

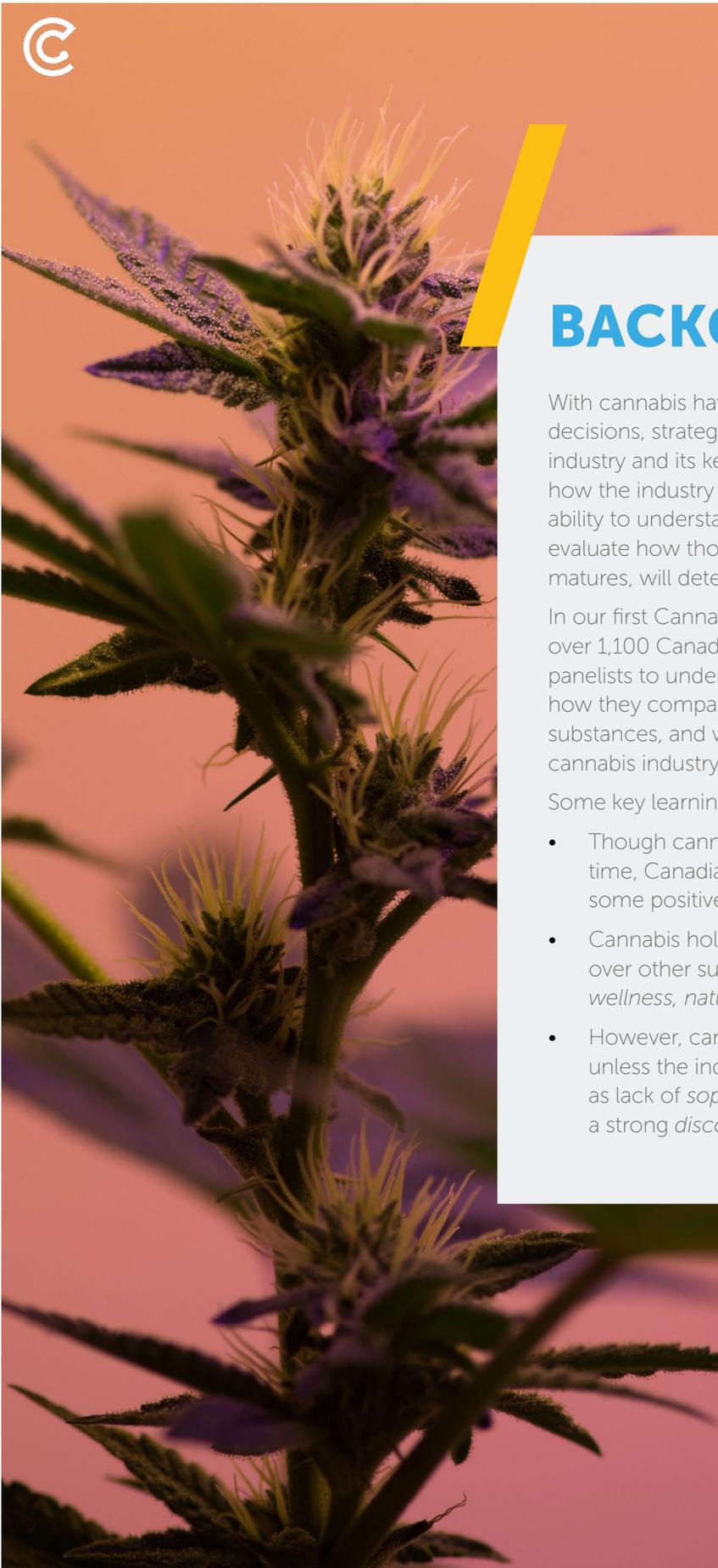


/ CANNABIS CHRONICLE

**CANADIAN
PERCEPTIONS
OF CANNABIS**

FEBRUARY 2019

maru/

A close-up photograph of a cannabis plant with green serrated leaves and purple buds, set against a warm, orange-pink background. A yellow diagonal bar is positioned over the top left of the plant image.

BACKGROUND

With cannabis having just been legalized in Canada, the decisions, strategy, and direction taken by the cannabis industry and its key participants will be hugely influential in how the industry evolves over the next several years. The ability to understand consumer perceptions, and quickly evaluate how those perceptions evolve as the industry matures, will determine who leads and who falls behind.

In our first Cannabis Chronicle, [Maru/Matchbox](#) surveyed over 1,100 Canadian adults who are [Maru Voice Canada](#) panelists to understand key perceptions about cannabis, how they compare with perceptions of other 'normalized' substances, and what the opportunities and risks are as the cannabis industry works towards growth and normalization.

Some key learnings from Canadians:

- Though cannabis has been legal for a very short time, Canadians already have strong feelings – some positive, some negative – about cannabis
- Cannabis holds strong perceived advantages over other substances in the areas of *wellness, natural, creativity, and relief*
- However, cannabis will struggle for normalization unless the industry tackles image perceptions such as lack of *sophistication, lazy, waste of time*, and a strong *discomfort consuming around kids*



CANNABIS ALREADY HAS A WELL-DEFINED IMAGE, EH?

Canada is known for a lot of things; cold weather, hockey, politeness, comedians, beer, peacekeeping, Caesars, maple syrup, Justin Bieber, apologizing, healthcare, poutine, and buying milk by the bag. But while the maple leaf is the preeminent symbol of Canada, over the years another leaf has more quietly become an important part of Canadian culture: the cannabis leaf. Even in its illegality, Canada smoked a lot of pot.

So when Canada became just the second country in the world (following Uruguay) to legalize cannabis, data shows Canadians already had very strongly-held and well-defined perceptions and images of cannabis. Many of Canadians' views on cannabis are positive, likely contributing to the 64% support for cannabis being legal; But there are some widely and strongly-held negative perceptions, which likely contribute to the 65% of Canadians who say legalization will be bad for society or will have no impact.

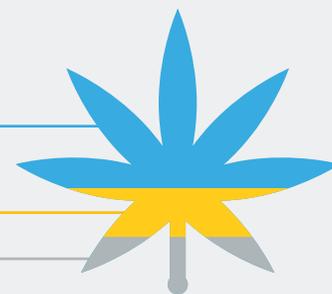


SUPPORT FOR CANNABIS LEGALITY

64% SUPPORT LEGALITY

17% UNSURE

20% DO NOT SUPPORT

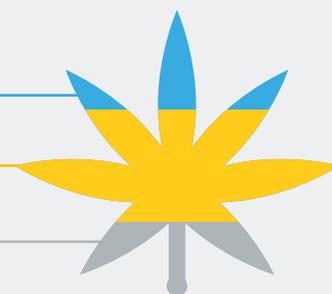


IMPACT OF LEGAL CANNABIS ON SOCIETY

35% GOOD FOR SOCIETY

39% NO IMPACT

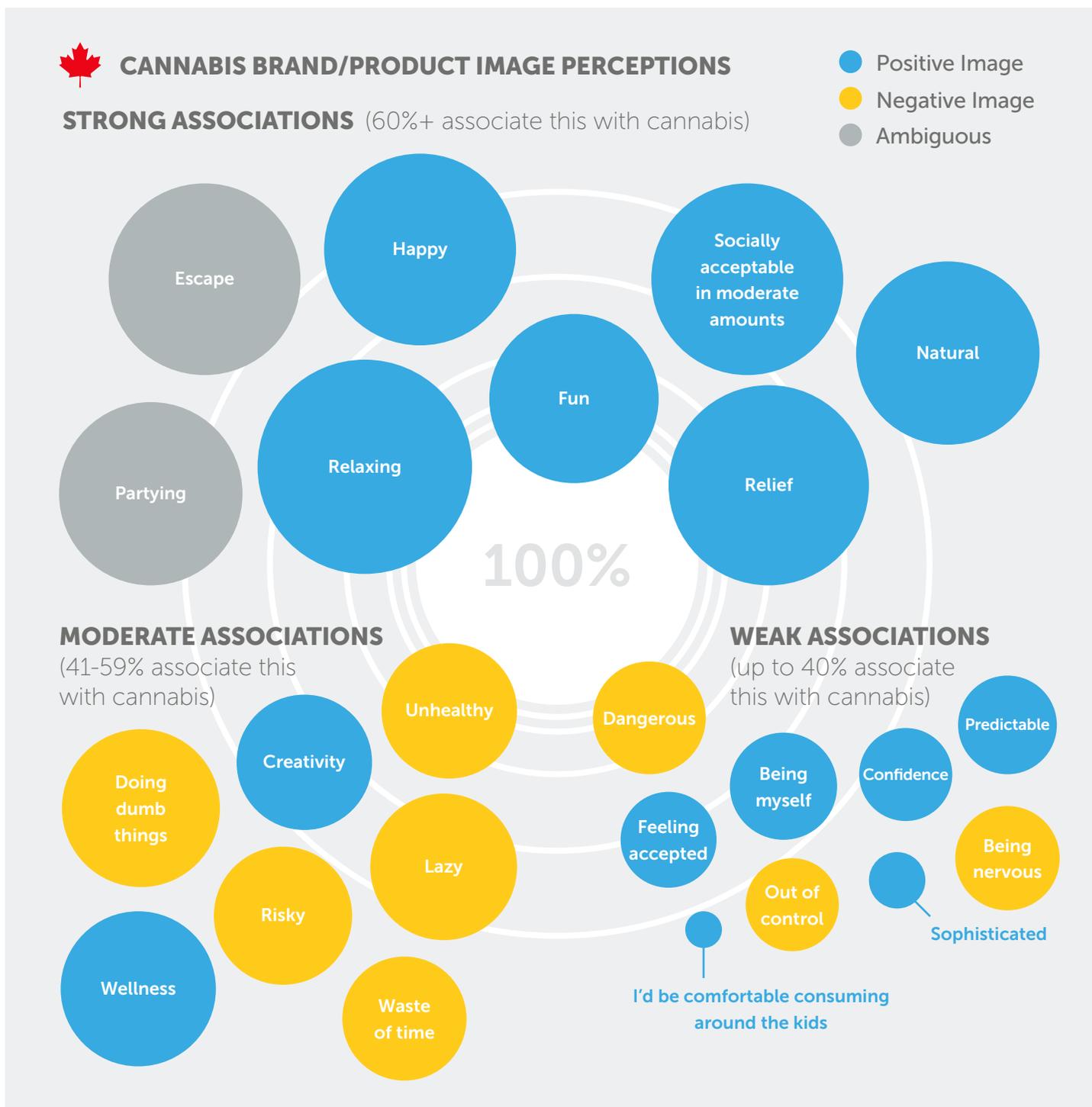
26% BAD FOR SOCIETY





With the cannabis industry's consumer education and messaging still in its infancy, results show that Canadians struggle to reconcile their positive experiences and opinions with their negative perceptions and concerns about cannabis. But good news for the industry is that while public opinion on cannabis is mixed and sometimes contradictory, the most prevalent feelings are overwhelmingly positive.

Over 1,100 Canadians in our survey were shown 24 terms and characteristics and were then asked to identify which they associated with cannabis (as well as beer, wine, spirits, tobacco, and vaping, for comparison). Results paint a picture of a product and industry that has many strengths to leverage, however also several challenges that will be key to overcome, in order to remove the stigma.





THE GOOD

Regardless of gender, age, income, or region, there are six positive characteristics that most Canadians agree relate well to cannabis: *relaxing, relief, socially acceptable in moderate amounts, happy, natural, and fun*. These positive characteristics are clear strengths for the cannabis industry, as they

are agreed-upon not only by consumers (generally at levels of 90% or more), but also by non-consumers (generally at rates of 50% or more).

Further, roughly one-half of Canadians feel the terms *wellness* (55%) and *creativity* (48%) are associated with cannabis.

THE BAD

However, meaningful proportions of Canadians do associate cannabis with some overtly negative characteristics and qualities. Each of the following is associated with cannabis by around one-half of Canadians:

- *Doing dumb things*
- *Lazy*
- *Risky*
- *Unhealthy*
- *Waste of time*

In addition to the presence of these negative perceptions, the absence of some key positive perceptions represents key challenges for the cannabis industry. Specifically;

- Just 20% of Canadians say cannabis is sophisticated
- Just 13% agree they'd be comfortable consuming cannabis around kids

In the pursuit of normalization and growth, these perceptions are the largest barriers for the cannabis industry.

THE COMPLEX

Data shows some important conflicting opinions that paint a picture of a country that is still very much learning about cannabis, and that will likely take some time before it might consider cannabis to be 'normalized' in the same way it thinks about beer and wine.

- While 68% associate cannabis with happy, just 38% associate it with being myself.
- 68% say cannabis is socially acceptable in moderate amounts, however just 34% associate it with feeling accepted.



HOW DOES CANNABIS COMPARE TO OTHER SUBSTANCES?

Beer, wine, spirits, tobacco, vaping, and cannabis are very different, yet with certain undeniable similarities. In legality, cannabis will compete directly for consumption occasions and disposable dollars with these products. So, to put Canadians' perceptions of cannabis in context, we also wanted to see how people think about these other substances. What Canadians told us was intriguing.

Overall, wine has the strongest profile among Canadians, with the most positive perceptions and the fewest negative perceptions. And, just months into legality, cannabis already has the second-strongest profile in the minds of Canadians, ahead of both beer and spirits. Vaping and tobacco are viewed as far worse than cannabis or alcohol.

In particular, cannabis is viewed as having several distinct characteristics that differentiate it from alcohol:

- A significant advantage over other substances on wellness
- Virtually tied with wine, leading other substances on natural
- Cannabis leads on *creativity*
- Cannabis leads on *relief*
- Cannabis leads on *happy*
- Cannabis leads on *relaxing*

However, of concern for cannabis, it is viewed as:

- More *lazy* than any other substance
- Slightly less *fun* than alcohol
- Much less *socially acceptable in moderate amounts* than wine or beer
- Significantly less *sophisticated* than wine
- Significantly less *comfortable consuming around kids* than alcohol

A large, vertical photograph of a cannabis plant with green serrated leaves and stems, set against a light sky. The plant is the background for the top half of the page. A yellow diagonal bar is positioned to the left of the section header.

WHAT DOES IT ALL MEAN?

The cannabis industry has substantial work to do in its pursuit of seeing cannabis become a fully normalized product category in Canada. Key perceived advantages around characteristics like wellness, natural, creativity, and relief are likely largely responsible for such widespread support for legal cannabis. But in order to influence consumption – increasing consumption among those who already consume, and trial among previous non-consumers – the industry will need to tackle some of the key negative perceptions. If a parent is uncomfortable consuming cannabis on the dock at the cottage with kids running around, the category will never be able to truly enjoy the normalization that categories like beer, wine, and spirits enjoy in Canada. Social acceptability of public consumption is key to market expansion.



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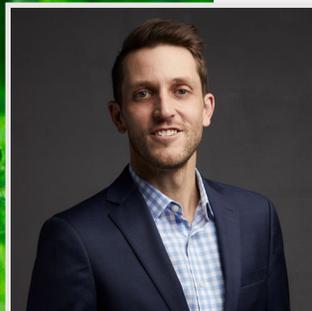
Maru/Matchbox is committed to bringing consumer insights and the voice of the consumer to the cannabis industry. Cannabis Chronicle, launched January 2019, is a quarterly study measuring consumption patterns, changing cannabis perceptions and attitudes, brand awareness, consideration, and satisfaction, and a variety of other pertinent topics impacting the cannabis industry. Content is customizable to individual brands and informational needs.

About the Maru/Blue Cannabis Community

Our sister company, Maru/Blue, has built and developed a community of pre-identified cannabis consumers. Cannabis Community members from across the U.S. and Canada have been extensively profiled on their cannabis consumption and consumption intentions. Additionally, they are profiled on how they consume and wish to consume, including smoking, vaping, edibles and beverages. There is no need for guesswork or asking unnecessary screening and demographic questions. This creates a better respondent experience and more room for asking questions that really matter. If you would like to understand cannabis consumers, the Maru/Blue cannabis community is the best and most reliable source.

How Can We Help?

Maru/Matchbox has been pushing the boundaries of the customer market insights space for over a decade. We combine deep sector expertise with cloud-based customer insights communities, and take a results-focused, consultative approach to helping clients better understand what motivates their customers and influences their markets, so they can act decisively and win.



Let's Chat

For more information on the Maru/Matchbox Cannabis Chronicle, or how we can help, please contact

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