

The Who, Where and How of Cannabis Consumers

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There are an estimated 260 million cannabis consumers worldwide, ranging from minivan-driving moms to seasoned discreet unwinders, yet the marketplace is still set on pigeonholing marijuana users into two categories: the stereotypical recreational stoner and those with a doctor's note.

Gary Allen, COO of cannabis data and strategic analysis firm New Frontier Data, thinks that in order to effectively tap into the global market, advertisers need to get past the nomenclature of "recreational" versus "medicinal" (and, then past all of the federal regulatory hurdles).

In conversation with Doug Zanger, senior editor of agencies at Adweek, during Elevate: Cannabis and CBD, Allen addressed how advertisers can glean insights from data on who cannabis consumers are, where to find them and how to engage with them in the ever-expanding industry.

The good news about the cannabis market, Allen said, is that over the past 10 years, it has led to job creation, revenue generation and even criminal social justice reform. Over the past two years, specifically, there has been more regulation, which leads to safer consumption and the standardization of products and services.

However, there's also bad news.

"There's some pretty strict and stringent regulations in guidelines as to false product claims," Allen said, "and there's a lot of fear in the consumer marketplace and a lot of misunderstanding." Much of this fear is aggravated by federal

restrictions, which evoke anxiety in both users and operators. “I say to my team a lot that all insecurity and business is created by a lack of data,” Allen added. Consumers also are confused about what is illegal in their own city, state or country, which further stokes fear.

Insights into the cannabis industry can ensure it is well-received and who the consumers actually are.

“I don’t think that people really understand the size of the market opportunity of the cannabis umbrella, from CBD-derivative products, and of course, THC products. It is one of the things that brands may not understand,” he said.

According to New Frontier Data’s research, 98.6% of the population of the United States has legal access to some form of a product or service that comes from the cannabis plant. Many of the CPG companies and larger brands hoping to tap into this market have traditional needs– they need to understand their consumers, protect their brand reputation and understand regulatory compliance.



Over a three year period, New Frontier Data interviewed 3,100 consumers to come up with cannabis “archetypes” for its NXTeck platform to get the conversation going about engagement and getting brand messages across in a maturing and heterogeneous market.

“The point of NXTeck is to ensure that the audiences and the technology comes to the marketplace in a familiar way,” Allen said. “We’re introducing this in a way that agencies and marketers have been using for the last 20 years, not reinventing the wheel ... to deliver consumers, deliver performance and, eventually, deliver loyal, brave advocates.” The NXTeck platform not only provides data for marketers, but also media and technology for every level of campaign optimization, Allen said.

Allen’s first piece of advice for agencies is to use common sense.

“The consumer of the brand that you’re servicing now isn’t necessarily different because they consume cannabis. The count of cannabis consumers are far greater than anybody ever believed, and only 5% of cannabis consumers are the stereotypical stoners that people think the entire industry is made up of,” he said.

Per Allen, it is also handy for agencies to know things like that 95% of consumers in the cannabis market are consumers of other things such as BMWs, Cheerios and Nike. Allen said agencies don’t have to try to learn everything about every market because of experts like New Frontier Data can provide guidance.

“Let us help you use good data, use good technology and use professional employees,” Allen said.

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