

CANNABIS ADVERTISING



BASIS SOLUTIONS

UNLOCK CANNABIS ADVERTISING WITH WORLD CLASS SERVICE, ESTABLISHED TECH, AND PREMIUM INVENTORY

Basis blends subject matter expertise, ad tech built for scale, and premium inventory to be the perfect partner for burgeoning Cannabis businesses.

The Cannabis industry is quickly growing and evolving with new regulations and geographic nuances constantly changing the landscape. This chaos creates complicated and confusing paths to execute digital advertising. Basis, complemented by your dedicated Customer Success Manager, will help you navigate through this confusion and lead you to premium inventory and scale.



BEST PRACTICES



DATA TARGETING



DEDICATED GUIDANCE

- Your account will have a dedicated **Customer Success Manager** who provides Raving Fan service.
- We'll keep you updated on available channels that are cannabis-friendly.
- You'll receive fast, thorough answers to keep you moving quickly.
- We are premier partners with Google and Facebook, so you'll get early notice on any changes with these partners.
- Our world-class, comprehensive training and support programs will make your team digital rock stars.
- Campaigns can be up and running in hours, not weeks.



PRIVATE DEALS



ESTABLISHED AD TECH

- Basis is an established platform and not going anywhere—over \$1BN of media has already run through Basis.
- Basis is progressive, innovative, and pioneering.
- We can support your booming business at all phases—start up, scaling, expansion, and maturity.
- We are nimble and able to make software changes to meet the unique needs of the evolving cannabis vertical.



DIRECT INVENTORY



PREMIUM INVENTORY

- Access premium, cannabis-friendly inventory at scale.
- Basis offers digital media solutions for cannabis advertisers through the open marketplace, private deals, and direct-to-publisher placements.
- Our Basis Publisher team maintains active lists of cannabis-friendly sites and exchanges.
- The Basis PMP team proactively seeks out new private marketplace deals (PMPs) for the cannabis vertical.
- The Centro DSP Operations team vets data partners who offer cannabis targeting.



CREATIVE CONTENT

CANNABIS ADVERTISING



**BASIS
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**BEST
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**CREATIVE
CONTENT**

BEST PRACTICES FOR CANNABIS CAMPAIGNS



CAMPAIGN TARGETING

Basis sees over 5 billion supply-side requests each day for cannabis-friendly inventory. This is significant scale, but cannabis-friendly inventory is still a subset of total inventory. Because of this, we advise avoiding excessive targeting. Tactics should minimize the number of targeting layers and have generous frequency caps (if any).

We do not recommend applying:

- Niche creative types
- Duplicative targeting with PMPs



BRAND SAFETY

Minimal (if any) brand safety targeting should be used for cannabis campaigns. Critically evaluate what sorts of content are/are not brand safe and only apply what is absolutely necessary.

- Avoid applying "default" brand safety sets used for more traditional brands and products.
- Do not exclude categories like "Drugs" or "Controversial Subjects" as content that is highly contextually relevant to the campaign is likely to be excluded.
- Avoid use of "Safe from"/inclusion style brand safety segments
- If you must use brand safety targeting, use negative/exclusion targeting. For example, exclude Peer39's categories like "Negative > Gambling", AND together.



AGE TARGETING

Requirements: There is likely a need to do age targeting on cannabis campaigns depending on local laws. Age requirements can vary by state, province, and product.

Self-regulatory guidance: Cannabis is an age-restricted product, so age targeting is required for digital advertising, but regulations are murky at best. To be proactive, many industries set self-regulatory requirements. The Cannabis industry has **not** set self-regulation standards yet, however the Cannabis industry tends to model itself after the alcohol industry. For alcohol advertisements, age-targeting tactics must meet 71.6%+, 21+ audience composition.

Retargeting: For retargeting tactics, if the data collection occurs on an age-gated website, the retargeting audience may already be of adequate age. In that case, if all is executed properly, you may not need to apply additional age targeting; it could unnecessarily impair scale.



EXCHANGE SOURCES

Do not select specific exchanges within the open market. The bidders will automatically enforce ad quality restrictions on open market buying. When exchanges become cannabis-friendly, campaigns will automatically be eligible to run with those exchanges.

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CREATIVE CONTENT

THE POWER OF CONTEXTUAL TARGETING FOR CANNABIS ADVERTISING

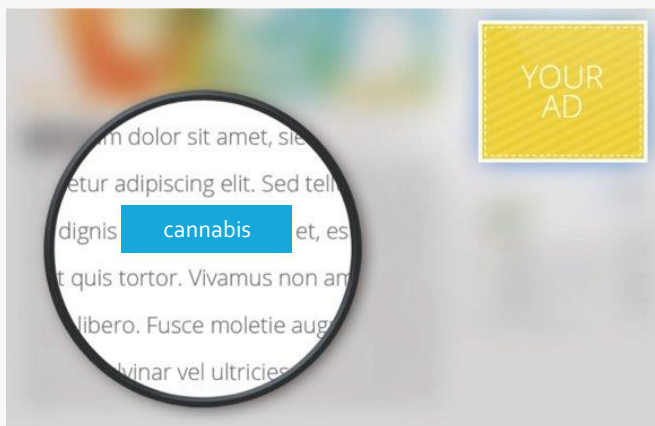
The cannabis industry is young and evolving with sensitive, sometimes controversial, subject matter. The inconsistent legality and undeveloped vertical lead to generic targeting options for a booming industry. To close this gap between capabilities and need for the cannabis market, Basis has contextual targeting with cannabis-specific segments.



CONTEXTUAL TARGETING

Contextual targeting uses the content of the webpage to serve ads. Through machine learning technology and natural language processing, Basis can better understand content categories and sentiment which allows users to target interest and semantics.

Contextual segments within the cannabis space include: CBD, THC, indica, sativa, edibles, hydroponics, tincture, medicinal weed, recreational marijuana, the names of many popular strains, and more.



BASIS MAKES IT EASY TO LAUNCH A CANNABIS CAMPAIGN IN THE OPEN MARKET

- 1 Add cannabis contextual targeting**
Navigate to the tactic editor >
Targeting: Contextual >
Search 'Cannabis'>
- 2 Select all exchanges**
When running cannabis ads, please select all exchanges. It is not necessary to select specific exchanges as the Basis bidders will automatically enforce ad quality restrictions on open market buying.
- 3 Apply geo-targeting**
Add geo-targeting to ensure state, province, and territory laws are followed.
- 4 Limit excessive targeting**
Avoid excessive targeting layers that can hinder scale, like strict brand safety, small geos, or niche creative types.
- 5 Ensure creative compliance**
Ensure product and creative assets meet legal requirements and the policies of the exchange.

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CREATIVE CONTENT

PRIVATE MARKETPLACE DEALS FOR CANNABIS

Private Deals are a great solution to the cannabis inventory shortage. Private Deals, also known as Private Marketplace Deals or PMPs, are invitation-only auctions where publishers offer their inventory to pre-approved advertisers, instead of any advertiser. Because participants in these auctions are manually approved, advertisers can negotiate Deal IDs for cannabis-friendly PMPs.

BASIS DOES THE HEAVY LIFTING FOR YOU

With Basis, our dedicated Basis PMP team sources custom and always-on private deals that are available to all Basis users, including cannabis-accepting deals. Our team proactively finds, evaluates, negotiates and activates private deals that all Basis clients can access.

We currently offer over 1200 evergreen PMPs, but if you are considering a private deal that Basis doesn't have, our PMP specialists can help make that happen.

SAMPLING OF CANNABIS-FRIENDLY PRIVATE DEALS

FREOWHEEL
A COMCAST COMPANY

SPOTX

INDEX EXCHANGE

SOVRN

Newsweek

CANNABIS ADVERTISING



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BUYING DIRECT CANNABIS AD PLACEMENTS

Buying inventory directly from a vendor may be the most straight-forward way to access high quality, cannabis-friendly inventory. Generally, there are only two approvals needed to set a

campaign live: Insertion Order and Creative. Both of these approvals are typically handled by the one entity, the vendor, so communication is simpler and feedback can be more actionable.



BEST PRACTICES

ALL THE CONTACTS, ALL IN ONE DIRECTORY

Tracking down contacts is a pain. Basis removes the leg work and inbox searching and surfaces over contacts for over 10,000 properties with

just a few clicks. By using the vendor directory, Basis users have access to a curated list of thousands of active contacts in one place.



DATA TARGETING

CANNABIS-FRIENDLY DIRECT PARTNERS

Vendor policies across the media industry are constantly changing, but Centro stays on top of the evolving landscape! Our Centro vendor solutions team is dedicated to maintaining our vendor directory and building relationships with our supply partners. The team conducts regular audits of cannabis-friendly vendors and partners and can provide a current list upon request.

Regardless of a site or vendor's cannabis policy, vendors have the right and final say to accept or refuse an advertiser based on the product or creative content. Many sites have caveats and restrictions on cannabis advertising. They may evaluate cannabis ads on a case-by-case basis, so we encourage you to reach out if you believe there is a strong fit for your brand.



PRIVATE DEALS

SAMPLE OF CANNABIS-FRIENDLY PARTNERS



DIRECT INVENTORY



CREATIVE CONTENT



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CREATIVE RECOMMENDATIONS FOR CBD AND CANNABIS

Cannabis creative requirements are complicated, vary by exchange, state and country, and change regularly. Due to this fluctuation, **we cannot provide hard and fast rules for guaranteed approval.** However, the steps below are a good place to start.

CREATIVE BEST PRACTICES

With the developing landscape of cannabis advertising and approvals required by Basis, the exchanges and publishers, we cannot currently provide "rules" for creative to be accepted. However, lean on these best practices:

- Ads depicting young persons, whether real or fake, are less likely to be approved by exchanges. This also applies to any person portraying a specific lifestyle such as glamour, recreation, sports, medicinal benefits or dare devil behavior.
- As with any industry, portraying any false advertisement within claims is **STRICTLY PROHIBITED.**
- Creative approval after Basis is up to the publishers/exchanges, so generally the more G-rated the creative, the better the chance of approval.
- Using a strong call to action or coupon code are recommended for conversion-based campaigns.

DOUBLE YOUR ODDS OF APPROVAL

If possible, create two different creative concepts to double your chances of approval. The overall feel for the two ads should feel different with clear imagery and language. For example, you could have one option that is more branding-focused with an image of your product packaging. The other option could show your logo and messaging to learn more.

Not only will this help you reach approval faster, if multiple messages are approved, you will be able to A/B test creative performance.

BE READY TO MAKE CHANGES

Specific exchanges and PMPs will require a pre-approval creative process. Please allow for extra time before launch for this process to take place. Also, you may not receive specific feedback if your ads are disapproved. Typically, a thorough explanation will be given, although any publisher or exchange has the right to deny creative as they see fit without further explanation. When possible, be ready to make the desired changes to resubmit for full approval and a successful launch.