Cannabis + CRM: Leveraging the right platform to engage and retain loyal customers

November 21, 2022



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*Note: this is part two of a content series on WM CRM. To read Part 1, **click here**.*

We previously wrote about the importance of having the right CRM tool in place for your cannabis business, as well as the first challenge most business owners and operators face when looking to implement a CRM tool: budget constraints.

After Budget Constraints, there are four additional marketing challenges that many cannabis businesses experience today: Staffing Constraints; Regulatory Limitations; Tracking KPIs; and Understanding ROI. Here, we'll take a look at each of these challenges and some of the ways WM CRM provides industry-specific solutions.

Staffing Constraints

In 2022, staffing issues have plagued nearly every industry -- but especially those with in-person staffing needs. Cannabis has been no different in this regard, with staffing issues at all levels of the industry -- from **harvesting** the plant all the way to budtenders, a role that -- according to a recent **Headset report** -- has a more than 54% turnover rate after just one year. Data aside, how can a CRM system benefit your business when it comes to staffing?

To put it simply, having the right technology solution helps streamline your business and create greater business efficiencies -- especially at the beginning. While you will inevitably need to hire again after the business doors open, having a system that is easy to use will help your employees (new and existing) better understand the nature of your business and the importance of tracking every transaction. You might still be short-staffed, but if you choose the right CRM tool, at least you'll be able to track your busiest store hours and determine where full or part time help may be needed.

Regulatory Limitations

Ten years ago, **Colorado** legalized adult-use cannabis, and a decade later, **19 U.S. states and Washington D.C.** have recreational cannabis. However, each of those 19 states has created its own, state-specific regulations, causing complexity in an industry that will (eventually) become federally legal. While some may think cannabis will be regulated like alcohol, with states getting to create their own "blue" laws, issues like seed-to-sale requirements, and a lack of interstate commerce will likely prevent brand consistency across state lines. It's a burden on the burgeoning industry -- and we haven't even begun to talk about cannabis delivery.

When it comes to complying with state, city, county and city regulations, cannabis businesses are required to verify a number of things beyond just verifying they are of legal age. Businesses also have to account for taxes (again, state, and oftentimes local taxes) as well as tracking purchase quantities in order to enforce possession limits. Needless to say, compliance can be complex, and having the right technology, and specifically the right CRM tools, will help ensure business owners remain compliant and keep dispensary doors open for their customers.



Tracking KPIs

Key performance indicators (aka KPIs) are another key (pun intended) in running a successful business. Knowing your KPIs, and tracking them, is crucial to running the most successful and efficient business operation. KPIs help you make better decisions for your business, and are much easier to track with the right CRM tool integration. Having the right CRM software that can generate accurate and actionable reports will make you a much more savvy business owner, and will ultimately provide your customer with the ideal shopping experience. Whether it's tracking your customer acquisition cost, abandonment rate, or average order value, the right CRM tool will help take your business to the next level through optimization and clear-to-understand data points.

Understanding ROI

At the end of the day, investing in the right technology and CRM partner can truly be the winning factor to running a successful cannabis business. So much so, that a recent article from **Bloomberg Tax** noted that "a solid back-office operation ensures a company is not susceptible to fraud and has an accurate picture of cost per unit and cash flow." With cannabis, ROI is also directly tied to staying compliant and following regulatory requirements, as noted above. But knowing which capabilities you need to report in order to show both what's working, and what isn't, will help you make those critical business decisions that increase the return on your investment.

"When you're running a business -- especially as a small business owner -- you want to make every penny count, and don't have time to waste," said Jaret Christopher, Vice President and General Manager of CRM at Weedmaps. "Our job on the CRM team at Weedmaps is to help ensure client success with a technology partner that understands their business needs and is actively working to solve those needs. Through our WM CRM platform, cannabis business owners can effectively improve their reach, marketing needs, follow through, and leverage thanks to a comprehensive, best-in-class CRM platform."

*Are you a cannabis or cannabis adjacent business looking to learn more? Visit our **WM CRM** site here and a member of our sales team will be in touch soon.*