

WEBINAR

Create a Winning Dispensary Business Plan: Follow These 10 Steps

Webinar Preview & Audio Available at:

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 1

Create a Winning Dispensary Business Plan: Follow These 10 Steps

Showcase Your Unique Vision with a Thorough Plan

Slide 2

Today, we'll be covering:

- The key components your dispensary business plan needs to include
- Surprising pitfalls to avoid when launching a business in the cannabis industry
- When to toss out your plan and pivot to take advantage of an opportunity



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 3	<p>My name is Eduardo Silva. I'm the VP of Sales here at Foottraffik, and I'm really excited to be sharing this information with you today.</p>
Slide 4	<p>Foottraffik is a digital advertising and analytics agency. We've been in business for over five years now, exclusively focused on dispensaries and delivery services within North America. We're really excited to be helping advance our industry forward.</p>
Slide 5	<p>A couple of housekeeping items before we get started.</p> <p>If you have your cell phones on you, please put them facing down on your desk or mute them. We are going to be covering a lot of information in a very short window of time and it helps to retain focus.</p> <p>Familiarize yourself with the Zoom interface. If you haven't become a master at Zoom yet, if you go to the bottom of your screen there is a Q&A button. We do have moderators with us today that will be addressing questions throughout the webinar.</p>
Slide 6	<p>First things first, we have an amazing resource for all of you. If you head over to our Foottraffik.co website you can download our free dispensary ebook. It's a step-by-step fully integrated digital marketing strategy tailored to cannabis businesses. You'll learn about the key digital</p>



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

marketing strategies to boost your revenue and scale your business. Go to [Foottraffik.co](https://www.foottraffik.co), and in our header navigation click on ABOUT US and scroll down to Download Ebook.

If you want to open a dispensary and succeed in this industry, you will need to create a business plan that helps detail your path to success. At the same time, you'll want to have every aspect of your business thought out before you begin putting pen to paper. If you've never written this type of document, it's a good idea to familiarize yourself with some examples before you draft your own.

When you look over business plans, you'll notice that components can differ from plan to plan and industry to industry. You'll need to use your best judgment to decide which elements to include and which parts to leave out of your dispensary plan. The SBA website can be a huge help here, though we're going to cover the essential elements today so you can begin drafting your notes and doing the required research to create a winning business plan.

Although it will take some effort to write the perfect cannabis dispensary business plan, the hard work you put into it will pay off. Entrepreneurs with a solid business plan are more than twice as likely to secure funding and grow their business than those without one. And a great business plan will make securing local licensing a lot easier.

We have a lot of ground to cover, so let's jump into the first step of creating your business plan.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 7

Step one: research the industry. Before you get too deep into planning your perfect dispensary, you'll first want to research the industry.

The legal cannabis industry is a huge and fast-growing industry in the United States, and it's projected to add \$92 billion to the economy this year.

To get started researching the industry, start by checking out trusted cannabis media outlets that focus on the business, finance, and entrepreneurship angles.

From there, you'll also want to look at different industry analytics and reports. There are companies like Headset.io and New Frontier Data that create useful reports with plenty of insight into the industry.

Basically, you want to make sure you have a clear understanding of how the industry works so you can showcase how you will position your dispensary within it. If you don't understand how things happen in the industry and what's projected to occur over the next few years, your business plan may have a lot of huge holes, which you certainly don't want.

Finally, you'll need to spend some time researching the regulations regarding cannabis businesses. Sometimes, municipalities in legal cannabis states don't allow dispensaries or limit where they can be located. There are also limitations regarding where you can deliver, so if you're thinking of offering that as an option, be sure that you can actually do that before spending more time and money on an idea that may not be legally feasible.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 8

Step two: Analyze the competition.

In order to create a successful business, you need to know what others are doing. You may be competing for the same market share, so you'll need to identify what the competition is doing, who they're targeting, and how they may affect your potential business.

Ultimately, your business plan should have a list of competitors and what makes them competitive, so getting this out of the way in the beginning and allowing it to help you shape your business can make the process run more smoothly.

Consider how your dispensary differs from the competition and how you will succeed in the face of a potentially saturated market. What makes you stand out? Why will your target market choose you over the rest?

Slide 9

Which brings us to Step 3: understand your unique value proposition.

Step one and step two have given you further insight into the market, what's happening in the industry, and who you may be competing with. Before completing those steps, you may already have an idea of what you want your dispensary to be. Now, though, you can take that information and formulate what is truly going to set you apart and allow you to capture market share.

No matter what the industry, every profitable business finds success by providing a solution to a problem. You'll want to identify a problem and describe how your dispensary offers the perfect solution.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Maybe all the dispensaries in your area sell the same products, and your dispensary will offer more variety for adventurous customers. Or perhaps the dispensaries in your area aren't considered "high-end," and your dispensary will provide a touch of luxury and exceptional customer service.

Figure out what sets you apart and how you will provide a solution to an issue your potential customers are facing.

While you're at it, consider your location. Location has a lot to do with who your target market will be and how you can serve them. It's also an essential factor when it comes to local and state laws about cannabis dispensaries. You need to know where you can legally operate in your area, and this will take some research into zoning laws.

And just because an area is compliant with local zoning laws, doesn't mean it's the perfect location for your business. You'll need to make sure you choose a place where the community will be accepting of your business. Is the area right for your target market? Are there many other dispensaries in a close range? Your dispensary business plan needs to address every aspect of the location to avoid potential pitfalls.

Slide 10

Step four: research your audience.

Now that you have explained the solution you are offering, your next step is to identify who the solution will benefit – your target market. A target market refers to a group of potential customers that your dispensary will sell to and where you will direct your marketing and branding



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

efforts.

The idea is that you can't target everyone, so you'll want to identify a specific group of people with similar characteristics like geography, demographics, buying power, and income. This is also known as identifying a buyer persona.

Think of a character that represents your ideal customer. What do they need? What do they like? How can you provide them with an experience that will keep them coming back time and time again?

Some examples of customer personas that are common to most dispensaries include medical cannabis consumers, younger cannabis consumers, seniors, and older adults, and health-conscious cannabis consumers. Segmenting your customers into categories will make targeting and personal marketing much easier.

Those are just broad overviews, however. You'll want to delve a bit deeper into what makes your ideal customers tick. Also, you'll note that I said "ideal customers" plural, because you will likely have multiple customer segments that you will want to target.

So maybe one of them is Mary, who is in her late thirties, has a professional job, and wants to use cannabis for wellness to get better sleep, focus more, and relax.

Then there's Joe who's just out of college. He likes learning about what he puts into his body and is environmentally conscious, but he's also on a bit of budget. He wants the high-end experience without the high-end prices.

These are little stories, essentially, that help us envision who will be walking through the doors. These personas



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

are who you will be trying to reach and marketing to.

Once you understand your customers, you can get a better idea of what motivates them to spend, what they like to spend on, what they're interested in, and how best to communicate your marketing messages to them and people like them.

Slide 11

Step five: Connect with distributors.

As a dispensary, you will be selling products. Unless you are growing or making your own products, you will need to cover how you will be sourcing products and from who. Ideally, these are the types of products that help reaffirm your unique value proposition, right? They're the products that your ideal customers want to buy.

To ensure that you understand what it takes to access those products and get them into your dispensary, you'll want to start communicating with distributors. Learn about their timelines, their purchasing requirements, how much everything will cost, and how and when you will need to pay them. That last bit will tie in to a later step so keep that info handy.

Slide 12

Step 6: dial in your marketing strategy

In steps one through five, we talked about the market, what you will be offering that sets you apart, and who you'll be targeting. Now, we need to talk about the how. How are you going to position yourself in the industry and



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

actually reach your target audience?

This is a big question. It's essentially detailing how you are going to be profitable as a business.

Since you know your unique value proposition, it's time to flesh out your brand identity.

A brand identity should consider what your brand says, what your brand's values are, and what you want people to feel or think when they interact with your brand.

Once you have established a brand identity, you can start thinking about how to position it and grow it. Just remember to keep your target audience in mind as you are working on it.

So you have your brand identity and you have your target audiences, right? Next up is thinking about which strategies you want to use to communicate with them.

Strategies like search engine optimization (SEO), email marketing and SMS marketing, social media marketing, and dispensary loyalty programs can help dispensaries attract new customers and build their brands, even in regions that have restrictive cannabis marketing laws. Then there is Google Ads and Display Ads which gets your message right in front of potential customers.

For your plan, consider what the marketing funnel for your dispensary looks like and where along the funnel each different strategy can work to capture or direct leads. Different goals, different customers, and different kinds of content and promotions will need to exist at each level of the funnel. Take some time to sketch out your marketing funnel in order to identify where different strategies will be needed and where they can be integrated to work



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 13

together towards a common goal.

Once you have these components in place, it's time to discuss how you will measure the effectiveness of your strategy. Revenue attribution is key for making sure that your efforts are paying off. How are you going to measure whether your marketing strategy is working? What metrics will you be monitoring and what do those numbers need to be for you to feel that you are successful.

I want to take a moment to note that while you are putting this down on paper, it may feel concrete. But in reality, your business plan is a living document. It can be changed, and it should be changed whenever you have new information. You should look for holes in it, and you should address them. You should amend it regularly so that it actually reflects what you are doing.

Step 7: Calculate the financials.

The financial section of your dispensary business plan is one of the most important. Why? Because you will be using your business plan to secure financing, so the numbers matter a lot! This is the section of your plan where you don't want to be vague or overpromise on what you can deliver to your investors.

Draft a financial plan complete with the financing you already have, operating costs, revenue forecasts, budgets, projected profit and loss and cash flow statements, and breakeven analysis. Don't forget to focus on cash flow, as many big cannabis companies struggle with cash flow issues.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 14

Then include information regarding profitability. What type of timelines and metrics will you use to gauge the success of your dispensary? Set start and finish dates, and targets for specific milestones for before and after the launch of your business. Try to set achievable milestones that emphasize growth and establish metrics to check the health of your company.

As you're doing this, make sure to take a look at the regulations for running a dispensary and include everything you will need to institute for compliance under your operating costs. For example, if you need to have a pharmacist on-site, you will need to make sure that is accounted for in your staffing expenses. If you need to have a particular security setup, that will also need to be in your operating costs.

Consider every aspect of what it will take to run your business so that your numbers are as accurate as possible.

Step 8: Start writing.

Now that you have laid out all the aspects of your business plan, it's time to craft the executive summary. The executive summary will start with an overview of your business and the goals you will achieve. It is the place where you summarize all the key information so that the reader will have a quick reference without having to search. You will place this piece at the top of the document underneath your title page.

The executive summary should only include the most important key points of your dispensary business plan. Keep it short and straight to the point, but make sure it



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 15

shows that you have put in the work to design a business that will succeed. And if you are going after funding, include how much money you are seeking, how it will be used, and what you can offer in return.

For investors who aren't familiar with the cannabis industry, you can include some information on the growing demand for cannabis and industry trajectory. But make sure to keep it concise and easy to read.

You should also need your mission statement if you haven't already. Your mission is your why and your mission statement should basically share why it is that you do what you do. Do you want to help people access more natural medicine? Do you want to get great products to people for less? Are you concerned with social equity in the industry? Spell it out and make sure the vision you share in your business plan aligns with it.

Step 9: Describe your organization.

It's time to detail who will be taking part in your dispensary. Who are the people that will make your business successful? This includes the day-to-day staff as well as those in it for the long term. Describe everyone who will be involved in your business, including owners, consultants, employees, partners, vendors, and extended staff.

Include information about how your team will use their experience and expertise to make your business a success. Share an organizational chart to help make it easy to understand who will report to who.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 16

You can add in your hiring plans, positions you will need to fill, what type of experience and education you are looking for, how much you plan to pay your employees, and how you plan on filling those positions.

Finally, we've reached step ten. Thanks for sticking with us so far. Now that you've done all of the heavy lifting, it's time to put everything together.

Start with your executive summary, then your market and competitor analysis. Next up is the description of your company and your unique value proposition followed by your organizational information from step 9. Add in your product and customer information, followed by your marketing strategy. Next, you'll want to share your financials.

Lastly, you can add an appendix that features bios on key stakeholders, more details from your market analysis, and copies of any business-related documents like leases or licenses.

Once it's all together, review it again. Try to poke holes in it and see if it still floats. Look at it with the eyes of an investor—have you minimized risk? Are you compliant? Look for any challenges or opportunities and then address them until you feel confident that you have a winning business plan.

Slide 17

There are two things that often go overlooked in a



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

business plan.

The first is the marketing budget. You have the plan, but you need to support it with an investment. When you're first starting out, your instinct may be to only put a little bit towards marketing, but this is the wrong approach.

You need to invest in getting your business seen and noticed at the outset. This means that you may need to invest more before and after you launch than you might a little further down the road. If you don't generate enough interest in your dispensary at the beginning, then it's going to be harder to carve a niche for yourself when there are more established players in the game.

The second thing that often gets overlooked is the ask.

Now, you have just spent all this time putting together a comprehensive plan detailing your business and everything you're going to do to make it profitable. You have these beautiful financial statements and then what? Investors don't know what you want unless you ask them. If you are just looking for funding, you need to be clear about that.

If you are willing to take on a partner, be clear about that. You can have a great business plan and have it fall flat at the finish line because you didn't make it clear that you needed funding or people on your board.

One more thing I want to mention is compliance. As you are brainstorming your business and how everything is going to work, keep that in the back of your mind and make sure that your plan aligns with what's allowed in your state or province.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

Slide 18

I mentioned that your business plan is like a living document. It's something that evolves and changes over time.

Did you know that Polaroid actually had one of the first digital cameras in production? Yet, they never brought it to market because their original business model was focused on selling film. They got so tied to the idea that they were in the business of selling film that they almost let the entire business fail. They're still around, but they aren't as big as they once were because they weren't able to pivot. They didn't have the open mindset necessary to expand or spot new opportunities.

Don't be Polaroid. If something isn't working or if you are following industry stats and trends and start seeing new opportunities or challenges—pivot to meet them. Businesses are malleable. You may start off as one thing, and end up as another, and that's completely OK. And it's better than going bankrupt as Polaroid did. Maybe you have this vision of creating a space that supports artists and does talent shows but then you discover that your delivery component is much more profitable than your in-store experience. It's OK to rework your original vision—it doesn't make you sell out—it makes you a savvy business person.

Slide 19

We would love to help you get your dispensary off the ground. At Foottraffik, we've worked with thousands of dispensaries, including single location shops and multi-state operators.

We offer a variety of services tailored to our clients and all with the same goal: to help our clients succeed by



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>

connecting them with their customers.

We can help get you established online with a new website and exciting content. In fact, we're running a special deal for today's attendees. Schedule a call with me at [foottraffik.me/call](https://www.foottraffik.me/call) by May 19th to get a free dispensary website with a 6-month digital marketing plan or 50% off a website build with a 3-month digital marketing plan.

Your digital marketing plan will include everything you need to succeed online, including search engine optimization to make sure your website rank wells and gets found easily, Google Ads to quickly get you to the top of search results, and display ads to help you connect with customers wherever they are and drive them to your website or storefront.

This will help kickstart your dispensary and make sure you can really establish yourself online. We also offer revenue attribution and reporting so you can see how well your digital marketing is performing.

Schedule a call with me at [foottraffik.me/call](https://www.foottraffik.me/call) and let's talk further about how Foottraffik can help you build your vision and start generating revenue.



Create a Winning Dispensary Business Plan: Follow These 10 Steps

<https://www.foottraffik.co/webinars/dispensary-business-plan/>