

BEGINNERS GUIDE TO DISPENSARY MARKETING



After years of planning, testing, and hard work, we've developed a winning formula for driving new customers to your store.



DIGITAL MARKETING	6
What are the benefits of digital marketing?	6
Attract: Market Your Dispensary	7
Interact: Engage With Your Customers	
Nurture: Create Lifelong Customers	7

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ATTRACT: MARKET YOUR DISPENSARY Getting Started: Make Sure Your Dispensary	7
Is Market-Ready	8
What Is Digital Marketing?	8
How Can It Help Your Dispensary?	9
Digital Marketing	10
What is it?	10
Why is it important?	10
Where to start	10
Branding	11
What is it?	11
Why is it important?	11
Where to Start	12
Website	13
What is it?	13
Why is it important?	13
Where to start	13
Content Marketing	16
What is it?	16
Why is it important?	16
Where to start	16
Types of Content Marketing	17





Blogging	18
What is it?	18
Why is it important?	18
Key Stats	19
Where to start	19

Search Engine Marketing 20 What is it? 20 Why is it important? 20 Where to start 21

Local Marketing (Digital)

What is it?	22
Why is it important?	23
Where to start	23
Step 1	24
Step 2	24
Step 3	24

22

Advertising 25 25 What is it? Why is it important? 25 25 Key Stats 27

27 **Display Advertising** What is it? 27

Why is it important?	27
Where to Start	28

INTERACT: ENGAGE WITH YOUR CUSTOMERS 29 Word of Mouth 29 What is it? 29 Why is it important? 29 Where to start 30 **Reward New Customers** 30 Provide Easy Access to Special Offers 30 Give Customers Opportunities to Share



Positive Experiences

Where to start





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30





Customer Service	31
Communicate. Communicate. Communicate	31
Reward Repeat Customers	31
Be Responsive	31
Budtenders	32
Why is training important?	32
Where to start	32
Social	33
What is it?	33
Why is it important?	33
Where to start	34
Frequency.	34
Relevancy.	34
Engagement.	34
Analytics.	34
Video Marketing	35
What is it?	35
Why is it important?	35
Where to start	36
Loyalty Programs	37
What is it?	37
Why is it important?	37
Where to start	38
Event Marketing Success	39
What is it?	39
Why does it work?	39
Event Marketing Success	40
Example 1	40
Example 2	40
Example 3	40
Where to start	40



4





NURTURE: CREATE CUSTOMERS FOR LIFE	41
Email Marketing	41
What is it?	41
Why is it important?	42
Where to start	42
Mobile Marketing	46
What is it?	46
Why is it important?	46
Where to start	46
SMS Marketing	48
What is it?	48
Why is it important?	48
Where to start	49
Deals & Discounts	50
What is it?	50
Why is it important?	50
Where to start	51
Online Reputation Management & Reviews	54
What is it?	54
Why is it important?	54
Where to start	55





DIGITAL MARKETING

What are the benefits of digital marketing?

Unlike print, radio, and television, Digital marketing allows businesses and marketers to see data in real time, and measure ROI for any digital marketing channels. For example, you can see how many people are viewing your website using Google Analytics, and see live reports and notifications on how users are engaging with your social media profiles on Facebook, Twitter, Instagram, LinkedIn, and more.

This data-driven approach allows you to prioritize your digital marketing efforts, and generate optimal ROI for any budget. One more key point is digital marketing is inexpensive to start. Any business can shoot a low budget video, utilize pay per click advertising on Facebook to its target customer demographics, and make changes on the fly. This isn't possible with traditional media channels. Setting up a production to shoot a commercial for television is expensive, and the viewer base is too broad.



Attract: Market Your Dispensary

- 1. Digital Marketing
- 2. Branding
- 3. Website
- 4. Content Marketing
- 5. Blogging
- 6. Search Engine Marketing
- 7. Local Marketing
- 8. Traditional Advertising
- 9. Display Advertising
- 10. Word-of-Mouth Marketing

Interact: Engage With Your Customers

- 1. Customer Service
- 2. Budtenders
- 3. Social Media
- 4. Video Marketing
- 5. Event Marketing

Nurture: Create Lifelong Customers

- 1. Email Marketing
- 2. Mobile Marketing
- 3. SMS Marketing
- 4. Deals & Discounts
- 5. Loyalty Programs
- 6. Online Reputation Management & Online Reviews





ATTRACT: MARKET YOUR DISPENSARY

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Getting Started: Make Sure Your Dispensary Is Market-Ready

You're no doubt familiar with the adage popularized by "Field of Dreams," the classic baseball film starring Kevin Costner: "Build it, and they will come." While that advice may work for building a baseball field, it doesn't work in the cannabis industry (or any other highly competitive industry). Like all entrepreneurs, dispensary owners need to promote and market. Promote or perish, as they say. Because the Feds (frustratingly) continue to classify cannabis as a Schedule I drug (deemed as dangerous as heroin), most major media properties do not allow businesses in our industry to advertise on their sites. Sure, that presents challenges. But, nothing a little persistence or creativity can't overcome. And, the landscape is changing. As companies adjust to laws while recognizing opportunity, it shouldn't be too long before opportunities open up. Nonetheless, even being in a tightly regulated industry, there are opportunities abound! Marketers are fortunate to have a wide array of digital marketing tools at their disposal.

What Is Digital Marketing?

Digital marketing encompasses all web-based or electronic communication between you — the brand — and your audience. Given the prominence of digital channels — particularly the importance search, social media, and mobile — people are consuming more digital media and less traditional media.

While traditional forms of promotion are unlikely to disappear (and many continue to be successful for dispensaries), it's critical that digital strategies feature prominently in your overall marketing plan.



How Can It Help Your Dispensary?

Digital marketing can help your dispensary by providing channels to attract and capture new customers, as well as engage with existing customers. Attract new customers by using search engines, directories, social media, display advertising, and other marketing tactics to drive foot traffic to your store. When a customer visits your store, it's your responsibility to deliver satisfactory customer service, and capture them as a repeat customer.

Unlike traditional marketing, you can easily track the results of digital marketing, and determine a true return on investment (ROI) for each channel. For example, we can track how many customers request for directions on your Google My Business profile. If your average order value is \$25, and 2000 customers requested directions to your store using Google, we can assume \$50,000 (\$25 * 2000) in revenue from this source of traffic.





DIGITAL MARKETING

What is it?

Digital marketing is an umbrella term for the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium.

Why is it important?

How do customers find you? We often hear from dispensary owners that word-of-mouth is the most important source of new customers, but data suggests that online research is now equally important. What does that mean to you? You better have your ducks in a row when it comes to digital strategy. Digital strategy is not a luxury; it's essential to the long-term success of your dispensary.

- Online advertising is on track to overtake TV advertising (eMarketer)
- By 2019, video will account for 80% of global internet traffic and 85% in the US (Cisco).
- 61% of the most successful content marketers have a documented strategy, while only 2% of the least successful have one (CMI).

Where to start

While traditional forms of promotion aren't going away anytime soon (and many continue to be successful for dispensaries), make sure to prominently feature digital strategy in your overall marketing plan. Given the prominence of digital channels – particularly search, social media, and mobile – people are consuming more digital media and less traditional media.







What is it?

Simply put, your brand is your promise to your customer. It tells them what they can expect from your products and services, and it differentiates your offering from that of your competitors. Your brand is derived from who you are, who you want to be and who people perceive you to be.

Effective branding strategy comes from a place of authenticity, about what your dispensary represents. As marketing guru and best-selling author, Simon Sinek, notes: "People don't buy what you do; they buy why you do it. And what you do simply proves what you believe."

Why is it important?

An effective brand strategy gives you a major edge in increasingly competitive markets. What is a company without a strong brand? A commodity. Think about it. What would Apple be without their distinctive brand? Just another electronics manufacturer, right? Your brand defines your identity. It's at the heart of what makes you unique, and why customers buy from you and remain loyal.

Effective branding can give you an edge in increasingly competitive markets, like cannabis. Without an effective branding strategy, you're just another dispensary.

- **90% of consumers** expect that their experience with a brand will be similar across all platforms and devices. They expect a seamless transition between web and device-native applications through color, flow, and overall quality. (New Jersey Institute of Technology)
- 45% of a brand's image can be attributed to what it says and how it says it.
- **64% of people cite shared values** as the main reason they have a relationship with a brand.
- **80% of consumers said "authenticity of content"** is the most influential factor in their decision to become a follower of a brand.



Branding starts with defining who you are and what your brand represents. And, it's carried through everything you do: your name, slogans, signage, symbols and design.

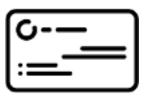


ITEMS NEEDED









Logo

Style Guide

Typefaces

Stationary







What is it?

A website is the virtual equivalent of a physical company in the real world; though businesses who operate top-notch physical spaces sometimes neglect this online real estate.

Why is it important?

HubSpot tells us that 78% percent of Internet users search for products to buy online. With the number of global Internet users approaching 3 billion, it is easy to make the argument that the website is a potent marketing tool.

Where to start?

Make sure your website is built for desktop and mobile (so that customers can easily scroll on their mobile devices, and see your store). Provide accurate menus with online ordering (if available). Ensure your contact information is accurate, clearly visible, and provides a map to your location. And, of course, there's conversion: do you have places where you can capture customer information (like a newsletter or free download)?

One of the biggest myths out there is that you can design your website in isolation from all your other marketing efforts. And, it's a myth that can cost you dearly. Sure, pleasing aesthetics are part of web design. But, effective design encompasses so much more: from branding to customer acquisition to SEO, the design of your site influences virtually every aspect of your Web presence.

Your website is the flagship of your digital media presence and your brand. As such, investing in your website to ensure it is valuable for your audience while representing your brand effectively is vital to your success.



- A few key considerations to keep in mind include:
- 1. Make your website mobile-ready: Dispensary patrons are increasingly likely to access your site through Google, or a directory site like Weedmaps or Leafly, on their phones. So you need to make sure your website is responsive, meaning it's built for desktop and mobile devices.
- Build your website so it's focused on conversions: By conversions, we mean converting visitors to paying customers (and keeping them as loyal customers). A high-value, user-friendly website will include:
 - **Menu:** Showcase all of your products in a manner that's easy for visitors to find what they're looking for. Make sure your menu is accurate and up-to-date!
 - **Deals page:** People love promotions! Use special deals and offers to motivate your customers (and potential customers).
 - Map & Directions: Customers need to find you, right? Add a link to your Google Maps listing so customers can get directions instantly. Seems obvious, but you might be surprised at how many dispensary websites either neglect including a map or make it difficult to find directions to their store.
 - **Contact Information:** Make it easy for customers to get in touch with you via email or phone.
 - **Blog: Maintaining** a blog allows you to give a voice to your brand while educating your audience. You can blog on a wide variety of topics that will help you connect with your customers, from strain reviews to 101 guides (e.g. Dabbing 101, Safely Consuming Edibles 101, etc.)
 - **Directory Listings**: Getting reviews for your dispensary is important for credibility, word-of-mouth, and even Google. Make sure you include links to popular directories like Leafly, Weedmaps, and even Yelp, to make it easy for people to leave reviews.

14



 Social Media: Add links to social media accounts. At a minimum include Facebook and Twitter, but other channels — such as MassRoots, Pinterest, Youtube, Google+, Instagram — can be effective, too. Note: Don't spread yourself too thin. Most social media traffic still comes from Facebook, so don't try to do too many social channels at the expense of maintaining your Facebook presence. Generally speaking (unless you have a social media manager), focus most of your energy on just a few social channels so that your don't dilute your efforts.

Metrics You Should Track

- Number of Visitors
- Number of Unique Visitors
- Length of Stay
- Sources of Traffic
- Pages Visited





CONTENT MARKETING

What is it?

Content marketing is a strategy focused on creating and distributing valuable, relevant, and consistent content to entice and engage a defined audience — and drive profitable customer actions. As opposed to selling your product or service, content marketing allows you to educate your prospects with relevant and useful content to provide value.

Why is it important?

According to a report by Nielsen's Global Trust In Advertising, medium people trust editorial content over ads on television, radio, billboards, newspapers and magazines. The term content marketing may have gained popularity with the rise of the Internet, but B2B marketers have been employing it for years through white papers and reports to pull in a target audience. Content marketing in an inbound tactic by raising customer awareness, nurturing their engagement, and funneling them through an honest and meaningful conversation.

- **72% of marketers** say relevant content creation was the most effective SEO tactic. (Ascend2, 2015)
- The #1 content marketing goal for B2C businesses in 2016 is sales (83%), followed by customer retention and loyalty (81%) and engagement (81%). (Content Marketing Institute, 2015)
- 96% of B2B buyers want content with more input from industry thought leaders. (Demand Gen Report, 2016)



To determine why content marketing is important to your business, let's explore the four steps of the buying cycle:

- Awareness: Customer identifies a problem, but is unaware there is a solution.
- **Research:** Customer will perform research to educate them.
- **Consideration**: Customer begins comparing products or services from different vendors to ensure they're getting a high-quality product at a fair price.
- Buy: Customer decides on a solution, and moves forward with the transaction.

Content marketing focuses on the first two steps of the buying cycle by raising awareness and educating consumers about a product or service. Traditional marketing focuses on the second two steps.

Create and share "remarkable" content to stimulate interest in your brand. Make sure the information is relevant, useful, and digestible. You can create blogs, infographics, checklists, and guides; just make sure to use images (original if possible), videos, and other media.

Types of Content Marketing

To determine why content marketing is important to your business, let's explore the four steps of the buying cycle:

- Articles or Blog Posts
- Brand Profiles
- Case Studies
- eBooks
- Email
- How-to's Lists
- Interviews
- Infographics and Images
- ~~~~~

- Memes
- Newsletters
- Podcasts
- Reviews
- Social Media Posts
- Testimonials
- Videos





BLOGGING

What is it?

Maintaining a blog allows you to give a voice to your brand while educating your audience. You can blog on a wide variety of topics that will help you connect with your customers, from strain reviews to 101 guides (e.g. Dabbing 101, Safely Consuming Edibles 101, etc.)

Why is it important?

Every dispensary should be creating fresh content for their corporate site. Blogging is used by brands to share their feelings, thoughts, experiences, and ideas. Blogging gives your brand a voice.

Every dispensary should consistently create fresh content for their blog; the fact is, most don't. Yet, it's not that difficult. Updates can be simple: from short and sweet (250 - 500 words) to more in-depth, informative pieces (1000-2000 words) known as "epic blogs."

Do your blog right, and reap the benefits:

- **Improve** search results (SEO)
- Drive more traffic to your site
- **Engage** with your customers
- Elevate your brand as a thought leader in the cannabis industry



Key Stats

To determine why content marketing is important to your business, let's explore the four steps of the buying cycle:

- Marketers who prioritize blogging are **13x more likely** to achieve a positive ROI on their efforts. (HubSpot, 2014)
- Epic blog posts make up 10% of all blog posts and generate 38% of overall traffic. (HubSpot, 2016)
- The average word count of top-ranking content (in Google) is between 1,140-1,285 words. (Search Metrics)
- B2B companies that **blogged 11+ times per month had almost 3X more traffic** than those blogging 0-1 times per month. (HubSpot, 2015)

Where to start

To determine why content marketing is important to your business, let's explore the four steps of the buying cycle:

- Guest Posts or Articles
- Podcast Show Notes
- Interviews
- Blog Series
- Reviews
- How-to's and Tutorials
- Cheat Sheets and Checklists
- Lists
- Resources or Links
- Controversial or Political Posts
- Infographics
- Videos





SEARCH ENGINE MARKETING

What is it?

Search Engine Marketing — or, Search Marketing — is defined as the process of gaining traffic and visibility from search engines through unpaid (organic) efforts, allows you to reach customers at the precise moment they're interested in what you have to offer.

Why is it important?

Think about it: a potential customer whips out their phone to search on "dispensary nearby." Who shows up first? Do you (or your competitor)?

- The first position on Google search results on desktop has a **34.36%** clickthrough rate. (Advanced Web Ranking, 2015)
- The average Google first page result contains 1,890 words. (Backlinko, 2016)
- 50% of search queries are four words or longer. (WordStream, 2016)



Search marketing can get complex, no doubt about it. But, by following some fundamental principles — the proper use of keywords, meta tags, correct and consistent display of your dispensary name, address, phone number (NAP) — helps ensure search engines can easily find you. In turn, of course, this means so can customers.

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Google bing You Tube



LOCAL MARKETING



What is it?

Local marketing targets the community around a physical dispensary. One of the most effective local marketing tactics (which boosts local visibility, SEO, and drives traffic to your dispensary) centers around Google My Business and local business listings. A local business listing is an online profile that contains your business name, address, phone number, and other details. There are thousands of websites and directories on which local business owners are allowed to create free business listings.

Apps overlap with directories. But, high traffic sites like Leafly and Weedmaps also provide mobile apps that cannabis consumers use to search on strains and dispensaries.

Make sure you're listed with the two most popular apps:

- **Leafly:** With nearly 7.5 million visitors per month, Leafly is the most popular cannabis resource on the web. If you're not already listed on Leafly, click <u>here</u> to sign for free.
- Weedmaps: Weedmaps is the second most trafficked cannabis resource on the web, and the top mobile app. To set up your listing, you'll first need to set up an account. Click **here** to get started with Weedmaps.

Other apps to consider include:

- <u>MassRoots</u>
- Blaze Now
- Where's Weed
- Marijuana Central
- <u>Herbo</u>
- Dispensaries.com

22



Why is it important?

Major search engines and online directories allow you to claim your dispensary page. What does that mean? Search engines like Google allow you to "own" your business listing to make sure your listing information is correct and updated. That way when customers want to find your business, they have the most accurate information, such as: where they can find you; what time you open and close; what products you carry.

- **72% of consumers** who did a local search visited a store within five miles. (WordStream, 2016)
- Local searches lead 50% of mobile visitors to visit stores within one day. (Google, 2014)
- **78% of local-mobile searches** result in offline purchases. (Search Engine Land, 2014)

Where to start

First, put together all of your business information, name, address, phone, hours of operation, etc, into a simple spreadsheet, so you can copy and paste your business information across directories online. To save you time, please use our **dispensary spreadsheet template** as a starting point to build your online directory profiles.

Since Google is king, we've provided instructions on how to setup your free Google My Business profile. This is the most important asset in local marketing. Leafly and Weedmaps require that you request information to create a business profile as they both are pay for play platforms ranging from \$300 - \$6000 per store per month.

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Step 1

Go to Google My Business and click "Start Now." Enter the Google account you use to manage that business or that location of your business. If you don't yet have a Google account associated with your business, click "Create Account" below the login box and follow the instructions.

Step 2

Search for your business by name and address using the box in the top left-hand corner, and select the correct listing for your business or location. In some cases, your company will not display, and you'll need to create a listing for you to claim it. Make sure to fill out all the fields to get the most accurate listing possible.

Step 3

To activate your <u>Google My Business</u> profile, you'll need to verify your business. You can do this by postcard, by phone, or through bulk verification if your businesses have ten plus locations. Once you've verified your business, you'll be able to make changes to the actual profile.

You'll be able to add your company name, images, description, services, hours of operation, and other business details. It's important to enter all of your business information in Google My Business, so customers know more about what you do, where you are, and when they can visit you. Make sure to keep this information updated as your business changes so that your listing doesn't fall out of favor with Google.







ADVERTISING



What is it?

Advertising is an audio or visual form of marketing communication that employs an openly sponsored, non personal message to promote or sell a product, service or idea. There are ad networks like <u>Adistry</u> and <u>Mantis</u> where you can purchase display advertising based on metro area. Ad networks allow you to purchase inventory across relevant sites that can appear on mobile, desktop, text, video, and the web. Campaigns are generally billed at a cost-per-click, known as a CPC, or cost-per-1000-views, known as CPM.

Why is it important?

Businesses use advertising to accomplish varied goals, and companies place those ads in diverse media. Besides advertising products in traditional venues such as newspapers and general interest magazines, businesses advertise in media that reach specific markets.

- The most popular paid advertising methods for B2C marketers are promoted posts and search engine marketing (SEM).
- 76% of businesses reported using these strategies. (Content Marketing Institute, 2015)



Advertising regulations in the cannabis industry are — well — let's say a wee bit strict. For many — if not most dispensary owners — keeping up on ever-changing laws governing what you can, and can't do, can feel overwhelming. While advertising may seem daunting, there are actually numerous opportunities available.

- Define your objectives
- Set your budget
- Monitor, Measure & Assess
- Refine

You can also purchase inventory (e.g. display advertising) directly from cannabisfocused lifestyle sites like **Dope Magazine**, **Culture**, **Herb.co**, and **High Times**.

Be sure to check out our essential state-by-state guide to cannabis advertising.



See State-by-State Cannabis Advertising Regulations



DISPLAY ADVERTISING

What is it?

Display advertising is a type of online advertising that comes in several forms, including banner ads, rich media and more. Unlike text-based ads, display advertising relies on elements such as images, audio and video to communicate an advertising message.

Why is it important?

Display advertising can be an efficient way to drive more traffic to your website and expose your dispensary to a large audience. You can places ads on cannabis industry publications and regional digital publications (particularly alternative local news sites) — or, consider using ad networks that offer geo-tagging to market to local customers.

- The most popular display ad types are "banners and other," which includes native ads and social media ads. (eMarketer)
- Social media advertising spending has doubled worldwide over the past 2 years, from \$16 billion U.S. in 2014 to \$31 billion in 2016. (Statistia)
- Written content performs best in native ads according to 68% of the news media publishers. (Native Advertising Institute)

27



Start by determining your display advertising distribution channels. The best fit for dispensaries is Mantis and Green Rush Daily, as they offer geo-targeted ads based a metropolitan region, serving banner images and video to desktop and mobile users.

Create banners in the right ad size dimensions. The two most popular desktop sizes are 728 \times 90, and 250 \times 250, while the most popular sizes for mobile are 320 \times 50, and 300 \times 250.





WORD OF MOUTH

What is it?

Word-of-mouth marketing (WOMM) is one of the oldest and most reliable forms of marketing. Take note: WOMM overlaps but is not the same as "word-of-mouth" (the naturally occurring effect of providing superior products and service).

WOMM involves deliberately and proactively encouraging your customers to spread the word — to be your "brand ambassadors." It's one of the most powerful and inexpensive ways to bring in business.

WOMM can entail getting your customers to recommend your dispensary to a friend or acquaintance. It may include rewarding regular customers who promote your dispensary (see more on loyalty programs). Of course, it all starts with your budtenders: ensure they provide exceptional customer service — they're friendly to everyone and are knowledgeable about the products you offer (and how to best use them).

Why is it important?

- **85% of small businesses** get customers through Word of Mouth (Small Business Trends)
- 84% of consumers say they either completely or somewhat trust recommendations from family, colleagues, and friends about products and services – making these recommendations the highest ranked source for trustworthiness. [Nielsen]
- **74% of consumers** identify word-of-mouth as a key influencer in their purchasing decision. [Ogilvy/Google/TNS]

29



Since businesses can't always depend on spontaneous referrals, you might want to use some of the following techniques to encourage people to refer their friends and family.

Reward New Customers

If you start off your relationship with each new customer on the right foot, you may get word of mouth referrals even before you finish the transaction! Send each new customer a discount coupon as a thank you for joining.

Example: Foottraffik offers email subscribers an exclusive 20% discount upon signing up.

Provide Easy Access to Special Offers

Make sure your landing pages are easy to navigate and up to date so that customers can easily sign up for special offers and share them with their friends.

Give Customers Opportunities to Share Positive Experiences

Businesses should set up accounts on Google, Weedmaps, Leafly, and Yelp so that customers can easily post positive reviews. These sites allow potential customers to easily see positive reviews, as well as allow customers to post their experience while it is still fresh in their minds.

Once you put the proper structures in place to facilitate word-of-mouth marketing, customers can share their positive experiences with their friends, family, and more. Combined with the viral powers of the Internet, it won't be long before you'll have a steady stream of new customers.





INTERACT: ENGAGE YOUR CUSTOMERS



Customer Service

Communicate. Communicate. Communicate.

It seems like common sense. And, it is! Communicate with your customers on a regular basis. The more you're interacting with your consumers, the more they'll remember who you are, and frequent your store. Use blogs, newsletters, social media, whatever you need to do to communicate on a regular basis with your customers.

Reward Repeat Customers

Create a customer loyalty program that rewards your loyal customers. Beyond providing fabulous service, reward and incentivize your customers to shop at your business again and again. You can do this by giving them loyalty points which can be redeemed for discounts on product, exclusive offers, small gifts, or anything they may enjoy that will encourage them to shop with you more frequently.

Be Responsive

Make sure that anytime a customer shares feedback, voices a complaint, or has any communication with you, you respond in a timely fashion. If you don't respond quickly and respectfully, you risk alienating a customer who could cost you customers by voicing their displeasure on social media. The converse, of course, is that by responding promptly and respectfully, you may earn a customer (and advocate) for life!



BUDTENDERS

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Why is training important?

Budtenders are your frontline. They interact with customers and patients more than anyone. In fact, they have the power to make or break a sale (and, of course, influence customer reviews). No doubt, it's vital they are well-trained on the essentials: product knowledge, software, providing exceptional customer service, and asking satisfied customers for online reviews.

Where to start

Create a training program and internal marketing materials to educate bud tenders on your company values, customer service, product knowledge, and technology used by your dispensary. It's crucial to train your bud tenders to provide the best experience for customers. Start training while you're onboarding them during the hiring process.

Great customer service = happy customers = positive feedback = online reviews = repeat customers.

Using reporting data in your POS system, you can determine customer product preferences and buying patterns. Use this data to understand customer buying motivations better while empowering your budtenders to serve customers more effectively. Remember, you're not just selling products; use your expertise to improve their purchasing experience.

Bud tenders training session should include

- 1. Company values: branding, mission, vision
- 2. Customer service: communication, respect, processes
- 3. Product knowledge: strains, brands, categories, deals
- 4. Technology: POS system, mobile applications, website, social media



SOCIAL



What is it?

A social media strategy defines how the organization can better "relate and communicate" with all its constituents. Constituencies includes people (markets, suppliers, customers, investors, society and employees) who interact with the organization, internally and externally.

Why is it important?

Don't underestimate the importance of social media for your dispensary. Sure, recent crackdowns by some social media channels — here's looking at you Facebook! — have made social media engagement a little more challenging for cannabis businesses. Nonetheless, there are plenty of social media opportunities you can use.

- **B2C marketers use infographics** more than any other content strategy. 62% report using infographics, and 63% from this group said they were effective. (Content Marketing Institute)
- The most popular content marketing tactic reported by 90% of B2C businesses is social media; the next most used tactics are illustrations and photos (87%), eNewsletters (83%), videos (82%) and website articles (81%). (Content Marketing Institute)
- The most popular social media platform among B2C businesses is Facebook, with 94% reporting its usage. Other popular platforms are Twitter (82%), YouTube (77%) and LinkedIn (76%). (Content Marketing Institute)
- **90% of all marketers** indicated that their social media efforts have generated more exposure for their businesses. (Social Media Examiner, 2015)
- By spending as little as six hours per week, 66% of marketers see lead generation benefits with social media. (Social Media Examiner, 2015)



You don't have to be on every social media platform. It's ok (and advisable) to focus your efforts on one or two; concentrate on the channels that are most popular with your audience. Make sure your social media posts provide value so that your fans, customers, and those who are following you, are motivated to engage with you as well.

Frequency.

If you don't post frequently (and consistently), you'll be out of sight, out of mind.

Relevancy.

What does your audience care about (beyond the obvious)? Curate original and thirdparty content that your audience will appreciate (and, of course, share).

Engagement.

Many brands (including dispensaries) make the mistake of doing the "post and run." They post content but rarely engage with their audience. Engage with your audience, and they'll engage with you and they'll be more likely to share your content.

Analytics.

You can't improve what you don't measure. Use analytics to assess what's working, what's not working, and why.

Tip: Make sure to include your social media buttons on your website, place social URLs on your receipts, and display them prominently in your store — you can even put a sticker on your window.



Read our Social Media Marketing Guide



VIDEO MARKETING

What is it?

Video marketing is incorporating videos into your marketing campaigns whether to promote your company, product or service. Customer testimonials along with live event videos are becoming more and more popular as companies try to leverage rich media content into their marketing efforts.

Why is it important?

- 78% of people watch videos online at least once a week (Hubspot)
- 55% watch videos online daily; yes, daily. (Hubspot)
- By 2019, video will account for 80% of global internet traffic, and 85% in the US (Cisco)
- **70% of U.S. marketers plan to use social video ads** in the coming 12 months. (eMarketer, 2016)
- Video ads have an average clickthrough rate of 1.84%, the highest clickthrough rate of all digital ad formats. (Business Insider, 2014)



Not to be "Captain Obvious," but you've probably noticed: audiences have short attention spans — which in our hyperkinetic content-saturated world only seem to get shorter. So, unsurprisingly, we've witnessed a surge in the popularity of video since 2016.

Count on video — if it hasn't already — to dominate your audience's online activity.

Think beyond the blog — from Snapchat to Instagram to Facebook Live; you can't escape video! Consider producing live videos (streaming), explainers, funny videos, customer testimonials, and more.





LOYALTY PROGRAMS

What is it?

A loyalty program is a rewards program offered by a dispensary to customers who frequently make purchases. A loyalty program may give a customer advanced access to new products, special sales, coupons or free merchandise.

Why is it important?

A successful dispensary — relies on building a base of loyal, repeat customers. They keep the lights on, the doors open, and serve as your brand ambassadors. And, let's not forget: the cost of acquiring new customers is much higher than retaining (and nurturing) existing ones.

- **55% of U.S. consumers express loyalty** by recommending the brands and companies they love to family friends (Accenture)
- **89% of American consumers say they are loyal to brands** that share their values (Wunderman)
- 8 out of 10 consumers are willing to pay more for better customer experience (Capgemini)
- **53% of Americans participate in a loyalty program** because of ease of use (Colloquy)
- 81% of consumers agree that loyalty programs make them more likely to continue doing business with a brand (Bond)



Thankfully, technology makes setting up one of these programs easier than ever: Most customer loyalty software use iPads (which you place strategically in your dispensary to capture customers at the point of sale). Many applications integrate, menus, online ordering options, rewards, and more!

Three software options specific to the cannabis industry are:

- Baker
- Grassworks
- <u>Treez</u>
- <u>Splango</u>





EVENT MARKETING

What is it?

Put simply, event marketing refers to the process of using exhibits, presentations, or displays to promote your brand or products. Events can occur online or offline; you can choose to participate, host, or sponsor events. You can promote these events through various inbound (e.g. blogs) and outbound marketing activities (e.g. email, newsletters and SMS).

Why is it important?

Live events provide the opportunity for dispensaries to connect directly with customers and clearly communicate their message. Moreover, in today's frenetic, hyper-saturated marketing message environment, events allow you to develop a more personal one-to-one relationship with your customers and prospects.

Let's face it: consumers are savvy and they desire more than being inundated with one-way marketing communications. Events provide a unique opportunity for you customers to get to know you and your brand. Event marketing should be an integral component of your strategic marketing mix. Leveraging a combination of online and offline events are a great way to boost your bottom line!

- **74% of event attendees** say that they have a more positive opinion about the company, brand, product or service being promoted after the event. (EMI & Mosaic)
- 87% of consumers said they purchased the brand's product or service after an event at a later date. (EMI & Mosaic)
- 82% of brands use Facebook to support their events (MDB)
- **78% of marketers use social media** before an event and 65% use it after it (MDB)
- **62% of brands define a budget** for social media efforts to support their events (MDB)

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39



Event Marketing Success

It goes without saying: to be impactful, events must be memorable. Your events must be more than simply a staged advertisement. Done well, events can yield handsome returns, and create powerful and lasting impressions with your audience. Providing your consumers the ability to engage in a unique environment allows you to connect with them in a relaxed low-pressure environment. Bottom line: you can create long-lasting relationships which boosts the lifetime value of your customers.

Here are a few ideas:

Example 1

Meet and greet with Snoop Dogg this Friday at Foottraffik! Get an autograph and picture with your favorite west coast rapper.

Example 2

Join us on 7/10 for live music, food trucks, and educational seminars on different types of product.

Example 3

Join us at Ocean Beach for a all-day clean up. Support the environment, network with fellow cannabis enthusiasts, and do good for your planet.





NURTURE: OUTBOUND

Email Marketing

What is it?

Email marketing is a well-choreographed symphony of subject lines, content, automation, and information hierarchy and is still considered to be on the of the most efficient channels for marketers today.

While many people have predicted the demise of email marketing, consider this fact:

90% of email gets delivered to the intended recipient's inbox, whereas only 2% of your Facebook fans see your posts in their News Feed (Forrester Research).

Although social media marketing is powerful, you don't own your channel, and we've seen countless cannabis company pages shut down and lose their thousands of fans. You do, however, own your email marketing list. So, let's invest some time in cannabis dispensary email marketing, and understand this tool better.



Why is it important?

When email marketing began, it wasn't considered to be effective because having an email was a novelty. It seems quite laughable now, as 92% of adults online use email now, with 61% of adults using it daily. In 1978, DEC sent out the world's first email blast to a list of 400 potential clients; It resulted in \$13 million of sales. Since then, email marketing has developed tenfold into being less of a 'mass email blast' and more like what we described above as being a 'choreographed tactic.'

- **90% of email gets delivered to the intended recipient's inbox**; whereas only 2% of your Facebook fans see your posts in their News Feed (Source: Forrester Research).
- Email is a great way to keep your subscribers informed. 72% people prefer to receive promotional content through email, compared to 17% who prefer social media. – MarketingSherpa
- **Promotions delivered in email drive online sales and in-store visits.** 64% of US Internet users have printed a coupon from an email (Shop.org Report)
- Last year, the average ROI for email campaigns was 4,300% (Copyblogger).

Where to start

Don't be intimidated by our choice to use the word, choreography. It can be daunting, but it's worth the investment of your time, attention, and resources. Let us tell you why.

Build your email list through your website or point-of-sale. A well-compiled email list ensures you need not become beholden to evolving social network algorithms; your email list will allow you to target a customer exactly where they're at, in their inbox.





Types of Email Marketing

- Direct Emails
- Transactional Emails
- Mobile Email Marketing

Email Marketing Etiquette

- **Get permission.** Have a clear purpose when asking for a user's email address, and be clear on what they're signing up to receive in their inbox. Adding them to any and all of your lists is not polite and most likely will result in an unsubscribe.
 - Get whitelisted by your subscribers. Today's inbox filters are strong, and Gmail places unknown senders in your subscriber's 'Promotions' tab, and they may never see your email. In your introductory email sequence or on your 'Thank you for Subscribing' page, provide instructions for whitelisting you. By adding you to their contacts list, you'll appear in their primary inbox.
- Manage expectations. Have a strong call to action in place and employ consistent follow-up. If you are sending out a newsletter, be consistent. If it's a weekly newsletter, send it out on the same day every week. If it's daily, don't skip a day.
 - **Consistency builds relationships**, while inconsistency will create distrust with your subscribers. For example, if you have setup an automated email sequence to welcome new subscribers, tell them what they should expect in the upcoming days.
- **Be considerate with your pitch.** Is your messaging consistent and are you pitching too often? Put yourself in the shoes of your subscriber. If you were them, would your emails be coming off as too sales-y? Are your call-to-action's naturally placed within your content or are they abrasive interruptions? Be considerate with how you pitch your subscribers, and you'll gain their respect.



- **Craft a great newsletter.** First, don't manually add subscribers to your email list. It's not polite and will only hurt you in the long run. Now that we have that out of the way, how do you craft a great newsletter? Create compelling content! While you need to be consistent when sending out your newsletter, you need to be creative with the content inside.
 - Find a good balance by including a personal message, images, maybe other multimedia, and product updates. In a newsletter, your primary goal is to build a relationship with your subscriber Be careful with pitching in this kind of email. Instead, offer value and context.
- Use email sequences. Also known as autoresponders, email sequences are perfect for walking your subscribers through a funnel. If they are new to your list, maybe it's setting up a 'Welcome' sequence and sending one email thanking them and introducing yourself. Maybe the next email is educating them about the products you offer at your dispensary. The third one could be used to introduce them to your staff, further building the relationship.

Now that they're familiar with you, why not offer them a special 'New Customer' promotion. Are you catching our drift? Email sequences are automated triggered actions that 'walk' your subscribers up the steps.

 Segment your lists. Split up your general email list into more targeted groups of subscribers. Put subscribers who've placed an order into a 'Customer' segment. Put clients who've signed up for your newsletter in a 'Newsletter' list. Again, this goes back to asking permission. Don't automatically send them a newsletter if they just bought a product; ask permission.

Put subscribers who have not yet bought into a 'Leads' segment and cater your emails to providing more information about who you are and what you offer. If a subscriber signed up for product updates on your edible selections, place them in your 'Edible Lovers' list and so on.



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Email U.S. Laws

Concerning legality, you'll want to familiarize yourself with the CAN-SPAM Act of 2003, which is in direct response to the rise of spam in inboxes nationwide. It imposed laws on using deceptive tactics that are "materially false or misleading."

Congress also set conditions for how emails needed to formatted to comply with the new laws. Using a popular email software (see below) is a worthy investment. It not only ensures that you are formatting your emails correctly and including all necessary information but also enables you to design engaging emails and set up email sequences quickly.

Email Marketing Software and Apps

- <u>Mailchimp</u>
- Active Campaign
- Hubspot
- Emma
- InfusionSoft
- Verticalresponse





MOBILE MARKETING

What is it?

Mobile marketing is promotional activity designed for delivery to cell phones, smart phones and other handheld devices, usually as a component of a multi-channel campaign.

Why is it important?

Mobile marketing is vital for your website to be responsive; we've found that 70% of visitors to our client websites are using a mobile device such as a smartphone or tablet to access the site. But, mobile doesn't end with your website.

Where to start

Effective mobile tactics may include:

• **Website:** Your website is your dispensaries platform to give value, context and important information to your customers. Invest in responsive web design that achieves: flexible grid design, responsive images, mobile navigation, short and concise product descriptions, personalized, location-specific content, and a responsive footer navigation.



- Email: Email open rates have grown by 180% in the past few years which means that optimizing your emails for your customer's various devices is a minimum requirement. Recognize that you have a smaller screen size to work with and need to be concise with the information you're delivering and place your most important information towards the top. In addition, you need also reconfigure your call to action (CTA's). For example, including directions to your dispensary after promoting this week's special deal is a relevant CTA.
- Text Message Marketing: Also referred to as SMS marketing, <u>text message</u> <u>marketing is a permission-based marketing technique</u> used to spread promotional messages through SMS, iMessage, and other chat platforms. It can be an incredibly effective method to maintain contact with customers as they are more likely to read a text message than an email.
- Search Engine Marketing: Customer's often use their phone, Siri, Google Maps, Apple Maps, etc to find a dispensary nearby. Search engines use location services to show you the most relevant stores nearby based on your geographical location. We suggest investing in search engine optimization (SEO), and build your online reputation so you show up at the top of the search results.
- Mobile Applications: The opportunity of marketing through mobile apps is available to both dispensaries who have their own live app in the app store and those who don't. If you've invested or are considering investing in building our own branded app, you'll be able to take advantage of 'pushnotifications' to promote reminders, specials, timely news, highly personalized messages, and encourage your app users to engage with new content. However, if you don't have your own branded app, you can still market through other brands' app in the form of in-app advertising, a service you can explore through platforms like: Leafly, Weedmaps, and Massroots.
- Advertising: Just as email and website need to be optimized for your mobile users, as do your ads. When designing ads for these devices, keep in mind the small amount of space, type size, color contrast and image proportions. These mobile-friendly ads can be distributed through a variety of mediums: website ads, social media ads, in-app ads, or ad networks, etc. While Google display ads are still not available for cannabis businesses, you can find a similar service through Mantis or Adistry. By designing ads specifically for mobile, you ensure that when your ad appears to your users, its design, messaging and CTA is correctly translated.





SMS MARKETING

What is it?

You've been capturing customer information on your website (or in the store). Now, it's time to re-engage them through text message marketing (SMS). SMS is one of the most powerful ways to drive repeat customers to your business.Guess who's texting? Everyone! That includes your customers.

Why is it important?

You've been capturing customer information on your website (or in the store). Now, it's time to harness the power of SMS marketing to drive customers to your dispensary and build profitable relationships with your audience. SMS marketing is — hands down — one of the most powerful ways to drive repeat customers to your business.

Here are a few stats to consider:

- 78% of tweets are ignored
- So are 88% of Facebook posts

Yet...

- The average consumer checks their phone 150 times per day
- Only 5% of consumers opt out of receiving SMS marketing messaging
- 80% of consumers would like to receive deals from their favorite businesses (like your dispensary)
- SMS open rates are consistently higher than 90%

And, get this...text coupons are 10X more likely to be USED and SHARED by consumers over conventional coupons.

48



Example 1: Happy Friday from Foottraffik. Join us today along with Phat Panda for exclusive looks at their new product, and get 20% off as a bonus.

Example 2: We know you're a big fan of KIVA chocolate, so we're going to let you in on a little secret - We're offering you an exclusive 10% deal if you come in today!

Example 3: Just in! You're the first to know - We've got OG Kush in-stock. Don't wait or you'll miss it. Reserve today!





DEALS & DISCOUNTS

What is it?

Deals, discounts, sales, specials, whatever you want to call them, is an offering of a product at a reduced price. Deals are a great way to re-engage, reward, and encourage customers to visit your store.

Why is it important?

- 86% of Millennials and 76% of Gen Z cited promotions/discounts as influential on purchases (Lab42)
- 90% of adult consumers said they are influenced by promotions in terms of the amount they spend and the items they purchase (ICSC)

50



Such a deal! Who doesn't love a bargain? Uh, let's see: no one! There's no way around it: price point and discounts motivate dispensary customers. And, what better way to bring customers back into to the store than deals?

Deals are a great way to engage past clients, attract new ones, and retain and upsell existing customers.

We encourage setting up daily specials that are consistent every day of the month, as well as weekly product specials, and sales for vendor days, or holidays like 4/20 or 7/10.

Here are a few clutch ways to entice your customers with deals:

1. Use exclusive mobile deals to entice customers to visit your store on specific days of the week.

Example 1: Foodie Fridays from Foottraffik: Show us this text message to receive 10% any edibles in the store every Friday!

Example 2: Two for Tuesday, buy any two items and get 10% off your entire order at Foottraffik! See you soon!

2. Take advantage of holidays to drive foot traffic.

Example: Happy Independence Day from Foottraffik! To celebrate we're offering 10 deals on flower, concentrates, edibles, and glass.

Example: Happy Independence Day from Foottraffik! To celebrate we're offering 10 deals on flower, concentrates, edibles, and glass.

3. Notify customers about new products and services with text alerts

Example: Chocolate Lover's Alert! Bring in this coupon throughout the month of September to receive 10% off of newly stocked chocolate edibles.





4. Announce sales events with SMS Blasts

Example: Learn and Earn! Visit us this weekend to learn about the newest vape technologies. Earn 10% of vapes and accessories this weekend only!

Where to distribute deals

It's one thing to create the deal, but how do you get the word out to your loyal customers? Easy, here's a foolproof checklist for you.

- 1. In-store: Create marketing materials to promote the deal throughout the store. We suggest promoting any sale event 1-2 weeks before the event.
 - a. **Banners:** Create large banners for the inside or outside of the store (if advertising regulations permit) to promote the event. Tip: Save time and money long term by purchasing TV screens and placing them throughout the store. Resize and upload the artwork for your banner to match the size of the TV screen. This way, you don't have to pay for printing banners, and you can instantly upload the banner images to the TV. Grassworks Digital offers software to streamline this process.
 - b. Budtenders: Encourage the bud tenders to promote the sale when talking with the customers. Supply the bud tenders with 2 x 3 or 4 x 6 flyers in the case the customer would like more information during their conversation. Even better, get the customer's phone number so we can text them updates.
 - c. **Flyers:** Design and place the flyers at the entrance, check-in, exit, register, and lounge. This can be self-printed on 8.5 x 11 paper, or you can get them professionally printed using a local service.
 - d. **TV Screens:** Resize the existing artwork used for the flyers, and upload them to your TV screens throughout the store. You can create a slide of images which can be rotated





2. Customer database

- a. **Email:** craft an email highlighting your deal, and focus on this deal only. No distractions are necessary.
- b. **SMS:** craft a text message with a maximum of 139 characters to send out to your subscribers.
- c. **Social media:** Create a 1000 x 1000 image highlighting the details of your deal which can be distributed via social media. Adding in professional photography is a must. Facebook allows you to create event pages, and in Google My Business you can post an upcoming event, so be sure to use these channels to get the word out! Tip: images get more engagement than links in Facebook, so use images to get better engagement from your followers.
- d. **Website:** If you haven't already, create a deals page on your website. When you have upcoming specials, update your deals page, and notify your customers through post notifications or with a text message. Also, add a banner image to the homepage as this is the most visited page of any website.

Tip: Text messaging software allows you to add one link to the end of your message. Use this opportunity to drive traffic to your site.





ONLINE REPUTATION MANAGEMENT & REVIEWS

What is it?

You've no doubt you've come across some bad reviews of your competitors, or you've seen negative comments in forums, social media, or other places about various brands in the space. Your reputation is everything and affects everything from word-of-mouth to search strategies. So it's important you closely follow your brand's **reputation online** by monitoring and responding to reviews, tagged photos, blog posts, and other social media interactions.

Why is it important?

- **68% trust online opinions from other consumers**, which is up 7% from 2007 and places online opinions as the third most trusted source of product information. [Nielsen]
- 88% of people trust online reviews written by other consumers as much as they trust recommendations from personal contacts. [BrightLocal]
- **72% say reading a positive customer reviews increase their trust** in a business; it takes, on average, 2-6 reviews to get 56% of them to this point. [BrightLocal]



Online reviews are one of the most important – but often overlooked – element of any local business' marketing program. Quite simply: if your reputation is important (duh!), ignore reviews at your peril.

Online reviews have changed the face of online marketing. Reviews bridge the gap between word-of-mouth and the viral form of feedback that can make you (or break you). A well-thought strategy will help you develop active, positive participation among your customers while increasing brand awareness and long-term profitability.

When customers are shopping at your store, encourage them (or incentivize them) to review your business. A little bit of effort (and training) pays serious dividends; customers feel heard, and prospective customers get to see all your great reviews, thereby encouraging them to shop with you.

