

## What is CBD?



- Cannabidiol, aka CBD, is derived from the hemp plant
- Contains 0.3% or less of THC, the compound in cannabis that produces a high
- Purported health benefits include everything from pain and anxiety relief to cancer-fighting properties

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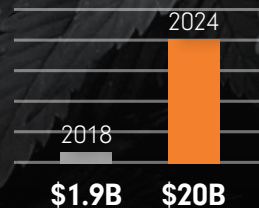
## What does the market look like?



- The FDA has yet to approve any CBD products, but interest has been rising since the Farm Bill legalized hemp production in 2018
- CBD consumer sales estimated to reach \$20B by 2024\*
- CAGR: 49% compared to \$1.9B in 2018

\*Source: BDS Analytics

### CBD consumer sales



## What are consumers' reasons for buying?



### Top reasons for use vary by demographic



#### Millennials:

Anxiety and general wellness



#### Older generations:

Pain and sleep issues



11% of **pet owners** give their pets CBD products for anxiety, general wellness and pain relief

## What products are most popular?



### Formulations run the gamut, from tinctures to skin care to snacks

- Balms (43%) and lotions (35%) are the top topical formulations\*
- Soft gels/capsules (37%) and gummies (32%) are the top edible formulations\*
- Oil droppers (27%) and chews (25%) are the preferred products among pet owners

\*percent of CBD users that purchased in past 6 months

### Top 2 product formulations:

37% capsules  
43% balms

## What are the barriers to purchase?



- Price is the biggest barrier for nonusers who are open to trying CBD oil
- 34% of those surveyed say they are interested in learning more about CBD
- Lack of trust in product claims is the most common barrier among consumers not open to trying CBD

34%

of consumers want to learn more