

BRANDING SURVIVAL GUIDE FOR THE CANNABIS STARTUP

Using Social Media and Business Technology for Cannabis Branding and Compliance



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TABLE OF CONTENTS

- ◆ Introduction
- ◆ Advertising and Social Media
 - The Facebook Block
 - By the 'Gram
 - To Tweet or Not to Tweet
 - Tik Tok, Tik Tok
- ◆ Cannabis Branding
 - Standardized Product Details
 - Child Safety Packaging
 - Knowing the Rules to Stay on Top
- ◆ Conclusion

INTRODUCTION

The U.S. cannabis market attracts new business owners from all walks of life, vying for a piece of the pie. But all too often, cannabis startups have a clear vision for what they hope the brand will become without understanding the technologies needed to get there.

As our ferociously growing industry continues to evolve toward federal legalization, cannabis companies are frequently caught off guard by all the branding unknowns.

With that in mind, we've put together a guide to examine some of the most common cannabis branding surprises and how your cannabis startup can overcome them.

ADVERTISING & SOCIAL MEDIA MARKETING

Marketing a business can be trying, but marketing a cannabis business gets even more complicated. If you've started a cannabis company, especially as a business-to-consumer (B2C) startup, then you need to understand cannabis marketing.

Through a convoluted web of state and federal regulations, cannabis products are notoriously tricky to advertise, creating one of your toughest challenges.

Media outlets can be pro-marijuana but steer clear of cannabis-related ads because of varying regulations that differ state to state. These laws affect the website, publisher, and advertising outlet, too. As a federally illegal Schedule-1 controlled substance, many sites and nationwide publications that sell traditional advertising still refuse ads for cannabis companies.

Because we are in the age of social media, perhaps more concerning for the cannabis startup is learning how to advertise effectively on these platforms with all the restrictions placed on your product.





THE FACEBOOK BLOCK

Naturally, you'll do some advertising on Facebook. Set up a Facebook page, post pics of your cannabis products and accessories, maybe play with paid Facebook ads too, right? Not so fast.

Facebook restricts ads promoting any unlawful, prescription, or recreational drugs, including cannabis.

For those few cannabis companies finding success on Facebook, it takes significant effort to play by their rules. Ads cannot contain images showing a marijuana plant or its leaves, no marijuana paraphernalia, and definitely no marijuana consumption.

BY THE 'GRAM

Many cannabis companies have found Instagram, while owned by Facebook, to be the most useful platform for their brands. Cannabis companies can easily create a presence for themselves and market their products more organically on Instagram.

Posting compelling images gives Instagram users and their followers (and also your customers) the ability to engage with your company, brand, and products in ways they can't do on Facebook.

Yet even on Instagram, your cannabis startup needs to do everything it can to remain in compliance with all community guidelines. As is typical with social media companies, moderators and algorithms err on the side of over-policing rather than under-policing

TO TWEET OR NOT TO TWEET

Twitter appears to be the least monitored and moderated of the big social media giants. However, while Twitter lays the hammer down less often, the Twitter platform itself is not as conducive to branding and building promotional tools like Facebook or Instagram.

That doesn't mean staying away from the platform, you just need to be smart.

Many cannabis companies maintain a Twitter presence almost exclusively for customer service purposes. Twitter works best as a tool for immediate outreach and B2C interaction but is comparatively weak at creating the following and marketing materials typically needed to go viral.

TIK TOK, TIK TOK

The jury is still out on Tik Tok's feasibility for cannabis advertising. The Tik Tok app, formerly known as Musical.ly, is a free platform that gives users access to a huge database of songs and special effects to create and share 15-second videos.

While the cannabis community hasn't fully adopted the app just yet, there are reasons your startup should consider whether to look at Tik Tok for cannabis advertising.



SO WHAT CAN YOU DO?

Facebook, Instagram, Twitter, and Tik Tok all restrict cannabis companies from marketing freely. However, there are ways to stay within the lines and still advertise effectively.

The point of cannabis social media advertising is to open your brand to customer or fan engagement. Because cannabis brands are restricted from posting photos of cannabis products, many cannabis companies encourage customers to post their own photos. Offer discounts or a chance to win something if they share and use a branded hashtag.

Branded backdrops are an excellent way for groups or individuals to take immediately shareable selfies. If you have a storefront, think of other novel ways to get your customers to take their own photos with your products.

Because of the culture of enthusiasm surrounding cannabis, many cannabis consumers are more than happy to play along.

In the end, there is currently no failsafe social media advertising strategy for cannabis businesses. Violating a social media platform's community standards can undermine your efforts to build a following and lead to immediate account deactivation and removal. Sometimes even accounts without express violations have disappeared without explanation.

Here are some final tips to help you keep your social media account in good standing:

- Don't post photos of marijuana. Not the plant, not the leaves and not the flower. Stay away from illustrations that can be immediately recognized as a leaf or bud too.
- Post photos relevant to your brand or products but centered around the cannabis lifestyle, not the products. Think about food, clothing, activities, and accessories related to your product and post those.
- Check out the social media presence of other cannabis companies, look at what they're posting and what's working for them-it may work for you too.
- Post photos of your staff as they assist customers while cropping out any imagery in the background that may violate the platform's terms of use.

ANOTHER CANNABIS BRANDING CONUNDRUM: PACKAGING & COMPLIANCE

Cannabis packaging does more than promote your cannabis products and catch your customer's attention. Your packaging also needs to be compliant from a legal and safety standpoint too.

How do your customers know how high your products will get them? How will you ensure that only your customers - and not their children - gain access to your products? These are just two of the many compliance issues surrounding the production and sale of cannabis goods that also affects your brand.

STANDARDIZED PRODUCT DETAILS

All cannabis products need to offer consumers accurate information on their THC content. Whether the cannabis customer wants to stay grounded or blast off, users want to know how high a product will get them.

Not only must cannabis producers and vendors clearly show the THC content of products to remain in compliance, but it's also information that cannabis customers expect.

CHILD SAFETY PACKAGING

Regions with legalized cannabis for medical or recreational use implement their own rules for child-proofing cannabis packaging. These rules range from the acceptable types of mechanisms used to release packaging to materials used in the production of packaging, to visual design, and more.



KNOWING ALL THE RULES TO STAY ON TOP

Cannabis compliance is exceptionally complicated and changing constantly. Because marijuana's legal status varies on the federal and state levels, staying in compliance can be tough.

Cannabis laws are always evolving to meet growing demand, but there are many tools available to help you stay on top of compliance. With these and other compliance matters, you must know the rules and where to find them when you don't know them.

Cannabis ERP (enterprise resource planning) gives you peace of mind knowing you're on top of current regulations with automatic updates designed for the kind of micro-level tracking necessary to maintain compliance in the industry.



YOUR CANNABUSINESS NEEDS CANNABIS ERP

Today's growing cannabis companies are faced with many complex business challenges and need an all-in-one software solution for continued growth. These organizations turn to Sage Intacct for compliance and cloud accounting.

As your cannabusiness begins to grow, disparate technology solutions begin to affect your ability to control the integrity of company data for reporting and compliance purposes. You need the right solution for your cannabusiness to ensure your brand's packaging is accurate, safe and compliant.

Our cannabis software delivers a single source of accurate and up-to-date business data to cannabis companies. By integrating a purpose-built system that supports your specific cannabis industry needs, you get real business data and intelligence tools to reveal noncompliance issues, manage complex cannabis accounting processes as well as the cannabis supply chain.

A BEST-IN-CLASS SOLUTION

Cannabis operations software is the smart choice for companies looking to integrate operational, growing, and compliance needs in one united platform.

Whether you operate as a cannabis cultivator or extractor, a manufacturer or dispensary, the cannabis industry is exploding and innovating at a rate not seen in many other industries. With the right software solution, cannabis operation leaders stay ahead of the competition and continue to make informed business decisions through automation, robust reporting, and processes that adhere to regulatory compliance standards.

- Manage Grow Operations
- Traceability
- Coordinate Shipments
- Maintain Compliance
- Plan Activities & Tasks
- Manage Waste

"I have been pulled in a million different directions - it's great to know you have been helping the team get through the Go Live, thank you for your quick, reliable responses, seems like you always have the answer, just wanted to relay that it's appreciated and we would be in trouble without your continued support. We are looking forward to getting through our first month-end close" - AYR Strategies

ABOUT THE CANNA SUITE

The Canna Suite's integration and engineering experts have partnered with leading cannabis industry experts to develop a software solution that provides a complete cannabis operations system.

Our best-in-class solution not only handle tracking of seed-to-sale activities, but encompasses your entire cannabis operations with compliance needs handled along the way. Providing end to end business functionality.

Your business needs a financial management package that delivers automation and accounting controls that keep you operation audit-ready and positioned to scale. Contact us to learn how we can bring improved business performance to your cannabis organization.



REQUEST A DEMO

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