



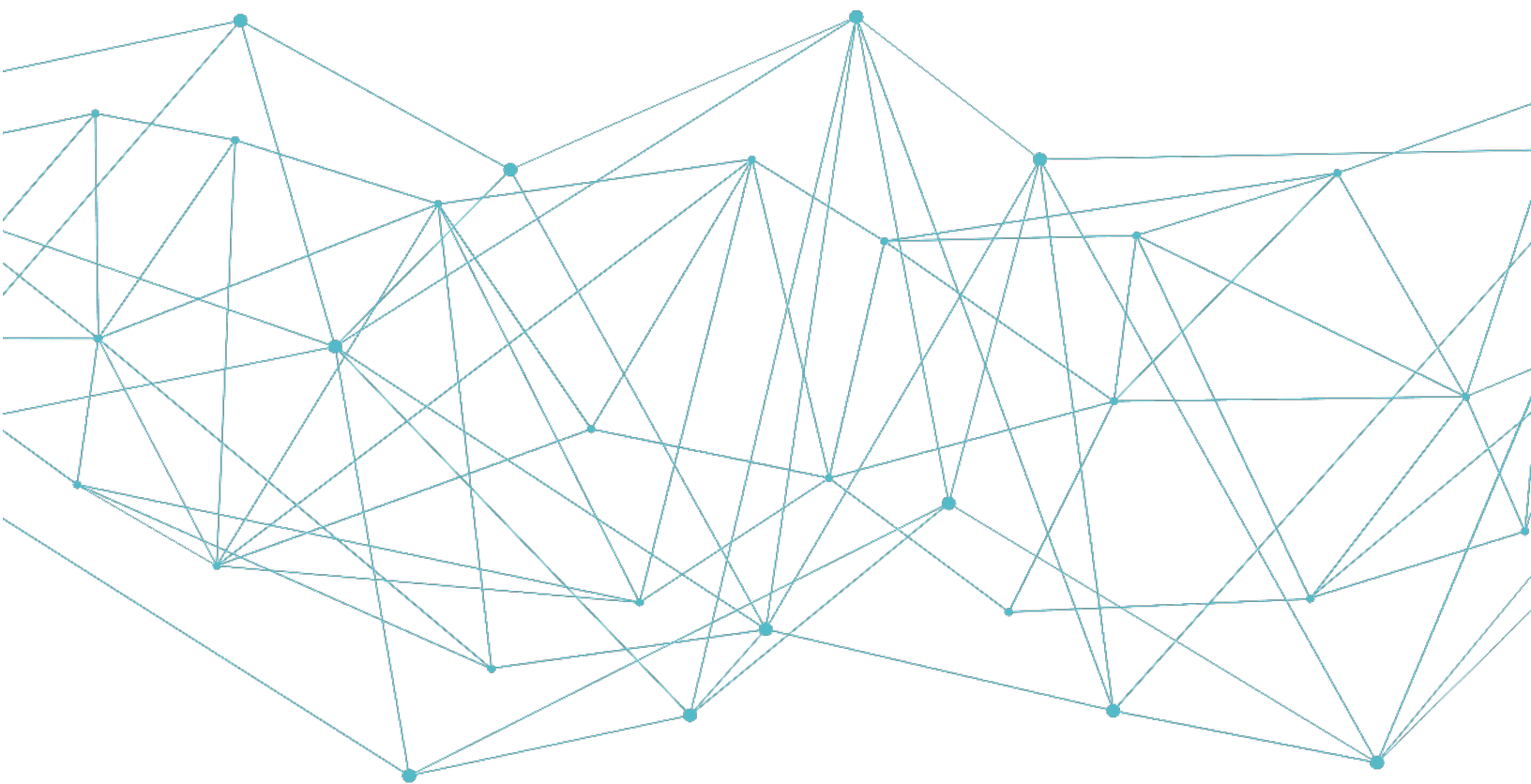
CBD: The Natural Wellness Movement Marketers Can't Miss

Learn how AnalyticsIQ's proprietary audience research on CBD (Cannabidiol) is helping brands reach interested consumers across channels

Marketing Guide

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THE CBD MARKET IS BOOMING WITH NO SIGNS OF SLOWING DOWN

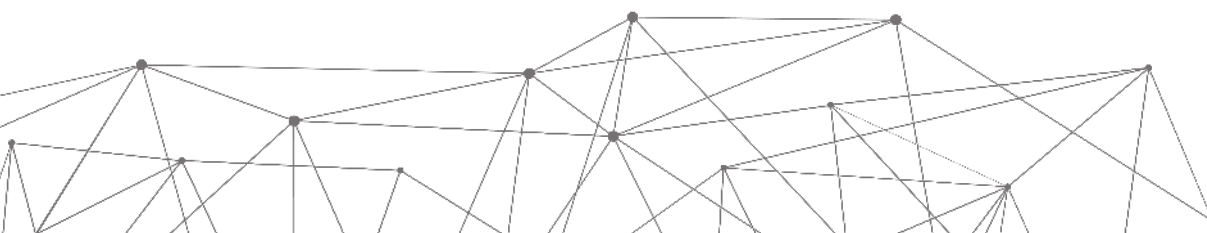
Anyone paying attention to healthcare and marketing trends will tell you that the hottest, buzzy movement right now is CBD, aka cannabidiol. Often positioned as a natural, organic remedy to improve mental and physical health, companies across industries are getting in on the action, anxious to meet consumer demand by offering CBD-infused products across a range of categories. From food and drinks, to beauty and cosmetics, and even pet supplies, consumers have an exploding number of CBD solutions to choose from.

Currently, the CBD marketplace is a booming multi-billion dollar industry projected to generate \$22 billion by 2022, with two in three U.S. consumers considering using CBD-infused products at some point. These financial trends, alongside the growing number of cannabis-based varieties available, have the American public more than curious about this new-ish, somewhat mysterious, “cure-all.”

What is CBD?

CBD is short for cannabidiol, a specific chemical found in marijuana or hemp plants. Unlike THC (another major active ingredient in marijuana), CBD is *not* psychoactive. It is growing in popularity as a way to address a wide range of both physical and mental ailments, aimed at providing a natural, non-hallucinogenic treatment option for people with chronic issues.

As consumers seek more natural ways to approach their wellness, companies are pushing the envelope on innovation and product development, introducing new CBD products faster than ever. But if brands and marketers truly want to grow in this competitive CBD landscape, and ultimately improve the lives of their customers, it is critical for them to have a deep understanding of their audience and their motivations, especially on a topic that is of such a personal nature.



To unlock those insights, marketers must understand:

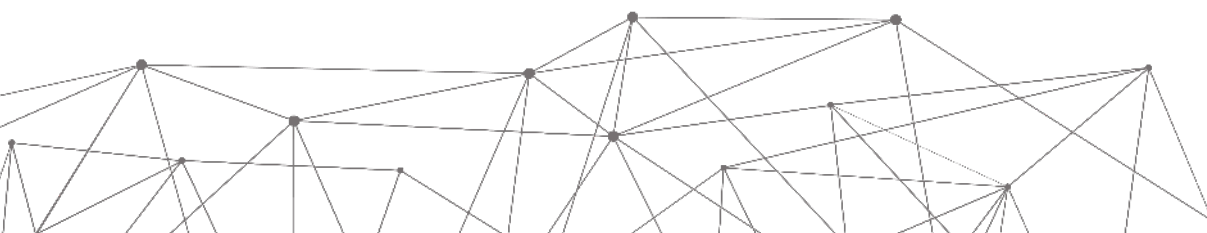
- Why is CBD in such demand?
- How often are consumers reaching for CBD products in their day-to-day lives?
- Are there differences in CBD usage based on demographics like age and gender?
- What motivates someone to seek out a CBD product?
- How do different ailments impact a consumer's interest in or usage of CBD products?

As a data company with proprietary psychological research methodologies at the heart of our business, AnalyticsIQ is perfectly positioned to find the answers to questions like these. With these answers in hand, marketers can clearly define exactly who they should reach with their marketing communication, and then target them effectively across channels.

AnalyticsIQ

Our Unique Approach to Research

- All proprietary research is led by a cognitive psychologist
- Leverages a survey panel of over 4MM individuals
- Uncovers the value, motivations and beliefs regarding different topics and purchase decisions by utilizing various scientifically backed research techniques
- Sophisticated analytics transforms our research into validated models which are ultimately made available to marketers

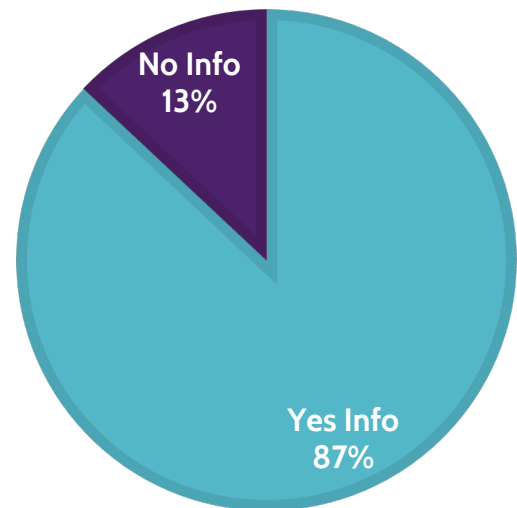


MOST CONSUMERS ARE EAGER TO LEARN MORE

At AnalyticsIQ, we saw the opportunity to leverage our unique individual-level research capabilities to tap into a topic and decision that can be quite personal for people and answer the question “Why?”. We asked all the questions, because we are just as curious as you! We wanted to know which ages and genders are using CBD the most, are certain lifestyles more likely to consider using it than others, and what drives people to turn to CBD products in the first place.

Following months of research and analytics applied to thousands of consumer data points, we uncovered some really powerful insights that marketers will find useful. For instance, one of the most significant findings to come out of data is that the majority of U.S. consumers are hungry for information. Whether or not they’re already CBD users, people want to learn more.

CBD USERS



CBD NON-USERS

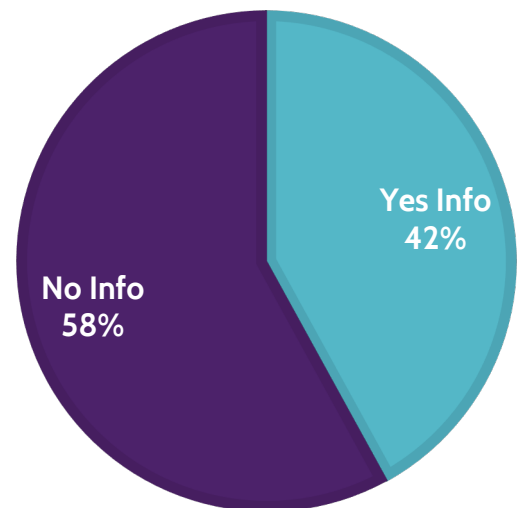


Figure 1. Pie charts representing current CBD users and non-users, and their interest in learning more about CBD. *Note: All data presented was collected with informed consent on a representative sample of the US population.*
Source: AnalyticsIQ

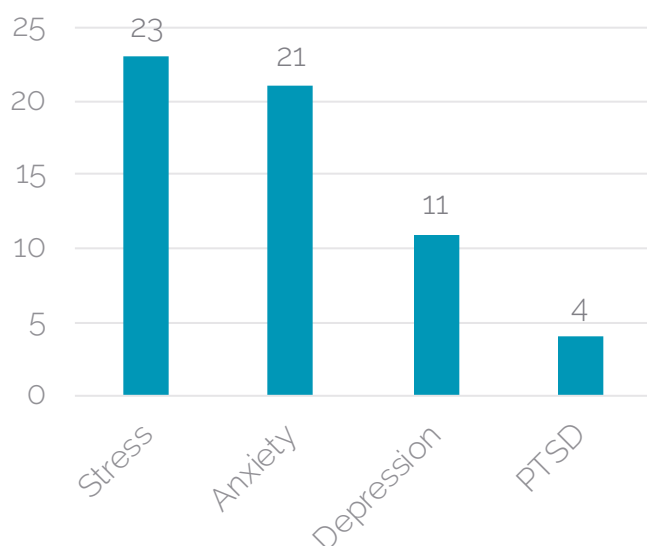
While approximately one in five consumers are currently using some form of CBD, about 65% of the American population stated that they want information about its benefits, usage options, and other educational resources. Essentially, consumers are opening their doors for brands, asking to be convinced and converted.

So why are consumers so excited to consider CBD? We asked people this directly.

“Why do you need a product like CBD and what draws you to CBD over other alternatives?”

The results identified two main segments of people in search of a natural treatment: the first were those who were interested in using CBD to address psychological symptoms (59%), like stress and anxiety; the second group of people turn to CBD to address their physical ailments (41%) like pain management and insomnia. And of those surveyed, approximately 44% of current CBD users reported more than one reason for accessing CBD and over a quarter of them are using CBD for some combination of stress, anxiety and pain management, specifically.

Psychological Reasons for CBD Usage



Physical Reasons for CBD Usage

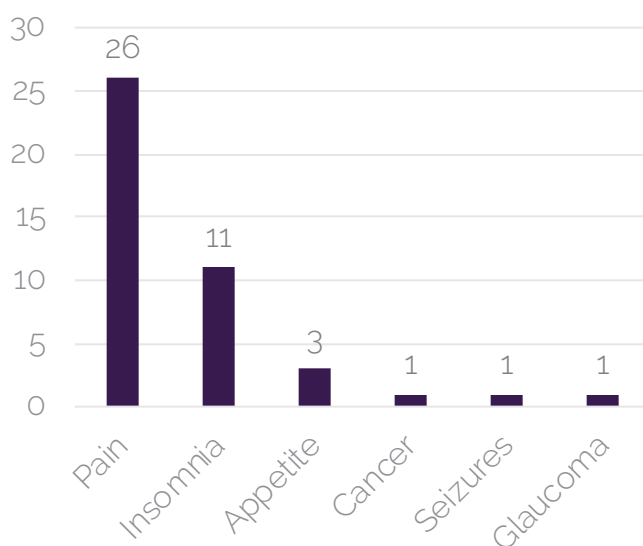


Figure 2. Bar charts representing current CBD users and their reasons for CBD consumption. Percentages calculated from the total number of usage reasons identified. Source: AnalyticsIQ

THE STRESS EPIDEMIC FUELS CBD DEMAND

Independent of, but perhaps associated with, the increased interest and visibility of CBD products, is the growing epidemic of stress in our society. According to The American Psychological Association (APA), 44% of Americans report higher levels of stress now than they did just five years ago,[4] and 55% of Americans report being stressed throughout the day.

Overall, women report more stress than men, people in the 30-49 age group are the most stressed relative to all other age brackets, and more than a third of all Americans have visited the doctor for something stress-related.[5]

In a recent documentary One Nation Under Stress, physician and CNN correspondent Dr. Sanjay Gupta reported that, "Stress has been shown to be an aggravating factor in, among other conditions, heart disease, diabetes and mental health problems. That might explain why US life expectancy has fallen three years in a row." [6] Taken together, it's clear that stress has undoubtedly become a growing epidemic and significant public health concern.



People are stressed more.

44% of Americans report higher levels of stress now than five years ago.



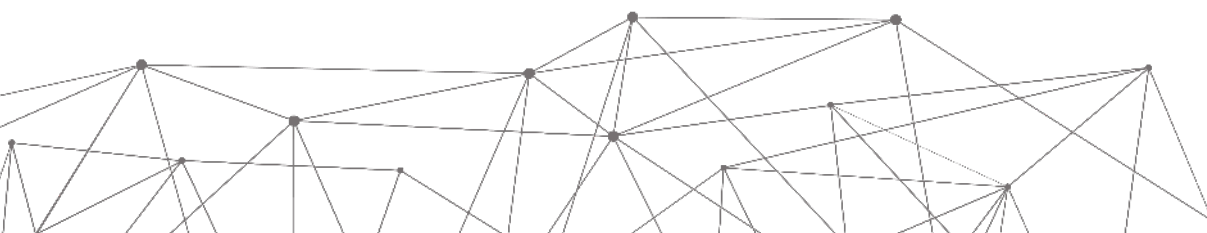
People are stressed longer.

55% of Americans report being stressed throughout the day.



People are seeking help.

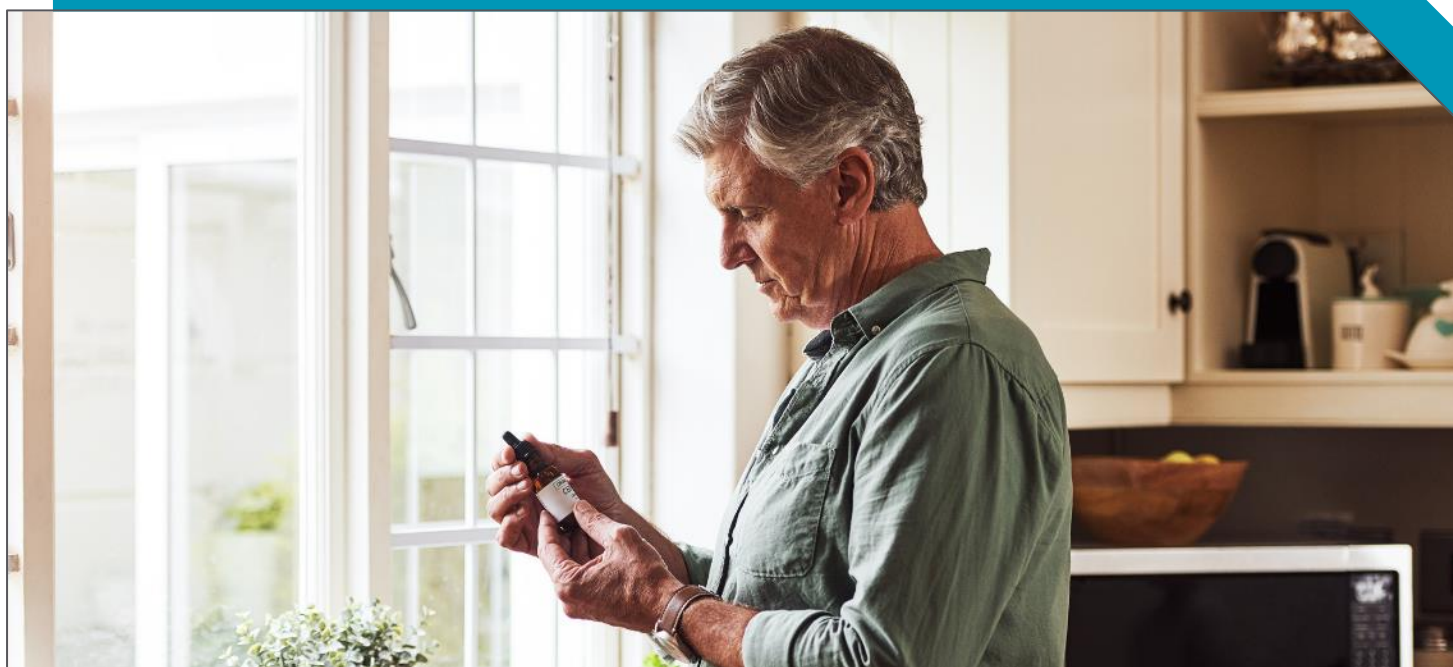
More than 1/3 of Americans have visited the doctor for something stress-related.



Compounding the overwhelming levels of stress and its physiological fall-out are the data on anxiety. According to the National Institute of Mental Health (NIMH), 18% of Americans report symptoms of anxiety (that's close to 40 million adults). Yet approximately 86% don't seek professional treatment for their symptoms.[7] The sheer variety of anxiety symptoms and disorders, as well as the general stigma surrounding mental illness (a category which anxiety falls squarely within) are all potential reasons why professional treatment isn't sought after,[8] and why CBD appears to be an enticing alternative.

The statistics on chronic pain and opioid (ab)use are no less staggering. Chronic pain affects approximately 75-100 million Americans[9][10] or between 11-40% of US adults[11]. According to the Center for Disease Control (CDC), chronic pain has been linked to, "dependence on opioids, anxiety and depression, and poor perceived health or reduced quality of life." [12]

With such high prevalence rates of stress, anxiety, and chronic pain coupled with the comorbidity of these disorders, "There's an urgent need for more effective and safer [treatment] options', says Helene Langevin, M.D., director of the National Center for Complementary and Integrative Health (NCCIH)." [13]



CBD GOES D2C

For many people, finding the remedy for their aches, pains and mental stresses has meant going to a physician for guidance, and most likely, receiving a prescription. When it comes to CBD however, the path to wellness is changing.

Based on our research, only 13% of current CBD users were prescribed a CBD product by their physician. That means the other 87% of people are discovering, selecting and purchasing CBD products on their own. This industry is going direct to consumer, removing barriers in the path to purchase and streamlining the shopper journey. Brands can now communicate and engage freely with consumers, building direct relationships and real loyalty.

With many people making CBD-related decisions and purchases independently, companies are going directly to consumers to share their brand, their story and their CBD offerings. From CVS to Sephora to Carl's Jr., brands of all shapes and sizes are getting in on the action, making it easy for a growing number of CBD fans and curious consumers to access innovative CBD-infused products and experiences.

What's really interesting about this twist on CBD products isn't just that hemp has been legalized, it's that major brands are hitting mainstream store shelves with traditional products that now include CBD...ushering in new ways to use CBD and presenting it in products with which customers are already familiar.

87%

Of CBD users are discovering, selecting and purchasing CBD products on their own, without involving a physician.
Source: AnalyticsIQ

Brands Are Helping Consumers Discover CBD Products

Beauty



Everyday



URBAN OUTFITTERS

CPG



Health



Petcare



WHY IS NOW THE TIME TO ACT AND GROW YOUR BRAND?

- One in five Americans is using CBD for at least one reason.
- Stress, anxiety, and pain are the most commonly cited reasons for using CBD, and those health concerns are increasingly more prevalent.
- Americans appear eager for effective, safe, non-pharmaceutical treatment options for their ongoing conditions.
- Some medical professionals are prescribing CBD as treatment for a variety of physical and psychological needs in the face of ambiguous scientific evidence. But most people procure products without medical approval, which opens the doors for brands to build a direct relationship with their customer base.

ANALYTICSIQ CBD AUDIENCES: BUILD YOUR BRAND BY REACHING EAGER CONSUMERS

CBD's popularity is only projected to increase, so getting in front of customers and building your base of loyal brand fans right now is critical.

That's where AnalyticsIQ's CBD audiences can change the game, helping you reach both active CBD users and interested consumers who are the perfect fit for your CBD product. Built upon AnalyticsIQ's proprietary cognitive research discussed throughout this paper, our predictive audiences uncover the values, beliefs and motivations of those individuals most likely to be interested in your product.

AnalyticsIQ's CBD audiences are tailored for marketing across all permissible channels, such as direct mail, social media, digital advertising and even advanced TV.

These CBD audiences can also be leveraged for analytics, so that companies can understand their current customer base and even develop custom look alike models.

AnalyticsIQ CBD Audiences

- **CBD Users:** Likely to use CBD products
- **CBD Product Type:** Likely to use CBD products in particular ways such as oils and topicals
- **CBD Wellness Goals:** Likely to use CBD to manage stress, anxiety or physical pain
- **CBD Policies:** Likely to care about cannabis-related policies

Whether you're a growing start-up or a national brand getting in on the CBD action, we can help you maximize each marketing dollar effectively, across both traditional and digital channels.

As a company passionate about research, our CBD work doesn't stop here. We take an evergreen approach to research, and are continuing to unlock new insights and audiences as both the CBD market and consumers themselves continue to evolve.

Interested in learning more about the AnalyticsIQ's new CBD marketing audiences, custom modeling solutions and cross-channel activation capabilities? Please visit <https://analytics-iq.com> or contact sales@analytics-iq.com.

ABOUT ANALYTICSIQ

AnalyticsIQ is a leading predictive analytics and consumer marketing data innovator. We are the first data company to consistently blend cognitive psychology with sophisticated data science to help marketers understand how and why consumers make decisions. Our accurate and comprehensive PeopleCore consumer database provides unrivaled insights to advertisers, agencies and technology providers. For B2B marketers, the BusinessCore database delivers rich insights on both businesses and individual professionals. Our data helps brands fuel personalized experiences across channels including direct mail, email, online, mobile and TV. Headquartered in Atlanta and recently named one of Georgia's Top 10 Most Innovative Companies, AnalyticsIQ's team of data analysts, scientists, and cognitive psychologists have over 100 years of collective analytical experience and expertise.

SOURCES

All information in this paper was sourced directly from the research found in "[The Emerging CBD Movement: An Exploratory Data Summary](#)".

