

Cannabis consumer research:

How people feel about the dispensary shopping experience

Research & analysis from Seed Technology

Introduction

According to [Cannabiz Media](#), there are nearly 14,000 licensed dispensaries across North America. It's a \$25 billion dollar industry, and growing rapidly.

This means there are millions of people who shop in dispensaries.

But to our knowledge, no one has ever asked them how they feel about the dispensary shopping experience. What they like and dislike about buying cannabis in legal stores. What types of menus they prefer. Or how they want to pay for their products.

This survey set out to start answering those very questions.

But first, a disclaimer. This was a preliminary survey, intending to capture opinions and preferences of a small group of cannabis consumers. Results are not statistically significant — read more in the Methodology section — but do paint a picture of the current state of cannabis retail and the way forward.

Let's dive into the results.

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Theme 1 – Most customers enjoy shopping at dispensaries

When asked to rate their most recent shopping experience on a scale from 1-5 (with 1 being terrible and 5 being amazing), the average response was 4.37 stars.

Here's the breakdown:

- 49% gave 5 stars
- 39% gave 4 stars
- 12% gave 3 stars

Shoppers were generally happy with the dispensary experience. This means that dispensaries are meeting or exceeding their expectations.

When asked what, specifically, they enjoyed about the experience, shoppers overwhelmingly mentioned service, including friendly, knowledgeable budtenders. But they also talked about product selection. Here are the other words they used:

What do you enjoy about the dispensary shopping experience?



On the flip side, when asked what, specifically, they enjoyed least about the shopping experience, many said “nothing” (meaning they didn’t have anything that they didn’t like). The other themes included wait times, budtenders, product selection, and taxes.

What do you dislike about the dispensary shopping experience?



Takeaway: Most dispensary customers like the experience, but your staff and product selection is either the reason they love you, or the reason they hate you.

Theme 2 – In-store experience and technology matter

With the rapid addition of new markets over the past few years, we've seen a shift toward modern design. Where we used to have barred windows and dark bud rooms, we now have natural light, elegant displays, and fresh color palettes.

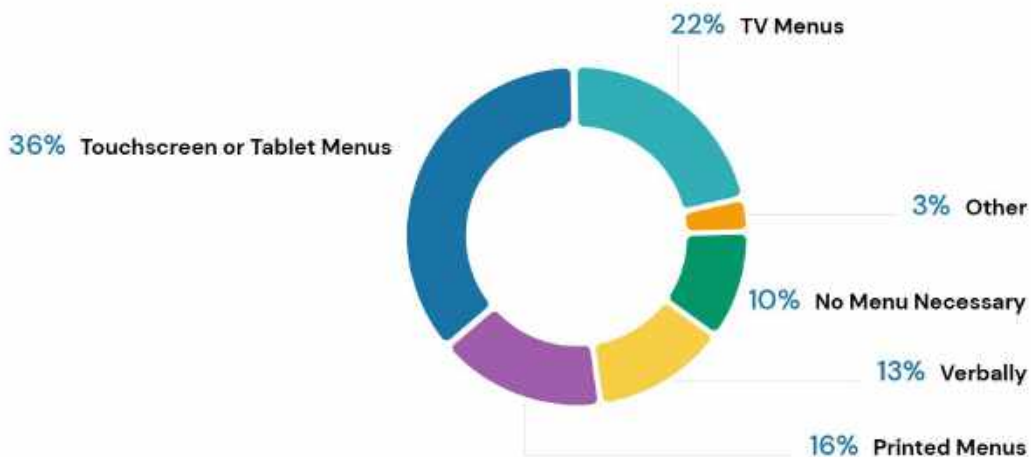
With this modernization comes technological advancement. Other industries – restaurants, retail, grocery – have fully adopted digital solutions, while cannabis is just getting started.

But is it what your dispensary customers want? Turns out the answer is yes.

Digital menus

When asked how they prefer to see a dispensary's product list, 58% said digitally. That includes TV menus, tablet menus, or an interactive touchscreen-style menu.

How do you prefer to see a dispensary's product list?



The remaining? 16% said printed menus, 13% said verbally, and 10% know what they want and don't need a menu at all.

Note: Respondents could select all options that apply, and most selected several. The takeaway is that customers generally want multiple avenues to get the information they need. Many people prefer a combination of digital (TVs, tablets, etc.) and analog (print, verbal, etc.) menus.

Self-serve kiosks

When asked if they'd use self-ordering kiosks if available, an overwhelming 75% said yes.

If a dispensary offered in-store self ordering kiosks, would you use that technology?



Those who would use kiosks mentioned these themes as the reasoning:

- Quick / easy / more efficient
- Easier / faster when I already know what I want
- I can browse on my own / enjoy not having to interact with people
- Able to see all products / sort by preferences

This person's open-ended response summed up the majority of respondents' comments: *"As long as I know what I want, I would love the efficiency of self checkout. If I need recommendations, I would prefer to talk to a budtender."*

Those who said no to using a kiosk mentioned these themes as the reasoning:

- Prefer to talk to budtender / ask questions / learn about products / hear suggestions
- Prefer to order online from home – If not ordering ahead, prefer to deal with a person
- Want to see the actual product I'm purchasing

These responses highlight that consumers currently think of self-service as an ordering tool only, not as an additional way to learn about products and get recommendations.

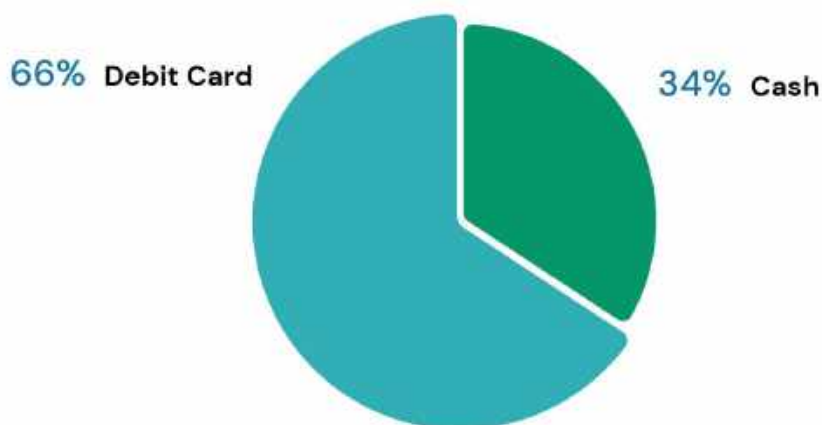
When looking a little deeper, those who said no to kiosks were also more likely to prefer paying with cash. Does age matter? It does. Those aged 45–54 and 65–74 were less likely to prefer the more tech-forward ways of shopping. Also not surprisingly, those 25–34 and 35–44 were more likely to prefer debit cards and kiosks.

Takeaway: Customers care about your in-store experience, and the technology involved, but have different preferences. To satisfy all types of shoppers, provide options in your dispensary — like kiosks for those who want them, and budtenders for those who don't.

Theme 3 – Dispensary shoppers prefer non-cash payments

When asked about their preferred way to pay at dispensaries, 66% said debit card and 34% said cash.

What is your preferred method of payment at a dispensary?



The caveat: Based on the open-ended question of why they chose the payment method they did, it's clear that the card vs. cash percentages aren't exactly accurate. Many people chose cash but then noted that it's because their local stores (or market) don't allow debit. This means that the debit percentage would actually be higher if everyone responded with how they'd actually prefer to pay, not just with what methods are available to them.

Regardless, people still prefer to pay with debit.

But interestingly, the reason behind both payment options is the same. People on both sides said their reason was "to avoid fees". And people on both sides said because it's "easier".

Here's why people said they chose debit:

- Don't like using ATMs / ATM & bank fees
- Waste time going to bank / ATM
- Never have cash / Don't know how much cash to bring
- Easier to use card / Always have it with
- Safer than carrying cash
- Easier to track expenses

Here's why people said they chose cash:

- Easy
- Helps control how much they spend at dispensaries
- Privacy
- Fewer fees
- Always accepted / Reliable form of payment

A third option, ACH, was offered, but 0% of people selected it. That could be because few stores offer it, or because it's called something else and consumers don't know what ACH means or how it works.

Takeaway: You need to offer both cash and compliant debit to satisfy all shoppers.

Theme 4 – Prices and deals influence loyalty

When asked about the biggest indicator of whether they'd visit a dispensary again, 20% of respondents said prices.

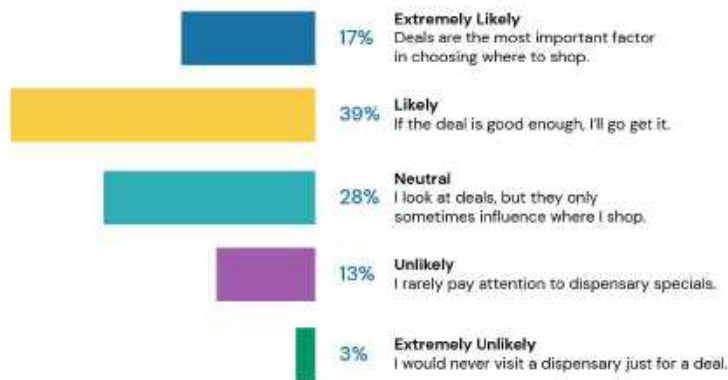
Which is the biggest indicator of whether you'll visit a dispensary again?



Not surprisingly, demographics play a role here. Younger respondents were more likely to prioritize cost, as well as those with lower income. In this survey, males also skewed higher.

Then, we asked about the likelihood of visiting dispensaries solely because of promos, specials, or discounts, 56% said they were likely or extremely likely. Another 28% said neutral, as in they pay attention to deals, but they only sometimes influence where they shop. Only 16% responded that deals don't matter to them.

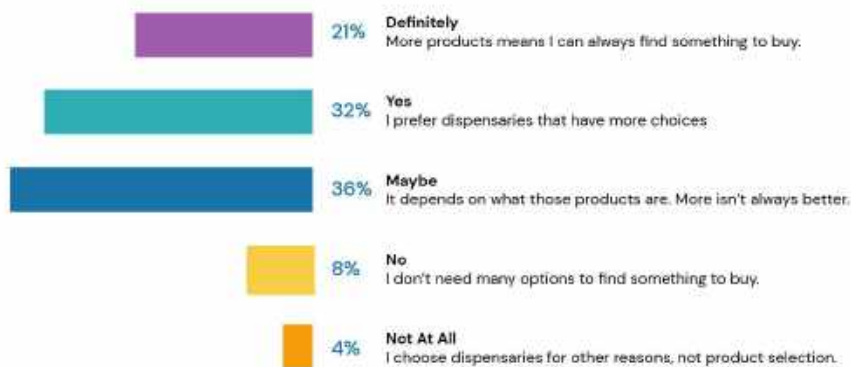
How likely are you to visit a dispensary solely because of their promotions, specials, or discounts?



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What else influences whether shoppers will return? Your staff, location, and product selection. When specifically asked about selection, a whopping 89% said product variety influences their decision to shop at a dispensary.

Does product variety influence your decision to shop at a dispensary?



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Takeaway: Price and deals are important to most shoppers. Consider smart ways to offer promos that protect your margins, while appealing to cost-conscious shoppers.

About the respondents

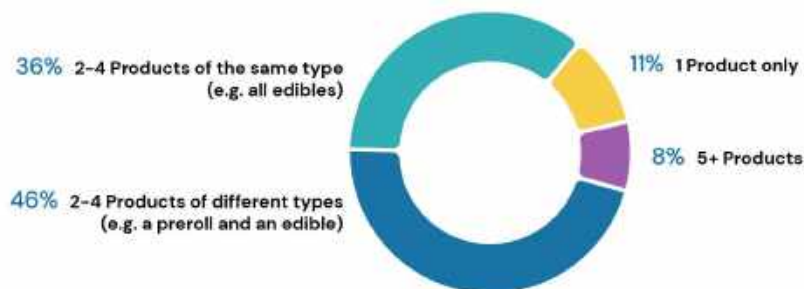
They shop regularly: 84% claimed to purchase from a legal dispensary at least monthly.

How often, on average, do you shop at dispensaries?



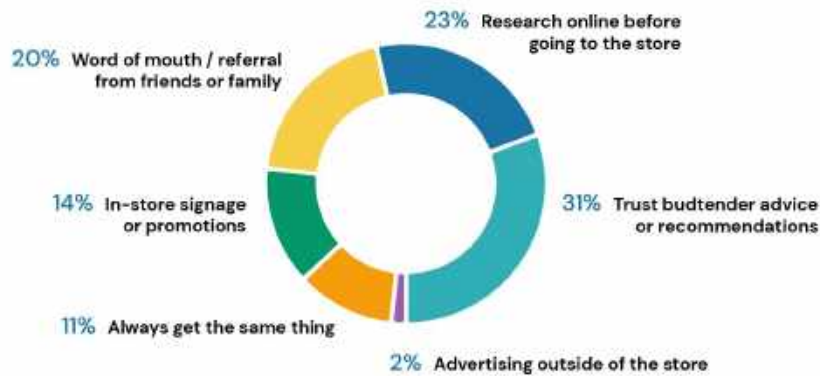
And most buy 2-4 products per transaction: 36% said 2-4 products from the same category (i.e. all flower or all edibles) and 46% 2-4 products from different categories (i.e. an edible and a pre-roll).

How many products do you typically buy per dispensary visit?



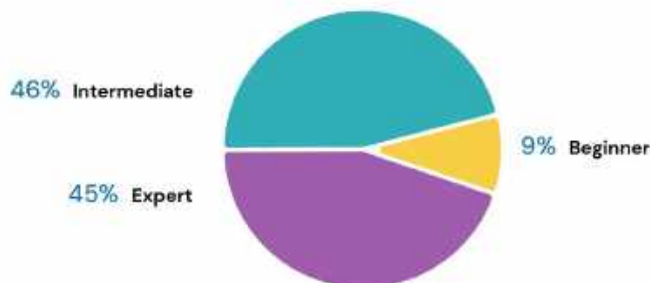
They learn about cannabis products from various sources. The majority (31%) said they trust budtender recommendations. The second highest answer was researching online before going to the store. Third was word of mouth or referrals from friends or family.

How do you decide what products to purchase at a dispensary?



They are knowledgeable. 46% of respondents labeled themselves as intermediate and 45% said they had expert levels of cannabis experience or knowledge.

How would you rate your level of knowledge about cannabis products?



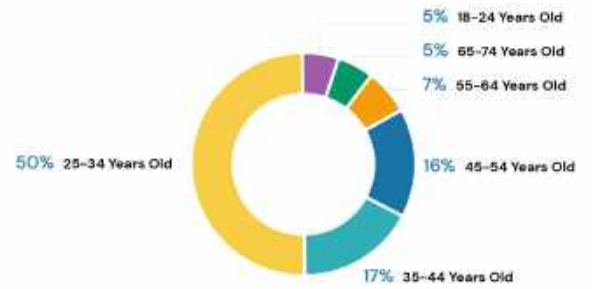
Demographics

What state were you in?



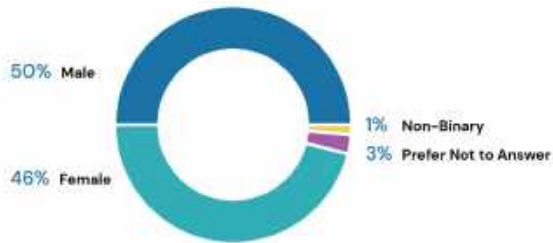
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What is your age range?



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What is your gender?



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What is your annual income?



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Methodology

This survey was intended as a preliminary look into consumer attitudes toward the dispensary shopping experience to determine whether a full-scale survey is warranted.

Our hypothesis was that dispensary shoppers are generally satisfied with the experience, but that there are areas for improvement.

The results supported the hypothesis, and we did gather insights into consumers preferences and attitudes. However, difficulty in getting consumers to respond was a limitation of these results and would potentially make a full-scale survey difficult.

Process:

- The survey was built and tested with input from partner companies.
- The survey was distributed via email, social media, and direct messages.
- Responses were captured via online survey from September 15–October 15, 2022.
- Analysis was conducted in December 2022.
- The total count of included surveys responses was 106.

Limitations:

1. The sample size was very small — even smaller than anticipated for this preliminary survey. With an estimated 3.5 million cannabis users in the U.S., this survey is not statistically significant and shall not be read as such.
2. Distribution proved difficult. Whether from stigma, lack of interest in research such as this, or other factors, people were unwilling to share the survey with their networks. People were willing to take the survey when asked directly, but when asked to share to help amplify the reach, nearly all were unwilling. If another survey were to be undertaken, this challenge would need to be resolved through more direct contact with willing consumers.
3. An online survey, distributed as it was, likely reached the most discerning, experienced, and vocal consumers. More casual or inexperienced consumers would need to be included to get a full understanding of the consumer landscape.

Conclusion

Cannabis consumers have opinions about the dispensary shopping experience. But the good news is they generally are satisfied.

Here's a recap of the findings of this survey:

Theme 1 – Most customers enjoy shopping at dispensaries

- Takeaway: Most dispensary customers like the experience, but your staff and product selection is either the reason they love you, or the reason they hate you.

Theme 2 – In-store experience and technology matter

- Takeaway: Customers care about your in-store experience, and the technology involved, but have different preferences. To satisfy all types of shoppers, provide options in your dispensary – like kiosks for those who want them, and budtenders for those who don't.

Theme 3 – Dispensary shoppers prefer non-cash payments

- Takeaway: You need to offer both cash and compliant debit to satisfy all shoppers.

Theme 4 – Prices and deals influence loyalty

- Takeaway: Price and deals are important to most shoppers. Consider smart ways to offer promos that protect your margins, while appealing to cost-conscious shoppers.

To learn more about Seed Technology and our in-store digital engagement platform, including TV menus, interactive solutions, and self-service ordering, visit getseed.io.

Cannabis brands and retailers! If you're interested in partnering on a full-scale consumer survey in 2023, contact Amber Erickson, Head of Marketing at Seed: amber@getseed.io