



Business Operations Case Study

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Cannabis Industry Trends

Dramatic uptick in demand and supply due to the favorably changing regulatory and legal landscape of US states. While there are many players in the market, creating an end-to-end comprehensive solution will differentiate competitors going forward and allow for capturing diverse market and trends.



Diversified revenue streams and end-users – focus on platform functionality and tailoring to different users

Able to tailor products to diverse use-cases and markets: oils/ buds for recreation, CBD/ beauty products for the health conscious, and medical grade for Medical users - all with different spend rates, price tolerance, and uses



Changing customer behavior due to lifestyle changes, COVID, and increase in use – maximize delivery and platform resources

Focus on delivery to reduce in-person store visits, accommodate higher transaction rates, take advantage of increase in recreational users and product preference changes (edibles > oils and vaporizers in COVID)



Small business profitability – WM B2B solution can drive impactful change in conjunction with B2B marketplace

Comprehensive support solution to promote economies of scale and efficiencies that are key to driving down costs and hitting target market



Marijuana legalization and decriminalization across the US

New markets with huge growth potential due to access to new user base, but with a lack of retailers and uncertainty about consumer behavior. Highlights need to scale and deliver to enter market swiftly. Aligns with all components of WM business.



CBD trends continue - capitalize on trends through all business segments

Incorporation of CBD into food, beauty products and supplements due to increased popularity of health and fitness market expanding beyond traditional use.

Business Lines Overview

Maintaining position as leading technology and software infrastructure provider to the cannabis industry through diversified business lines and revenue streams

Delivery Platform	Advertising	WM Exchange (B2B)	SaaS Product Suite
<ul style="list-style-type: none">Consumer facing - www.weedmaps.com platform in addition to Android / iOS apps where consumers place orders with dispensaries for delivery in certain marketsPlatforms also connect consumers to a wide array of cannabis information from educational materials to product details and in-person retailer locations	<ul style="list-style-type: none">Consumers come to site for different reasons - to place orders, connect with retailers, be educated about laws and cannabis topics through educational resources, learn about cannabis products and offerings. Leads to ability to segment and tailor to targetsUtilize data capabilities and technologies to push value add advertising schemes to consumers for dispensaries and brands of all sizes	<ul style="list-style-type: none">B2B buy and sell process for cannabis wholesaleConnects licensed buyers and sellers including brands and retailersSolution promotes streamlined operations and business growth with no access subscription fee	<ul style="list-style-type: none">Allows retailers/dispensaries to leverage data and use tools to operate more smoothlyProduct suite includes point of sale, logistics, wholesale and ordering solutions

Revenue Insights and Considerations

<ul style="list-style-type: none">Maximize retailers on platform to offer diverse choice to consumers and be in geographic proximity to larger consumer baseUse data capabilities and a dynamic hosting fee structure in order to match certain retailers with their target market	<ul style="list-style-type: none">Incentivize longer-term advertising and promotional schemesEncourage more clients to advertise across the boardOptimize WeedMaps.com SEO to bring more consumers onto website and convert engagement into sales transactions	<ul style="list-style-type: none">Incentive more brands and retailers to the exchange in order to provide diverse choice to retailers and base to brandsFocus on smaller retailers for cost efficiencies and on exclusive partnerships with best brands in order to create exclusivity	<ul style="list-style-type: none">Convert as many small retailers to SaaS product as possible and continue to focus on providing end-to-end solutionTarget larger scale clients with data management platform that works in conjunction with their internal structure & capabilities
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Strategic Focus Areas

Emphasis on capturing total market with goal of being a comprehensive end-to-end platform for retailers and differentiating user experiences to capture diverse customer base and use cases

WM Small Business Solutions - *Combining SaaS product, data-analysis, advertising, and B2B*

1. Group products under tiered fee structure targeted at independent retailers (largest %), especially those in growing markets.
2. Mitigates barrier to entry in new markets: providing the infrastructure, product, and tools they need to start up their business, operate efficiently, and capture target market



WeedMaps x Health – *a new type of recreational user and capitalizing on continued CBD trends*

1. Tap into health-conscious and beauty markets through tailored product with e-commerce-like user experience and branded collaboration (e.g. Goop, Local Restaurants, Big Brands)
2. Expand into new products (e.g. beauty, food, supplements) to focus on diversification and meet needs of different use-case customers

The WebMD of Cannabis – *full-service platform for medical marijuana users*

1. Connect consumers with Medical professionals on platform
2. Targeted information with a medical educational focus and written by medical professionals
3. Create simplified experience for medical-only users

