

East World

4 Ways Cannabis Markets on the East Coast will be Different

By Kent Bridgeman

Recently, New Jersey became the first state in the mid-Atlantic area to decriminalize Recreational cannabis use. New York seems to be next in line to decriminalize (depending on how the recent scandals involving Governor Cuomo play out). Many other states in the region are scrambling to keep up.

But New Jersey, New York, and the others are no Colorado. How will the East Coast markets be different from the existing Western and Midwestern markets?

Here are a few key differentiators:

Consumer Familiarity

In a recent [article](#) in Rolling Stone, Rosie Mattio wrote, "Unlike the first markets that came online, the majority of East Coast recreational consumers have been watching the industry develop from afar and are already familiar with cannabis' various applications."

Consumers in the east don't seem to be shy about crossing state lines to partake. Washington D.C. has been an island of decriminalized Cannabis since 2014. And a short trip up the coast to fully legal states Vermont, Massachusetts, or Maine is an easy weekend trip.

The point being - easterners already know the ropes of weed and will be much more sophisticated than consumers in markets that previously came online and had little exposure to dispensaries.

Population Density

According to [Weed Week](#), "Before Covid, the governors of New York, New Jersey, and Connecticut discussed coordinating a regional approach to legalization, though their momentum seems to have dissipated with the pandemic."

Due to the population density of the eastern seaboard cities, legal discrepancies across state lines could cause widespread confusion and law enforcement conflicts. Extradition fights across state lines are foreseeable.

State licenses will be limited

From [Weed Week](#), "Though the law limits the state to 37 cultivation licenses, including the existing MED operators awarded cultivation licenses in the REC market, much of the rest of the licensing structure will be determined by the forthcoming regulations. (The 37 cap doesn't include microbusinesses.)"

This means the rollout of the recreation markets could be slow going, at least at first. Some estimates say that the first recreational dispensaries in New Jersey won't open until a year from now.

Branding will be king of the east

"When conversations around cannabis shift from cultivation to CPG, branding and brand differentiation takes center stage," wrote Mattio in her Rolling Stone article. "In 2021, weed isn't just weed anymore – it's a lifestyle product that millions of consumers use to showcase their personal identities."

In the east coast markets, it will no longer be enough to simply show up and hang a shingle with a pot leaf on it. Brands will have to become more sophisticated across the board - packaging, marketing, design, all will be highly scrutinized by the consumer. But there will be a unique opportunity to land lifelong customers.

What it all means

MSO, SSO's, vertically integrated companies, and brands will need to get much more sophisticated and tuned into their consumers. And fast. The novelty of Cannabis has worn off for experienced east coast consumers. Packaging, branding, marketing will all be paramount. Not to mention navigating the thick morass of licensing and conflicting laws.

Thankfully, Leaf Trade has been through this before. We've helped our clients grow and scale into heavily regulated markets before and we'll do it now in the east coast markets. Our Customer Success team is ready to talk you through this.

Get in touch (support@leaftrade.com) today to start planning.

