

TO GROW YOUR WASHINGTON CANNABIS

RETAIL OPERATION





GROWING A CANNABIS BUSINESS IN WASHINGTON STATE CAN BE FAR MORE CHALLENGING THAN OTHER TYPES OF RETAIL SHOPS.

As well as broad levels of inventory to manage and multiple compliance concerns, the cannabis business is one of the more scrutinized industries in North America.

In the Evergreen State, cannabis retail owners often find themselves backed into a corner when it comes to walking the line between legally advertising their business and growing revenue and profit. With so much competition out there and so many marketing laws, how is your shop supposed to flourish? We've developed seven tried and true ways to get around the red tape while building your brand and keeping things above-board.

THE CURRENT STATE OF MARKETING AFFAIRS

If you're reading this guide, there's a pretty good chance that you're on top of things when it comes to running your business. But since Washington cannabis marketing laws can change quickly, let's do a quick recap of what you can and can't do to advertise your brand:

- Creative slogans, logos, and images will be heavily scrutinized on any outdoor signage. The safest bet is to stick to the basics, like your shop name, phone number, and hours.
- Giveaways, retail merch, and couponing are not allowed.
- Keeping your distance is important advertisements must be at least 1,000 feet away from libraries, schools, and public parks.

- A recent change in laws describes who you can market to visitors of Washington state cannot be seen as a unique demographic with specific marketing targeted toward them.
- You have to keep it real with marketing messages. Misleading statements are strictly prohibited, and health warnings must be clearly articulated.
- "Transit advertisements" are now illegal in Washington, so kiss bus advertising goodbye.

CANNABIS LAWS
CHANGE QUICKLY,
AND THE RULES FOR
MARKETING TEND TO
FOLLOW SUIT.



And this goes without saying, but absolutely nothing about your marketing can appeal to children.

So how exactly do you stay one step ahead of your competition without getting dinged by the State Liquor and Cannabis Board? We recommend using one (or all) of the following marketing tactics to launch your shop to new levels of success.

1. TAKE ADVANTAGE OF MENU PLATFORMS

If you can't rely on utilizing traditional methods of advertising like billboards or sign spinners in fun costumes, it might pay to shift your marketing efforts to the online realm. Piggybacking on several well-known websites like Leafly, Weedmaps, or Greenrush can often bring success a little easier than trying to build a cannabis retail brand from scratch.

These online menus offer platforms for you to promote the kind of message you want to communicate to your customers. Not only do these sites allow retailers to update inventory in real-time and automate pricing, but you can include a logo, clue customers into the unique vibe at your retail operation with photos, showcase awesome customer reviews, and even include extra pieces of information like an ATM onsite. Believe it or not, these small efforts can make the difference between a new customer choosing your shop or someone else's.

Expand Your Advertising Reach

In addition to the comprehensive product selection, these cannabis-specific platforms allow retailers to advertise current deals at their shop. Overall, these sites are a perfect place to cater to new customers or to offer discounted pricing. And since these websites have already cleared the stringent guidelines outlined in Washington, your shop has a good chance of flourishing by utilizing one or all tools.



MANY WASHINGTON
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2. HARNESS THE POWER OF TEXT AND EMAIL

How can you let customers know about promotions or new products if you can't advertise freely? Many Washington cannabis retail owners find that utilizing text and email campaigns are their best bets when disseminating information to target audiences.

A cannabis-specific point of sale system should be able to capture customer information like phone numbers and emails and run reports based on market segments in a snap. The arrival of new edibles or even a discount for customers who haven't visited in a while can be targeted to those specific shoppers.

Addressing Your Target Market & Segmentation

Rather than trying to appeal to every cannabis consumer out there, it helps to think about the kind of customer you want to attract. Does your shop serve professionals who enjoy cannabis after a long day at work? What about young adults who are thrilled that cannabis is now legal?

Regardless of who your target market is, tailoring the customer experience to cater to those individuals is key. Not only will you have fewer complaints but you will also be able to compete with other shops more effectively. Remember you can't market to out-of-towners, so make sure your target audience and messaging are clear.

3. USE LOYALTY PROGRAMS & REFERRALS

Think for a moment about your favorite food establishment and all of the reasons you like it. Now imagine another spot in town offered similar types of items but also included a punch card with a free meal after the ninth visit. Many customers find that the promise of loyalty programs can quickly sway them to another brand. You can use this tactic to its advantage at your cannabis retail operation.

Flexible Discount Options

Washington state prohibits retailers from discounting product below cost, but that doesn't mean you can't use price cuts to attract new or existing customers. Perhaps women might enjoy getting a discount on products created by female cannabis entrepreneurs, or a long-time patron might appreciate a discount for taking a chance on a new strain. The beauty of flexible discount programs is that they can be easily implemented through the use of a cannabis-specific point of sale system. With a few simple steps, you can see if that customer is a first-time buyer of a particular strain or quickly double check if women, in fact, make those new edibles.

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4. UNDERSTAND CONTEST CRITERIA

The world of contesting walks a fine line in Washington, but as long as your retail operation can adhere to a few specific stipulations, you can use a contest as part of your marketing plan.

Let's be clear about the law: In Washington, retailers are prohibited from giving away product, coupons, or merchandise, so the idea of winners receiving something for absolutely free can go right out the window. What you can do, however, is get creative with your contesting and offer prizes to the tune of discounts.

It goes without saying that holding raffles on 4/20 is a sure-fire way to get people to walk through your door, but just make sure they understand they aren't winning free cannabis. We recommend offering price cuts for the person who can craft the most creative name for a new strain or business slogan.

5. SPONSORING LOCAL EVENTS

Getting your name out there via sponsorship is a relatively untapped resource in a cannabis retail operation's toolbox, mainly because it tends to be one of the more difficult ideas to implement. While there's no law whatsoever barring Washington cannabis shops from adding their name to a sponsorship list, what's harder to come by are the events that don't mind associating themselves with cannabis.

Obviously, any activities involving children are off limits, but farmer's markets, concerts, seminars are always looking for local companies to partner with, and as long as they don't discriminate against the industry, contacting various event coordinators could pay off handsomely. Thankfully, many metropolitan areas in the state are 4/20 friendly, so finding others to associate with could be easier than you think.



6. BOOST YOUR SOCIAL MEDIA EFFORTS

Many shops are far too relaxed when it comes to how they use their social media tools, and assume that having a presence will be enough to drive customers to their door. But in today's media-saturated world, it's not enough to simply create an Instagram profile and occasionally use it when you remember.

Rather than letting your competition steal your glory, make it a point to actively post to your social media accounts as frequently as once per day. Thankfully, Washington doesn't keep you handcuffed when it comes to the type of content you can post, so as long as you aren't appealing to those under the age of 21 and comply with Facebook's posting policy, you practically have free reign.

Try using social media to draw people to the door by providing valuable content that extends beyond promotions. Informative articles or helpful tips will solidify your shop as a thought leader in your community.

Want to step it up another few notches? Try using some well-known social media tools like HootSuite to manage your social media efforts and design apps like Canva to amplify the quality of your content.

IN-STORE EVENTS

ARE A GREAT WAY TO

GET SOME FACE TIME

WITH YOUR VALUED

CUSTOMERS, AND

ATTRACT NEW ONES.



7. HOLD AN IN-STORE EVENT

After adhering to the marketing guidelines mentioned above, you can let loose with this fun idea to bring people into your retail operation. A prime example is an open mic night hosted at Olympia's Green Lady Shoppe, where local musicians perform, and the audience relaxes while sipping on a CBD beverage.

Looking for something more low-key? Informational talks about how to use certain products or meet and greets with popular growers can also draw a crowd. The benefit of holding an event instore means you won't have to rent out a separate space and you can offer entertainment for your community while letting them experience your shop.

CREATIVITY GOES A LONG WAY

Operating a cannabis retail shop in Washington state might feel like there's a vice locked around your marketing efforts, but we hope we've exposed some light on how creative you can be while adhering to the local law. While it sometimes might feel like the red tape just gets in the way, remember that regulations are in place to keep cannabis in the hands of those who are legally allowed to have it.

With a little effort and thinking outside of the box, your shop can engage in a multitude of advertising endeavors. Contact Cova today for a demonstration and learn how a cannabis pos system can help you target key demographics in a snap.

WE'RE A MIX OF DREAMERS, STRATEGISTS AND TECHNOLOGISTS DETERMINED TO LEAVE THE WORLD BETTER THAN WE FOUND IT.

Cova is a retail software solutions company. We design and build products specifically for the cannabis industry. Our point of sale (POS) and suite of digital solutions make complex operations simple, so retailers can stay compliant and deliver an unforgettable experience every time.

What sets Cova apart? Our retail platform powers 19,000 locations of all sizes and verticals with virtually no downtime, even on Black Friday and 4/20, making us the most robust and reliable cannabis POS system available. We work closely with our customers to solve problems, streamline operations and create great experiences for owners, budtenders and customers.

Growing your empire takes time, experience and the right technology partner.

We know how. Join us.



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