

CBD-Intel

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CBD suppliers in the UK, forbidden by law to make medical claims, are relying on their customers learning about health benefits from other sources.

To stay within the law that prohibits any claims that they are beneficial for health, CBD products are usually sold as food supplements. Although consumers are undoubtedly in many cases purchasing the products for health reasons, not openly claiming these benefits allows brands to comply with Food Standards Agency (FSA) guidelines.

This has left most of the UK industry in limbo. Nevertheless, many companies are finding their voice and their own way to make the regulations work for them and the consumer. It has largely led to companies focusing either on a wellness/lifestyle/personal health image – akin to Gwyneth Paltrow’s Goop – or a pharmaceutically-based brand image. Either must be subtly done to avoid interpretation as a medicinal/nutritional claim.

Overall there has been a move away from the cannabis-based branding that was common in the early days of the industry, according to Alastair Moore, partner at the London-based consultancy group Hanway Associates.

“We’re beginning to see these rebrands where people are either moving totally away from any reference or using stand-alone names like Auxly, a recent rebrand of one of the big investment companies,” he says. Auxly was previously known as Cannabis Wheaton Income.

Google and Facebook bans

Reasons for doing this vary. Some are practical. Jonathan Jordan, founder of CBD Oil UK, has struggled to market his business after having his adverts banned by Facebook and Google, and his PayPal account shut down.

Facebook bans ads that “promote the sale or use of illegal or recreational drugs”. According to guidance from the company, this includes CBD and medical marijuana – though exceptions can be made.

Google still lists CBD as an “unapproved pharmaceutical and supplement”, meaning it cannot be used in Google Adwords – despite some reports to the contrary.

Meanwhile PayPal considers CBD to be a narcotic, as listed by US federal classification, and does not permit its services to be used in transactions involving the substance even though most EU member states do not schedule it.

“Even though it’s legal they just don’t want to have anything to do with it,” Jordan says.

For others, although CBD comes from the cannabis plant making that link is not always a profitable move for many brands. Maintaining the image of trustworthiness while using a symbol linked to stoners can be an impossible line to walk.

Not a stoner demographic

One company behind a CBD skincare range called the brand Ohana after the Hawaiian word for family. Founder Jasmin Thomas says she knew from the start that if she wanted her brand to reach her target market she had to avoid anything that linked it with cannabis.

Thomas says: “If you look at the demographic of the people that are going to buy this product they’re mothers, elderly people, people who are conscious of what they’re putting on their skin. They wouldn’t necessarily be the demographic that’s going to smoke a spliff at the end of the day to relax.”

Instead she created a line inspired by her yoga practice (she gave each product a Sanskrit name) to appeal to consumers looking for a holistic skincare range after initially experimenting with CBD-infused balms to help ease her own multiple sclerosis.

The colour-coded packaging design connects to the main ingredients in each product, so the lavender balm is decorated with a lilac label. Thomas says this was done to “stick out and be directed to the wellbeing market”. The resulting sleek design has no obvious signifiers of CBD or cannabis; it resembles any high-end product you might find in anyone’s bathroom.

This could help CBD brands to target specific demographics better. Many do cite women as their target audience, though the true scale of the CBD user base is yet to be fully defined.

‘Natural’ packaging and design

Tony Calamita, managing director of Love Hemp, says: “The CBD user base is so widespread it’s really difficult to pinpoint, but you have to target someone and we felt the 25-35 females would be most receptive to benefits of CBD products.”

As CBD is such a new and unexplored market, the potential areas to focus on are immense and varied. Consultant Alastair Moore believes it will take some time to discover more about CBD’s consumer base.

“People are tapping into the health and wellness, yoga thing. Other companies are also looking to people who are older and want to sleep better and have arthritis. All the time they are hinting and not specifically saying anything that could be construed as a medical claim,” says Moore.

To lean into the wellness market many brands are using “natural” packaging and designs.

Love Hemp’s CBD tincture range is sold in cardboard cylinder packaging with earthy colours and a leafy green hemp design. The high quality design is a necessary component of Love Hemp’s appeal to the premium market.

A maturing industry

Calamita adds: “In the last few years there’s been a lot of deliberately misleading products and products that don’t contain what they’re supposed to, so it’s even more important to reinforce the premium look and trust in the brand from the packaging.”

Even when brands do use the cannabis leaf in designs it is often linked to emphasise the natural element of the product rather than the sensationalised link to drugs. For Moore, as public awareness of CBD increases the need to use in-your-face marketing decreases.

He says: “It’s a maturing industry so there’s more creative and professional people moving into the space; they have better ideas, and the people they’re selling to are more well versed.”

Disconnecting CBD completely from cannabis is not always the chosen option for some brands which prefer to try to change consumers’ views on the drug.

Jodie Mitchell, digital and creative lead at Canabidol, a UK company selling CBD vapes, oil and supplements, says it has kept a cannabis reference in the name and makes it a part of the brand in many ways – though the company goes for an overall pharmaceutical-style design it specifically names the plant on its packaging.

What This Means: Branding of CBD products will continue to evolve as the sector matures. Expect more companies to become savvy to the various aspects of consumer product branding as they start to see what works.

– Stephanie Phillips *CBD-Intel contributing writer*

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