

**BID
SWITCH**

Cannabis Advertising

**A Buyer's Guide to Navigating
the Cannabis Advertising Landscape**





The US cannabis market is expected to reach \$40 billion by 2030, but cannabis advertising is still in a nascent stage, due in large part to a fragmented regulatory landscape and constantly evolving rules surrounding the marketing of cannabis products.

Despite these challenges, cannabis brands have been running organic marketing campaigns for several years, capitalizing on latent consumer demand. While some major media platforms like Instagram, TikTok and Facebook have been wary of the segment, others, like Google and Twitter, have recently updated their ad policies, potentially signaling a turning of the tides for the cannabis segment. This guide on the cannabis advertising space is designed to help BidSwitch buyers navigate this fast growing channel and understand the segment's targeting, creative, and legal nuances.

What is Cannabis Advertising?

Cannabis advertising refers to the advertising of cannabis-related products. As cannabis is legal in only select states (and at different ages in those states), advertising cannabis is similarly only legal in those states to those same age groups.

Because of this complexity (and more), media properties and platforms are hesitant to permit Cannabis advertising to their users. Twitter and Google, however, are slowly paving the way with incremental updates to their respective advertising policies in regards to hemp and cannabis products.



In January of this year, Google announced the company will lift its ban on advertising for FDA-approved pharmaceutical products containing CBD and topical, hemp-derived CBD products with 0.3% THC or less. The small but meaningful move by the search giant is intended to help create a standard for the cannabis industry and no doubt capture significant share of the market as it grows. [Link](#)



Shortly following Google's announcement, Twitter updated its advertising policy to allow cannabis ads on the platform in states where cannabis is legal. Twitter also prohibits advertisers from making efficacy or health claims about cannabis products or depicting its use in their ads. [Link](#)

Sample Restrictions for Cannabis Advertising: A patchwork approach

Cannabis brands face strong limitations put in place by legislation at national and state levels. Advertisers must stay current with evolving requirements to ensure they are in compliance with laws in their entirety.

Nationwide examples of prohibited cannabis advertising practices include:

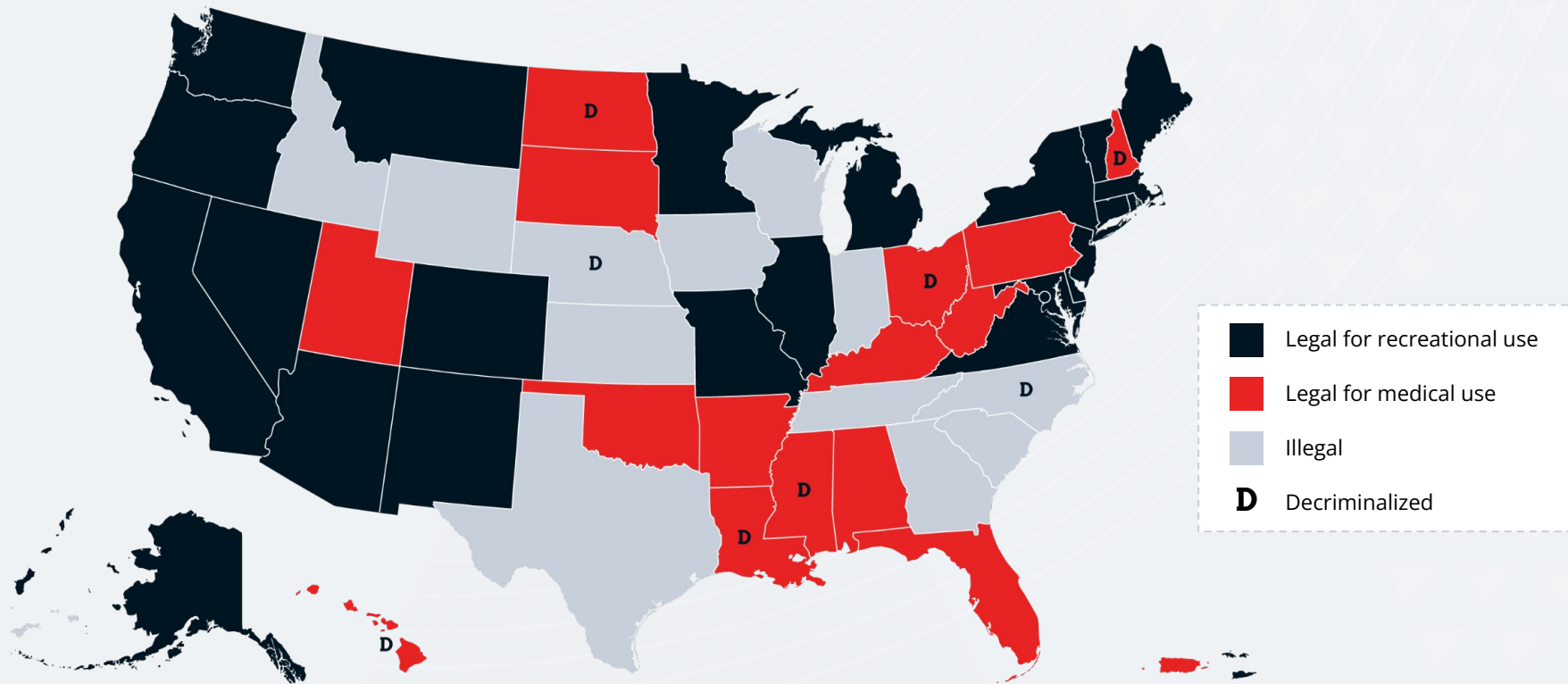
- ▶ Advertising which makes specific health claims about cannabis or CBD products or advertising ingestion of non FDA-approved products
- ▶ Targeting states where cannabis or CBD product(s) are illegal
- ▶ Advertising that targets or is designed to appeal to individuals who are under the age of 21.
- ▶ Operating websites that advertise cannabis without verifying that users are 21 years of age or older.

State specific examples of prohibited cannabis advertising practices include:

- ▶ Advertising on or in public or private vehicles or at bus stops, taxi stands, transportation waiting areas, train stations, airports, or other similar transportation venues.
- ▶ Advertising cannabis products visible to the public within a specific distance of an elementary or secondary school ground, rec center, child care center, playground, public park, library, or house of worship.

Find a comprehensive list of state specific limitations [here](#).

Legality of cannabis in the United States (as of March 2023)



Running Cannabis campaigns through Bidswitch

Listening to our partners, BidSwitch now supports cannabis ads trading between partners who have both opted in to running such campaigns. DSPs must also go through additional vetting to ensure proper controls are in place.

Before trading can begin, both demand and supply partners must support the **bcat field**, which indicates blocked trading categories, and be able to send/receive BSW12 within that field, which represents the BidSwitch Category for Cannabis ads. To learn more, contact your BidSwitch account manager or review documentation [here](#).

SSPs supporting cannabis trading through BidSwitch (as of June 2023)

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