

Dispensary Deals

Do's and Don'ts

Discounts are a strategic retail tactic. But there are a few right and wrong ways to offer deals at your dispensary.

Deals Do's:

- Offer reasonable discounts. Data shows that typical discounts are 18% off the pre-tax total.
- Discount products that are about to expire so you don't have to waste them.
- Use deals to build loyalty with target customer groups, like locals or big spenders.
- Use discounts to encourage business during slow days or time-of-day.
- Start by creating a few specials, and adding/deleting from there to make management simpler.
- Lean into holidays and special events with limited-time discounts.
- Understand your state rules for deals/promos before offering discounts to customers.
- Watch what your competitors are doing. Use that to make your deals even better.
- Consider your audience. If you know who they are (gender, socioeconomic status, product preferences), you can better satisfy them with your deals.
- Automate. Offer specials that auto-apply in cart through your POS. Manual coupons bring human-error risk.
- Audit your specials at least quarterly to ensure they're effective.

Deals Don'ts:

- Offer a discount on every transaction. Data shows that 18% of transactions include a discount.
- Offer discounts beyond your margins. You still need to make money.
- Keep discounts that aren't used. Overwhelming your staff with tons of deals only complicates things. If deals aren't redeemed, get them out of the system.
- Give unnecessary discounts. Mostly tourists in the summer? They are willing to pay full price.
- Race to the bottom. Keep your discounts in line with competitors, but don't make it a price war.
- Make assumptions. Ask loyal customers what they want, and test new specials to learn what works.

