



# CONTENT MARKETING IN THE CANNABIS VERTICAL

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# WHAT TO EXPECT IN THE NEXT 30 MINS

- Understanding the Opportunity
- A Look at Compliance – The Cannabis Act
- Working Within The Guidelines
- Sample Content & Results
- Tips & Takeaways

**Learnings**  
**Inspiration**



# THE OPPORTUNITY



# CANADIAN CANNABIS INDUSTRY AD SPEND

**\$1.81-4.34B**

Expected 2019 legal cannabis sales in Canada\*

**10.1%**

B2C Marketing spending as a percentage of firm revenues\*\*

=

**\$182,810,000**

\* <https://www2.deloitte.com/content/dam/Deloitte/ca/Documents/consulting/ca-cannabis-2018-report-en.PDF>

\*\* <https://cmo.deloitte.com/content/dam/assets/cmo/Documents/CMO/us-cmo-survey-fall-2018-highlights-insights.pdf>

# CANNABIS VERTICAL COMPOSITION

## Plant-Touching

*These companies handle the cannabis plant itself, either cultivating, distributing, processing or selling it.*

- Producers Cannabis (LPs)  
Hemp producers
- Breeders (seeds)
- Cannabis Retailers
- Medical Clinics
- Extractors (oils)
- Manufacturers: Cannabis / Hemp / CBD Infused Products & Edibles

## Ancillary Businesses (B2B)

*Companies that support the actual growth, processing and sale of cannabis products.*

- Business Services: legal, financial, pest control, lab testing, training, delivery etc.
- Business Solutions: payment systems, security, technology, etc.
- Business Products: equipment, packaging, etc.

## Consumer Products

*Products and services that relate to cannabis users.*

- Cannabis Accessories
- Home Growing Equipment
- Consumer Services: training, legal, etc.
- Businesses that want to reach the cannabis user audience

# BRANDED CONTENT IN OUR WORLD

## ALWAYS TARGETED TO AN AGE-OF-MAJORITY AUDIENCE

- Written Branded Content, print in Cannabis Post
- Written Branded Content, inserts
- Written Branded Content, digital
- Dynamic Content / Microsites
- Video Branded Content



**THE GrowthOp**

The premium destination for cannabis news & views





# A LOOK AT COMPLIANCE

# THE CANNABIS ACT

The Cannabis Act is the law which legalized recreational cannabis use nationwide in Canada in combination with its companion legislation Bill C-46, An Act to Amend the Criminal Code. The law is a milestone in the legal history of cannabis in Canada, alongside the 1923 prohibition.\*

Date effective: October 17, 2018

**Violations can result in penalties as severe as fines up to \$1M for both the publisher and advertiser.**





# CANNABIS ADVERTISERS

## Which types of advertisers are subject to the Cannabis Act?

- **Licensed producers** – companies who have a Health Canada license to produce/sell cannabis products in Canada.
- **Licensed retailers** – depending on the province retailers may be granted a license by the province.
- **Cannabis accessories companies** – vapes (only when used for cannabis), bongos, rolling papers etc.
- **Services related to cannabis** – companies that do not sell cannabis or cannabis accessories but provide services to the cannabis industry or to consumers who use cannabis.
- **Hemp producers whose products contain CBD or THC** – companies who have a Health Canada license to produce/sell hemp and hemp products.

# TYPICAL APPROACHES FOR ENGAGING CONTENT

Unfortunately, most of these are not permitted under the Cannabis Act.

**Emotion**  
**Imagery**  
**Lifestyle**  
**Action**  
**Experiences**  
**Aspirational**  
**Expectations**  
**Excitement**  
**Fun**  
**Benefits**  
**Advice**

# CANNABIS ACT – SUBSECTIONS 17 & 18

## Promotion

**17 (1)** Unless authorized under this Act, it is prohibited to promote cannabis or a cannabis accessory or any service related to cannabis, including

**(a)** by communicating information about its price or distribution;

**(b)** by doing so in a manner that there are reasonable grounds to believe could be appealing to young persons;

**(c)** by means of a testimonial or endorsement, however displayed or communicated;

**(d)** by means of the depiction of a person, character or animal, whether real or fictional; or

**(e)** by presenting it or any of its brand elements in a manner that associates it or the brand element with, or evokes a positive or negative emotion about or image of, a way of life such as one that includes glamour, recreation, excitement, vitality, risk or daring.

## False promotion — cannabis

**18 (1)** It is prohibited to promote cannabis in a manner that is false, misleading or deceptive or that is likely to create an erroneous impression about its characteristics, value, quantity, composition, strength, concentration, potency, purity, quality, merit, safety, health effects or health risks.





# BRANDED CONTENT & CANNABIS

# WHERE WE ARE...



# CONTENT STRATEGIES FOR CANNABIS PROMOTIONS



**Fact-based**



**Informational**



**Educational**



**News**



# THE RISK...



IT DOESN'T HAVE TO BE...BE CREATIVE!



# COMPLIANT THOUGHT STARTERS...

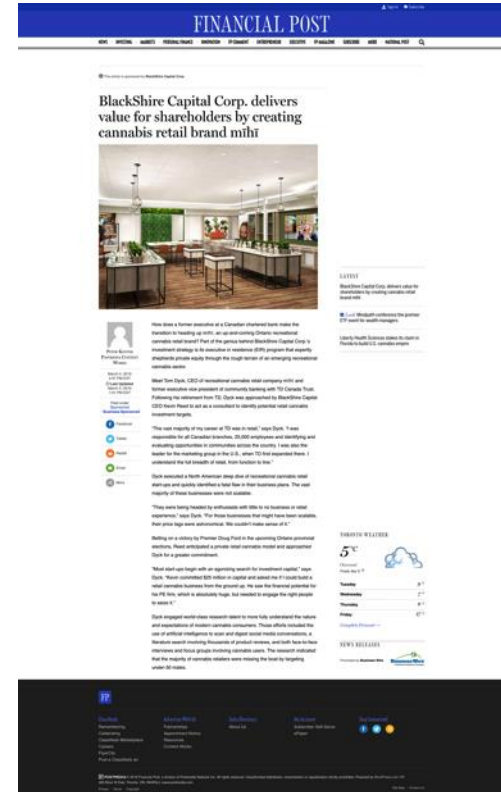
- **Event-coverage**
  - *ex) New product launch*
- **Brand Story/Company History**
  - *ex) Covering how the business was established and grew*
- **Business Processes**
  - *ex) How the business operates, technology and methods used*
- **Business Trends**
  - *ex) Innovations within the space*
- **News**
  - *ex) New facility*
- **Staff profiles**
  - *ex) Spotlight on key people like Executives, growers etc.*
- **Thought-leadership**
  - *ex) Sharing knowledge from industry expert in the business*
- **Research-based**
  - *ex) Results from studies*



# OTHER CONTENT OPPORTUNITIES

Angles that are not aimed at the promotion of Cannabis:

- Investor Relations
  - *Specific objective of driving stock purchase, targeted at an investor audience*
- Recruitment
  - *Specific objective of recruitment and hiring*
- Public Service Announcements
  - *Specific objective of harm reduction, messaging from non-cannabis organizations*



# ENSURING COMPLIANCE AT POSTMEDIA

## Partnering with advertisers and sales to provide a multi-layer compliance review process:

- Content ideas are vetted for compliance prior to presenting to the client
- Cannabis writers on the Content Works team write the stories with compliance in mind
- After client approval, content is submitted via an internal compliance review process to answer basic compliance questions, as a first-step
- Following, the content is vetted by the compliance team for more nuanced compliance concerns
- Where required, internal and/or outside counsel would be consulted to provide additional feedback

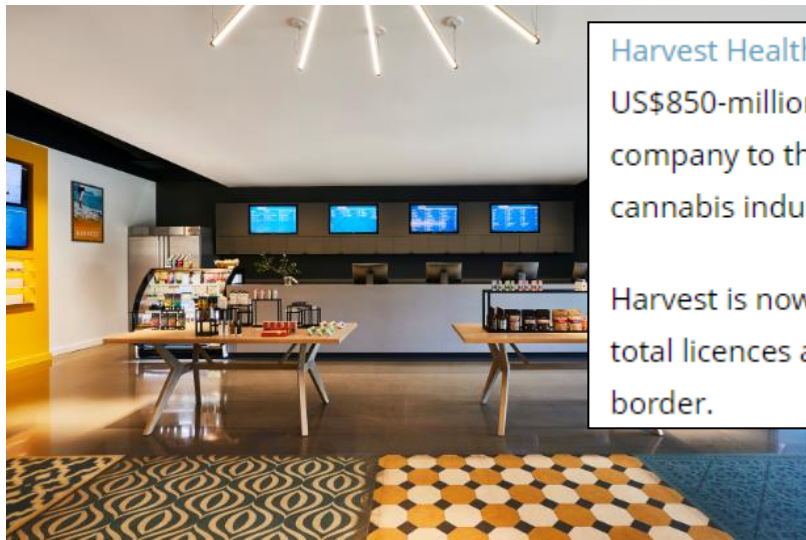
**CONTENT  
WORKS** 



# SAMPLES

## SAMPLE CONTENT – NEWS / IR

# Harvest acquisitions and market growth offer unique opportunity for Canadian investors today



Harvest Health and Recreation Inc.'s (CSE: HARV, OTCQX: HRVSF) recent US\$850-million acquisition of Verano Holdings LLC has launched the company to the head of the pack in several metrics of the rapidly expanding cannabis industry in Canada and the United States.

Harvest is now the largest cannabis company in the U.S. in terms of footprint, total licences and revenue, and is courting investors on both sides of the border.



# SAMPLE CONTENT – EDUCATIONAL / THOUGHT LEADERSHIP

## New cannabis users exploring their options: CBD, THC or both

A vast majority of discussions now revolve around the subject of CBD and THC.

“There are still a lot of misconceptions about cannabis,” said Steinfeld, who also hosts *The Cannabis Show*, an award-winning YouTube series.

“The main one is that CBD is a good cannabinoid because it’s non-impairing, and THC is bad.



<https://www.thegrowthop.com/sponsored/cannabis-business-sponsored/new-cannabis-users-exploring-their-options-cbd-thc-or-both>

# SAMPLE CONTENT - PROCESS

## Growing green: Sustainability and the cultivation of high-quality cannabis

As we stand on this rich B.C. soil, looking toward the bright future of our now legalized industry, we can't help but wonder how the industry will evolve. Creating new best practices that adapt and grow with us will help us set the standard for what we can achieve with as little impact as possible. How can we enjoy the fruits of our labour if it's at the cost of our environment – the very thing that nurtured the seedlings in the early days of B.C. cannabis? For us, growing green is non-negotiable in the growing game.





# RESULTS

# Branded Content 1



PAGEVIEWS:

--

UNIQUE VISITORS:

--

AVERAGE TIME SPENT:

**1min 5s**



NATIVE IMPRESSIONS DELIVERED:

--

TOTAL CLICKS:

--

CLICK-THROUGH RATE (CTR):

**0.48%**



ENGAGEMENT RATE vs. BENCHMARK\*:

**5.39%** vs. **1.2%**

SOCIAL IMPRESSIONS DELIVERED:

--

AD CLICKS:

--

SOCIAL INTERACTIONS:

**367**

\*Internal Postmedia results. Benchmark is based on all sponsored content stories across industries.



# Branded Content 2 (mid-flight)



PAGEVIEWS:

--

UNIQUE VISITORS:

--

AVERAGE TIME SPENT:

--



NATIVE IMPRESSIONS DELIVERED:

--

TOTAL CLICKS:

--

CLICK-THROUGH RATE (CTR):

1.10%



ENGAGEMENT RATE vs. BENCHMARK:

4.97% vs. 1.2%

SOCIAL IMPRESSIONS DELIVERED:

--

AD CLICKS:

--

SOCIAL INTERACTIONS:

313

\*Internal Postmedia results. Benchmark is based on all sponsored content stories across industries.

# Branded Content 3



PAGEVIEWS:

--

UNIQUE VISITORS:

--

AVERAGE TIME SPENT:

1min



NATIVE IMPRESSIONS DELIVERED:

--

TOTAL CLICKS:

--

CLICK-THROUGH RATE (CTR):

0.48%



ENGAGEMENT RATE vs. BENCHMARK:

2.98% vs. 1.2%

SOCIAL IMPRESSIONS DELIVERED:

--

AD CLICKS:

--

SOCIAL INTERACTIONS:

229

\*Internal Postmedia results. Benchmark is based on all sponsored content stories across industries.



# TAKE AWAYS

# TIPS & TAKEAWAYS

## Idea Generation

- Really understand your clients and what they aim to achieve
- Allow for real brainstorming before you focus on compliance
- Explore multiple angles
- Interpret the halo opportunities





# TIPS & TAKEAWAYS

## Grey Area

- Err on the side of caution
- Ensure you can construct an argument / have a defensible position for Health Canada

## Non-Cannabis promotion

- Ensure the content truly has the right intent and is not “masking” a consumer strategy
- Target the appropriate audience



# TIPS & TAKEAWAYS

## Compliance

- Consult legal counsel
- Document reasonable steps taken to ensure age-verification

## Working with Publishers

- Ensure you are comfortable with your partner's risk-tolerance
- Understand your partner's compliance process
- Do not rely on your partner for legal guidance





THANK YOU

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 POSTMEDIA CANNABIS