

Cannabis retailing: Setting the bar



Success in the customer-centricity pillar will require regulators to think more like retailers: defining and creating engaging customer experiences, drawing on best practices from the emerging cannabis industry and from parallel categories—alcohol, fashion, luxury, cosmetics, technology—across both e-commerce and bricks-and-mortar models.

The key to sustained success for the recreational cannabis industry will be in finding the right balance between the three pillars of **public health, public safety, and customer-centricity.**



Why now?

Today's consumers are empowered. Service, quality, and expertise are expected for an engaging customer experience, which sets a high bar for the cannabis industry.

In response, regulations must enable retailers to create similarly engaging customer experiences to help ensure the cannabis industry can meet customer expectations and effectively erode the illicit market.

Deloitte's approach



Policy and regulation

Bring together expertise from justice, public health, social services, children and youth, economic development, and licensing to guide policy development.



Consumer analytics

Develop a deep understanding of cannabis consumers' lifestyle segments to help deliver an integrated omnichannel experience, and to help distribution boards pursue insight-driven approaches to optimizing digital and physical assets as well as the overall customer experience.



Retail strategy

Use human-centred design, innovation expertise, and rapid prototyping across the consumer's path to purchase to create engaging customer experience models.



Distribution and supply chain

Bridge from strategy to operational implementation through effective direct-to-consumer or wholesale delivery systems, while taking into account the full cost to serve consumers and optimizing the cannabis supply chain to manage overall costs.

Delivering customer-centricity



Journey mapping

Use best practices to uncover moments of truth along the path to purchase—from discovery to last-mile delivery.



Segmentation

Develop customer profiles across socio-demographic and lifestyle attributes to ensure a strong understanding of purchasing behaviours, usage occasions, and motivations to support strategic choices.



Engagement index

Implement robust measurement, monitoring, and analytics. This drives critical investments that enhance the customer experience across the buying journey.



Assortment strategy

Develop a strategic, data-driven approach to establish, maintain, and evaluate the performance of the overall assortment, as well as metrics for each product line, to propel success.



Rob Patridge
Global Cannabis Expert
Policy and Regulation
rpatridge@deloitte.com
541-601-6048



Jennifer Lee
National Cannabis Leader
Retail and Consumer Analytics
jenniferlee@deloitte.ca
416-806-7063



Andrea Ng
Cannabis Retail Lead
Retail and Consumer Analytics
andreang@deloitte.ca
647-224-8903