation and sleep or for physical pain relief.

## PURCHASE HABITS

These consumers value their purchase and consumption experiences, including in-store retail shopping. They are willing to spend money but purchase mostly through illegal sources on a monthly basis. Edible Connoisseurs are influenced by their friends and family (28%), cannabis review sites (9%) and their doctor or general practitioner (8%).

## HOW TO GAIN THEIR BUSINESS

- Offer high-potency products in the low to medium price range
- Offer more CBD options and different soft chews, baked goods and chocolate flavours
- Showcase innovative edibles in store as an add-on
- Ask your budtenders to gain a detailed understanding of the new innovations in edibles on the market
- High potency is a major factor in whether these consumers repurchase products — this provides a good opportunity to showcase soft gels or capsules

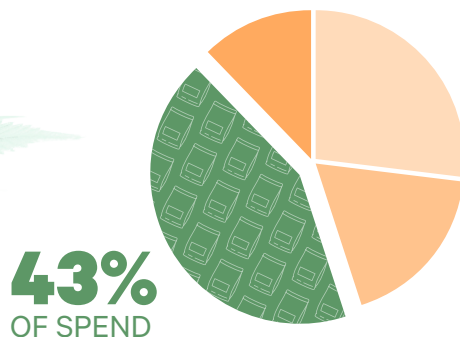




# LEGAL BUDS

Legal Buds are mostly young men with average to high income (33% make over \$100,000 per year), and more than half are legacy consumers (52% consumed before legalization). Eleven percent are between the ages of 65 and 75. Legal Buds is the largest group of consumers and makes up 39% of consumers and 43% of spend.

**39%**  
OF CONSUMERS



## PREFERENCE

They prefer the in-store experience and mostly consume dried flower and pre-rolls, with experience trying edibles. They purchase in bulk monthly or a few times a year.

## CONSUMPTION

They consume cannabis weekly, mostly in the evenings to assist with relaxation and sleep or for anxiety relief. They prefer sativa strains, dried flower and pre-rolls. This group looks to purchase these in the future, with interest in purchasing soft chews and baked goods.

## PURCHASE HABITS

They are influenced by their friends and family (25%), OCS.ca (12%) and cannabis review websites (11%).

## HOW TO GAIN THEIR BUSINESS

- Offer top-selling dried flower, pre-rolls and soft chews
- Offer higher dried flower variants with a lower price per gram
- Offer easy to find, convenient format options in store
- Highlight soft chews or pre-rolls at cash to drive impulse purchases and cross-category basket builds
- Ask your budtenders to provide general knowledge so the consumer can make informed purchases

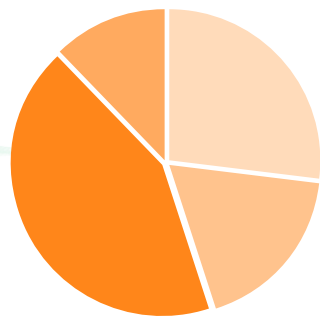




# SELF SOOTHERS

Self Soothers are mostly young women with average to high income (37% make \$60,000 to \$100,000 per year) who are legacy consumers (56% consumed before legalization). This segment hasn't purchased cannabis in the past three months and makes up 13% of consumers and 0% of spend.

**13%**  
OF CONSUMERS



**0%**  
OF SPEND

## PREFERENCE

This group prefers hybrid strains and to consume dried flower and pre-rolls. Most Self Soothers have tried baked goods before and are interested in purchasing them in the future, along with soft chews and chocolates.

## CONSUMPTION

They consume weekly, mostly at home, alone (52%) or with a partner (37%) to assist with relaxation or for physical pain relief.

## PURCHASE HABITS

This group is influenced by their family and friends (32%), cannabis review sites (12%) and OCS.ca (9%). They receive their cannabis from friends and family, and purchase cannabis only a few times a year. Fifty-one percent of these consumers don't know the strains they are consuming.

## HOW TO GAIN THEIR BUSINESS

- Offer dried flower and a variety of edibles
- Use visuals of new edibles (baked goods and soft chews) at cash to drive impulse purchases
- Provide an informative in-store experience to encourage return visits



