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CANNABIS MARKETINC

Challenges and the Path Forward

PRESENTED BY UNLV Cannabis Policy Institute and Strategies 64

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About the CPI

The Cannabis Policy Institute at the University of Nevada, Las Vegas is dedicated to the development and advancement of cannabis research, policy, and education. The institute engages with a range of stakeholders and community partners to develop effective approaches to cannabis policy, expand and coordinate educational opportunities, and support and promote research. The field of cannabis marketing is one area of significance within the cannabis industry that the CPI identified early on as in need of thoughtful attention.

CPI Research Director Marla Royne Stafford, PhD collaborated with Dan Smith of Strategies 64 for the creation of this report. With input from stakeholders, this report reviews the nuances of cannabis marketing, its challenges, and the path forward.

Director Riana Durrett

CPI Director Riana Durrett was appointed as director of the UNLV Cannabis Policy Institute in August 2023 where she enjoys the guidance of an advisory board as well as assistance from CPI Director of Research, Dr. Marla Royne Stafford. Durrett also serves as the vice chair of the Nevada Cannabis Compliance Board. Prior to her work with the CPI and CCB, Durrett served as the executive director of the Nevada Dispensary Association, where she established the association as the primary resource on best practices in Nevada's cannabis industry—developing the NDA into the primary regulatory and government affairs



voice for Nevada's cannabis industry. Durrett obtained a JD from William S. Boyd School of Law, as well as an LLM in Gaming Law and Regulation and is admitted to practice law in Nevada and California.

The Authors



Dan Smith is vice president of Strategies 64 (formerly VS Strategies). He is based in Boston, where he also serves of counsel at Vicente LLP. Dan focuses on high-level cannabis policy analysis, helping businesses, trade associations, nonprofits, and governments evaluate and shape cannabis laws and regulations across the U.S. and around the globe.



Marla Royne Stafford, PhD is Director of Research for the UNLV Cannabis Policy Institute. She is also Professor of Marketing in the Lee Business School and is an Associate Editor of the Journal of Cannabis Research. She has a Ph.D. from the Terry School of Business at the University of Georgia, and is an Elected Fellow of the American Academy of Advertising.



Strategies 64

Strategies 64 is a national consulting firm specializing in cannabis and psychedelics policy and the development of responsible legal markets. For over a decade, we have been shaping laws and regulations, informing public opinion, and guiding governments, industries, and other stakeholders through the transition from prohibition to regulation.

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4505 S. Maryland Parkway | Las Vegas, NV 89154 Visit us online at www.unlv.edu/president/initiatives/cannabis-policy-institute



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Executive Summary

Developing effective cannabis policy requires an intricate balance of public health and safety priorities, business efficiencies, and regulatory capacity. The challenges of achieving this equilibrium are particularly evident in the field of cannabis marketing, where efforts to reconcile critical goals like preventing youth consumption and supplanting the illicit market have resulted in confusing policies that may accomplish neither. Absent federal standards, states have taken a variety of approaches, often borrowing ideas from alcohol and tobacco and adding their own unique twists, resulting in extensive regulations that vary significantly from one state to the next. This state-by-state patchwork of laws and regulations makes doing business in multiple states complex and inefficient and is inherently not based upon best practices.

We interviewed several stakeholders with varying perspectives on cannabis marketing. Some common themes emerged, including:

- concern about marketing to youth and the general impacts of marketing on youth;
- acknowledgement of the challenges associated with regulating marketing, especially when it comes to addressing different subpopulations of youth (e.g., preventing unintentional ingestion by infants, compared to preventing intentional consumption by teenagers); and
- desire for more consistency in marketing rules across state markets.

Among the stakeholders we talked to, differences emerged mostly as a matter of priority. For instance, those responsible for running cannabis businesses are more concerned about compliance costs and a level playing field than child-protection advocates. But overall, there is considerable shared interest that can lead to compromises and progress. Policymakers and regulators must navigate this wide array of stakeholder perspectives to create good policy. Without cooperation and communication—both internally among these entities and externally with policymakers and regulators—governance of cannabis marketing will remain complex, incomplete, and potentially ineffective.

Codes of ethics and other non-binding provisions are common in similar industries and we are starting to see them emerge in the cannabis industry. While they serve as effective guardrails for responsible companies and are worth promoting, they lack substantial enforcement mechanisms for curtailing bad actors. A relatively standard set of cannabis marketing restrictions and guidelines that can be applied nationwide that protect youth, while also allowing businesses to operate and efficiently maintain compliance, is vital to the success of the cannabis industry. To avoid the problems experienced with alcohol and tobacco, cannabis stakeholder groups must come together to develop a code of ethics, responsible rules, and best practices that can serve as a model for jurisdictions throughout the country and around the world.

Stakeholder Feedback

During the drafting process, we spoke with several stakeholders to learn their thoughts and insight on cannabis marketing. These stakeholders comprised a diverse set of viewpoints, including those working as cannabis advocates, child-protection advocates, licensed cannabis operators at various levels of the supply chain, and public health researchers. Despite the various roles and perspectives, a few common themes emerged. For example, there is agreement that regulations should exist to limit marketing to youth. Different strategies and tactics may be needed to address the different subpopulations of young people. For instance, reducing the attractiveness of cannabis products to infants and young children at risk of accidental ingestion requires a completely different approach than reducing their attractiveness to teenagers who may consider using them intentionally. The variety of state regulatory systems are problematic because best practices and effective policies should be spread to all markets. Businesses are concerned about increased complexity and compliance costs while public health advocates emphasize adopting stricter restrictions in all markets. But they all share the goal of increased uniformity of state regulations.

"The variety of state regulatory systems are problematic because best practices and effective policies should be spread to all markets.,

Digging deeper, some differences of opinion began to appear across the stakeholders we interviewed. Some create room for compromise. For instance, we were told that bright colors should be limited as they could be attractive to young people; packaging should be restricted to black-and-white only—like Florida—to make it difficult for businesses to communicate their brand effectively.¹ This area seems ripe for compromise, but needs research. Other differences were more philosophical. Some emphasized the need for marketing to educate consumers and de-stigmatize the plant while others indicated more skepticism of education efforts within marketing materials and see education as a role solely for neutral parties. Many of the differences amounted to

1 Florida Administrative Code, Rule 64ER20-32(8)(a) (2020).

a difference of prioritization. Not surprisingly, those involved in the cannabis industry were more likely to emphasize the need to balance the needs of the businesses with public health priorities while child-protection advocates focused more on limiting marketing when it was attractive to children.

A number of critical issues were raised in these discussions. Some topics, such as embracing a cannabis equivalent of the "drink responsibly" messaging, included in alcohol advertisements, were about adapting existing frameworks to cannabis. Others, like discussions about sponsorship by influencers and increasing the security of online age-gating, were designed to address more modern issues not originally contemplated when the alcohol, tobacco, and gaming frameworks were developed. As always, cannabis presents its own issues not seen in other industries, as multiple interviewees discussed how to handle health claims, given cannabis is sold both for adult use and medical purposes. There were also discussions of ethical marketing, consumer protection, and sustainable packaging.

Promoting Responsible Cannabis Marketing

Many devoted individuals and groups, both in and out of the cannabis industry, are working on responsible cannabis marketing. Advocates continue to push child protection, academics are examining the most potentially effective policies, and responsible businesses are uniting to promote good policies. Advocates who are concerned about youth access and marketing that targets children are regularly present in state houses around the country. They have successfully driven many of the restrictions discussed below.

Recent research, though limited, seeks to adapt tools from alcohol and e-cigarette studies to identify elements in cannabis marketing that may appeal to teens.² Findings show that marketing featuring illustrations, multiple colors, animals, or action significantly boosts teen interest in cannabis products.³ Appeals focusing on positive sensations and psychoactive effects further heighten this interest. Notably, unlike alcohol and e-cigarette ads, cannabis ads that include product descriptions and composition details also tend to heighten teen interest, likely due to the novelty and unfamiliarity

² Padon, A. A., Maloney, E. K., & Cappella, J. N. (2017). Youth-targeted e-cigarette marketing in the US. Tobacco Regulatory Science, 3(1), 95–101. https://pmc.ncbi.nlm.nih.gov/articles/PMC5221880/; Padon, A. A., Rimal, R. N., Siegel, M., DeJong, W., Naimi, T. S., & Jernigan, D. H. (2018). Alcohol brand use of youth-appealing advertising and consumption by youth and adults. Journal of Public Health Research, 7(1), 1269. https://doi.org/10.4081/jphr.2018.1269
3 Padon, A. A., Ghahremani, D. G., Simard, B., Soroosh, A. J., & Silver, L. D. (2024). Characteristics and effects of cannabis advertisements with appeal to youth in California. Working Paper of the Prevention Policy Group, Public Health Institute, Oakland, CA, USA.

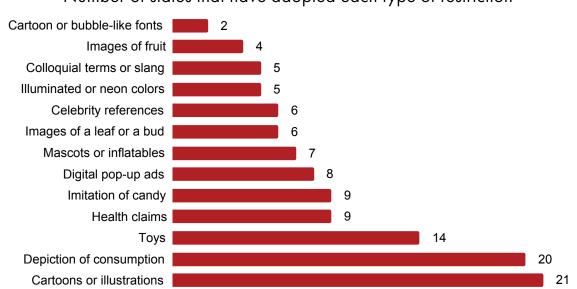
of regulated cannabis products. Research is ongoing and these efforts should inform all future efforts to regulate cannabis marketing.

These results suggest that youth-appealing content in cannabis marketing is measurable, which provides states with a stronger foundation for implementing clear and effective marketing regulations. Policymakers and stakeholders need to encourage and embrace such research and factor the findings into future rules and guidelines.

State Approaches Vary Greatly Despite Sharing the Goal of Limiting Youth Consumption

Policymakers have a better understanding of marketing's impacts today than they did when the alcohol and tobacco industries were emerging. There is greater awareness of the practices used to entice consumers, particularly those that may appeal to youth audiences, and there is universal agreement that guardrails are needed. When governing legal cannabis markets, legislators and regulators often cite prevention of advertising and marketing to kids as a top priority.

So, it comes as little surprise that every state with legalized and regulated cannabis has enacted restrictions on marketing activities by cannabis companies. Their approaches vary, however, and even those measures that are commonplace, such as prohibiting cartoons on packaging and limiting advertising to specific audiences, differ from one state to another.⁴



Commonly Prohibited Cannabis Marketing Practices Number of states that have adopted each type of restriction

⁴ Based on state laws and regulations as of August 1, 2024.

The regulations on packaging are illustrative of how varied these state rules can be. States have taken many different approaches despite sharing the same goal of making products less attractive to children. In New Jersey, packaging must be a single color, but logos and symbols may be different colors.⁵ In Missouri, packaging must be one primary color, but companies are allowed up to two logos or symbols that are a different color.⁶ Connecticut has different rules for different product types, where edible products must be in black and white packaging with logos in black only and other products cannot use more than one color on the package, except for logos, which can use up to three colors.⁷ This sort of variation creates unnecessary confusion and complexity that could be eliminated if a common best practice on packaging existed that all states could follow.

One of the most common provisions borrowed from the alcohol industry is the limitation of cannabis advertisements to places where at least a certain percentage of the audience is reasonably expected to be 21 years of age or older. Current alcohol advertising guidelines limit advertisements to places where at least 73.8% of the audience is 21 or older.⁸ When applying this practice to cannabis, different states have chosen different thresholds. Many states defaulted to thresholds roughly equivalent to alcohol, which is based on the percentage of US residents who are 21 or older. Public health advocates and professionals pushed for a threshold of at least 85%, which is more common in the northeast of the country.

State Audience Composition Requirements⁹

NUMBER OF STATES	% OF AUDIENCE AGE 21+
9	70%
3	71.6%
5	85%
2	90%

Number of states that have adopted each requirement

Some states even vary audience composition by medium. For example, New Jersey established a stricter audience composition requirement for event sponsorships (80%) versus other advertis-

5 New Jersey Administrative Code, Title 17, Section 30-16.2(f)(1) (2024).

6 Missouri Code of State Regulations, Title 19, Section 100-1.120 (2023)

7 Connecticut General Statutes, Sections 21a-421j(b)(17)-(18) (2024)

9 Based on state laws and regulations as of August 1, 2024.

⁸ Distilled Spirits Council of the United States. (2023). Code of responsible practices. <u>https://www.distilledspirits.org/wp-content/uploads/2023/06/DISCUS_CodeofResponsiblePractices_2023.pdf</u>

ing mediums (71.6%).¹⁰ In Alaska, only event sponsorships must abide by audience composition requirements.¹¹ In New Mexico, businesses can only advertise through print and digital mediums if at least 70% of the audience are 21 or older. However, advertisements through radio and television do not need to meet audience composition requirements and are allowed if solicited by individuals 21 or older, or are through a subscription-based radio or television medium.¹² States continue to build on these complexities to account for new advertising mediums, such as digital advertising. In other cases, states seek to adopt new methodologies to gauge audience composition. For example, cannabis regulators in New York proposed replacing their existing audience composition requirement of 90% with a less strict policy that the audience is comprised of a proportion of individuals aged 21 and older that exceeds the state's population that is 21 and older.¹³

Such audience composition regulations may also be less relevant today, given the proliferation of social media and online advertising. These policy interventions were developed at a time when media was mostly confined to television, radio, and print. In our stakeholder discussions, child protection advocates noted that social media influencers are a major concern these days and this type of marketing requires a different framework for regulations than those developed decades ago. As the marketing environment evolves, marketing regulations must evolve with it. Modern digital advertising practices like geo-fencing and demographic targeting may offer more nuanced tools for policymakers to use. Thus far, we have not seen many states address these modern approaches.

In many cases, marketing prohibitions are also extremely vague, raising a wide array of questions. For example, is a round, orange edible an allowable colored shape or a prohibited representation of a fruit? Some simple directions, like Massachusetts requiring packaging to be "plain in design," can lead to considerable debate and require constant regulator attention.¹⁴ This lack of clarity is frustrating for operators and time-consuming for regulators. Clearer standards would help businesses and regulators.

Regulatory Complexity Increases Costs for Businesses

The large number and wide variety of marketing regulations across the states creates compliance complications and drives up costs for cannabis businesses, especially multi-state operators. Colors, images, and graphics allowed on packaging in one state may be prohibited in a neighbor-

¹⁰ New Jersey Administrative Code, Title 17, Section 30-17.2 (2023).

¹¹ Alaska Administrative Code, Title 3, Section 306.770(j) (2023).

¹² New Mexico Administrative Code, Title 16, Section 8.3.8(A)(2) and (B)(1) (2022).

¹³ New York State Cannabis Control Board. (2024). Proposed amendments to Parts 128 and 129: Adult-use packaging, labeling, marketing, advertising, and laboratory testing, Section 129.2(G).

¹⁴ Massachusetts General Laws, Part I, Title XV, Chapter 94G, Section 4 (2022).

ing state. The differences are so drastic that companies may need to design completely different marketing strategies and campaigns in each state they operate. For instance, while several states require warnings on advertising, Connecticut requires that the warning takes up at least 10% of the advertisement space.¹⁵ Some states, like Florida, Pennsylvania, and Vermont, require certain materials to be preapproved by regulators.¹⁶ Vermont commits to a 10-day turnaround time on these decisions, but that time can stretch to a month or more in other states. Increases in staffing and other resources necessary to ensure compliance drives up the costs of goods for consumers.

State-regulated cannabis companies typically strive to be good corporate citizens and share the public's interest in protecting youth and other public safety goals. They are closely aligned with public interest advocacy campaigns that created the legal markets in which they operate, and they have a compelling business interest in maintaining individual and collective compliance. They target legal adult and medical consumers, spend significantly to ensure compliance with state regulations, and develop their own ethical guidelines and education campaigns. Their interest in reducing unnecessary regulatory burdens is driven by their need to improve efficiency and remain competitive. The complexity seen between states and within single states drives up costs and often is not a proven or accepted best practice for reducing youth consumption.

"State-regulated cannabis companies typically strive to be good corporate citizens and share the public's interest in protecting youth and other public safety goals. "

Businesses Also Face Competition From Less Regulated Competitors

Further complicating things for cannabis businesses, they face direct competition from illicit market actors and hemp-derived intoxicating products, neither of which face the same level of marketing regulation and enforcement. While illegal operators and dealers engage in less overt marketing, the activities they do undertake are unregulated, often occurring online, in social media, without regard for exposure to minors. Marketing by hemp companies is regulated in some states, but 15 Connecticut General Statutes, Section 21a-421bb(13)(B) (2024).

¹⁶ Florida Statutes § 381.986 (2024); 28 Pennsylvania Code § 1141a.50 (2024); Vermont Statutes Annotated, tit. 7, § 864(e) (2024).

typically in a less restrictive manner than cannabis. This creates a significant amount of cannabis marketing materials and product packaging aimed at or accessible to minors, even if they are successfully shielded from all marketing by state-legal cannabis businesses. These materials often create stakeholder confusion when state-regulated businesses are blamed for materials from unregulated businesses or bad actors in the media or by policymakers.



Figure 1. Image of a "Cookie Cat Crunch" package resembling a popular cookie brand's design. The packaging includes vibrant colors, cartoonish illustrations, and the product name.

U.S. Food and Drug Administration. (2024, July 16). FDA, FTC continue joint effort to protect consumers against companies illegally selling copycat delta-8 THC food products. U.S. Department of Health and Human Services. Retrieved from https://www.fda.gov/news-events/press-announcements/fda-ftc-continue-joint-effort-protect-consumers-against-companies-illegally-selling-copycat-delta-8



Figure 2. Advertisement for Delta-8 outside the Katra Gala tobacco shop in Richmond, featuring promotional signage with vibrant colors and product information.

Paviour, B. (2021, September 1). With legal weed hard to buy in Virginia, delta-8 fills the void. VPM. Retrieved from https:// www.vpm.org/news/2021-09-01/with-legal-weed-hard-tobuy-in-virginia-delta-8-fills-the-void

More than lack of regulation, a lack of enforcement may be the biggest advantage for companies making intoxicating hemp products. There has been no federal limitation or enforcement on hemp marketing. Some states have set up regulatory structures to limit certain marketing practices, but they have been unable to stop the online sale of intoxicating, hemp-derived products within their borders. Even states that have taken proactive steps to stop the sale of hemp-derived intoxicating products, such as Colorado, have been unsuccessful in stopping the sale or marketing of such products over the internet. Colorado prohibits such sales and has funded positions in the state's Attorney General's Office to combat the practice, yet any Colorado resident can go online to purchase products that will be mailed to them, with very little risk of enforcement.

Efforts to Self-regulate Through Codes of Ethics

One critical tool to maintain standards in an industry is a marketing code of ethics. Such a code provides a basis for companies to follow to help formulate appropriate and acceptable marketing and advertising strategies. These ethical codes generally offer "social contracts among members of a professional group, which aim to instigate, encourage and nurture ethical behavior and prevent professional misconduct, including research and publication."¹⁷

While codes of ethics or standards exist in many industries across a wide range of products, including non-controversial products, these codes become even more important when the good or the service itself possesses some questionable or potentially addictive properties. They are used in similar industries, like gaming and alcohol, and they are starting to emerge in a meaningful way in the cannabis space.

Gaming

The gaming industry is heavily regulated at the federal, state, and even local levels, but the industry is guided ethically by the American Gaming Association (AGA) who, since 1996, has provided a "Responsible Gaming Code of Conduct" for its member companies.¹⁸ With the legalization of sports betting, the AGA subsequently developed a separate code, "Responsible Marketing Code of Conduct for Sports Wagering," to ensure ethical practices specifically for marketing sports betting.¹⁹

The code of ethics covers a range of topics related to ethical practices, with a strong emphasis throughout the code on ensuring only patrons of legal age are targeted. Self-exclusion also figures prominently in the code based on the need for the industry to promote responsible gambling. Interestingly, the AGA code also includes a section on serving alcohol to gamblers, due to the

¹⁷ Komić, D., Marušić, S. L., & Marušić, A. (2015). Research integrity and research ethics in professional codes of ethics: Survey of terminology used by professional organizations across research disciplines. PLOS ONE, 10(7), e0133662. https://doi.org/10.1371/journal.pone.0133662

¹⁸ American Gaming Association. (2020). Responsible gaming code of conduct. <u>https://www.americangaming.org/wp-content/uploads/2020/11/AGA-Responsible-Gaming-Code-of-Conduct_Nov-2020.pdf</u>

¹⁹ American Gaming Association. (2023). Responsible marketing code for sports wagering. <u>https://www.americangaming.org/</u> responsible-marketing-code-for-sports-wagering/

considerable integration of the two activities. The code concludes with the statement, "All aspects of AGA's Code of Conduct are subject to local, state and federal laws," emphasizing that an important part of the code is adherence to all existing laws.

However, a limitation of codes of ethics is that they do not always have enforcement provisions. The AGA code does not include a section on enforcement or sanctions. In contrast, the Canadian Gaming Association's shorter code of conduct specifically states, "Violations of the CGA Member Code of Conduct will be referred to the Executive Committee of the CGA's Board of Directors. Disciplinary actions may include the suspension or termination of membership."²⁰ Without enforcement, there are limited means to rein in bad actors.

<u>Alcohol</u>

The Distilled Spirits Council of the United States (DISCUS) "Code of Responsible Practices for Beverage Alcohol Advertising and Marketing," covers both the responsible placement and content of beverage alcohol advertising and marketing materials, along with detailed guidance on digital and media buying guidelines.²¹ The code, which emerged in the 1930's following prohibition, provides overarching ethical practices and offers considerable specifics on utilizing individual media types as well as digital marketing, such as podcasts and social media. They also dedicate a section of the code to post-auditing suggestions to demonstrate compliance with the code.

<u>Cannabis</u>

As the cannabis industry continues to grow, the need for a well-accepted, appropriate, and equitable code of marketing ethics is clear. As such, many organizations and entities have started developing codes of ethics for guiding the marketing and advertising of cannabis products. However, due to the evolving nature of legalization across the globe, many codes are still at the nascent stage.

Most codes for controversial products focus on issues related to marketing to underage consumers. Cannabis may possess additional challenges due to its federal status, various products and consumption methods, competition from the illicit market and consumable hemp products, and the distinct usage categories of medical and adult use recreational. Nevertheless, the nature of the product demands that standards exist to provide cannabis marketers with appropriate guidelines to ensure responsible marketing and use across the different segments. Several organizations are making efforts on this front:

²⁰ Canadian Gaming Association. (2024). Code of Conduct. <u>https://canadiangaming.ca/code-of-conduct/</u>
21 Distilled Spirits Council of the United States. (2023). Code of responsible practices. <u>https://www.distilledspirits.org/wp-content/</u>
uploads/2023/06/DISCUS_CodeofResponsiblePractices_2023.pdf

Cannabis Media Council (CMC)—CMC released "Full Spectrum: Guidelines for Responsible Cannabis Advertising ED. II," perhaps the most comprehensive code of ethics for the cannabis industry.²² Their code offers seven pillars for cannabis advertising that provide guidance surrounding cannabis regulations, indicating that adherence to regulations is an important part of the code. The seven pillars include: (1) information and accessibility; (2) compliance with existing regulations; (3) legal age for adult-use products; (4) dignified advertising for medical cannabis; (5) diversity of cultures and experiences; (6) best practices to elevate the industry; and (7) green advertising. Within each pillar, specific recommendations are provided.

In addition to their seven-pillar code, their extensive guidelines include case studies and examples to serve as a complete report to help navigate the increasingly complex world of cannabis marketing and advertising. They have also acknowledged that this is a living and evolving document.

The National Cannabis Industry Association (NCIA)—NCIA has a brief, "voluntary" code of conduct that primarily exists to set standards "with respect to the manner in which they deal with other members and their customers."²³ These standards focus on adhering to laws, professionalism, positive image, training and safety, openness, honesty, respect, integrity, and good faith. Interestingly, the code's only statement regarding advertising is, "We commit to advertising in a manner that reflects positively on the cannabis industry and shall comply with all truth-in-advertising standards." That is, they provide no specific details but stress the need to comply with existing regulations. They also have a presentation on guidelines for social media marketing to help members market their products responsibly on social media.

NCIA also published "Social Media Guidelines for Cannabis Marketers," which outlines standards for cannabis brands to advertise on social media websites.²⁴ The guidelines focus on maintaining compliance with platform-specific rules, emphasizing practices that promote transparency with responsible messaging. Key suggestions include avoiding claims that could be interpreted as misleading, ensuring content does not encourage excessive cannabis use, and avoiding using cartoons or other imagery that might appeal to children.

Cannabis Trades Association (CTA)—CTA, based in the United Kingdom and focused on European and international members, released a code of conduct that includes three sections:

²² Cannabis Media Council. (2024). Full spectrum: Guidelines for responsible cannabis advertising. <u>https://www.cannabismediacouncil.com/full-spectrum-guidelines-2024</u>

²³ National Cannabis Industry Association. (n.d.). Code of conduct. Retrieved August 1, 2024, from https://thecannabisindustry.org/member-code-guidelines/code-of-conduct/

²⁴ National Cannabis Industry Association. (2021). Social media guidelines for cannabis marketers. Retrieved from https://thecannabisindustry.org/wp-content/uploads/2021/10/Social_Guildelines_for_Cannabis_Marketers_FINAL.pdf

Association Standards, Business & Trade Sector and Product & Testing.²⁵ Each section provides a brief list of bullet points. These points are, overall, fairly broad in nature and emphasize integrity, compliance, positivity, documentation, responsible use, standards, and underage protection. Though overwhelmingly general, they do identify specific important topics such as brands, labelling, products, testing, and counterfeiting.

National Organization for the Reform of Marijuana Laws (NORML)–NORML is not a trade group, but they have a code of conduct that outlines specific standards for members with respect to how they interact with the large group of NORML stakeholders.²⁶ The group notes that conduct reflects upon the entire organization and expects that all individuals abide by the group's code to ensure the spirit of integrity that underlies the group's principles. Similar to other codes, they stress honesty, respect, integrity, and good faith. The group also includes a statement on ensuring nonpartisan political discourse.

Working Together, Stakeholders Can Advance Responsible Cannabis Marketing

When it comes to cannabis marketing, many goals are aligned across the spectrum of stakeholders, primarily on protecting youth and requiring more uniform rules and best practices. Working together, stakeholders and policymakers need to develop a standard set of guidelines to regulate cannabis marketing. This includes further embracing codes of ethics and enforceable restrictions. Children will be most protected when best practices are adopted across the country. Businesses will flourish when standardization makes compliance less costly and all cannabis businesses, including those focusing on hemp, are operating on a level playing field. The longer businesses operate under different rule sets, follow different codes of ethics, and approach marketing with different perspectives, the harder it will be to accomplish the shared goals of reducing youth consumption and competing with the illicit market.

Until we gain a better understanding of which marketing provisions are effective and necessary, we will continue to see a difficult patchwork of policies that complicate cannabis business operations and test regulators' enforcement abilities, without any guarantee of protecting youth. The differences in the current state approaches are an unintended consequence of the lack of consensus among states. Development of evidenced-based practices that could serve as standards across the country would likely improve public health and safety outcomes while also reducing costs for businesses.

²⁵ Cannabis Trades Association. (n.d.). Member code of conduct. Retrieved August 1, 2024, from <u>https://www.cannabistrades.</u> <u>org/pages/cta-member-code-of-conduct</u>

²⁶ National Organization for the Reform of Marijuana Laws (NORML). (n.d.). NORML code of conduct. Retrieved August 1, 2024, from https://norml.org/norml.code-of-conduct/

"When it comes to cannabis marketing, many goals are aligned across the spectrum of stakeholders, primarily on protecting youth and requiring more uniform rules and best practices. "

It is imperative that those who care about building a professional, responsible cannabis industry that guards against marketing to youth work together to answer these questions. Despite differences in perspectives, there is broad alignment among stakeholders on what marketing rules should include and accomplish. Working together, stakeholders and policymakers can create a uniform set of rules and best practices as well as design a code of ethics that promotes responsible cannabis marketing across the country.

Appendix of Codes

American Gaming Association. (2020). Responsible gaming code of conduct. American Gaming Association.

American Gaming Association. (2023). Responsible marketing code for sports wagering. American Gaming Association.

Cannabis Media Council. (2024). Full spectrum: Guidelines for responsible cannabis advertising. Cannabis Media Council.

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Komić, D., Marušić, S. L., & Marušić, A. (2015). Research integrity and research ethics in professional codes of ethics: Survey of terminology used by professional organizations across research disciplines. PLOS ONE, 10(7), e0133662.

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