

Online ordering platforms are now the retail destinations of choice for individuals who can legally purchase cannabis supplies, whether for medical or recreational uses.

## Ecommerce Technology Responds Amid Crisis

The Covid-19 pandemic has been accompanied by widespread business closures. Retailers who remain open did so with an “essential services” designation, signifying their capacity to deliver indispensable goods and services.

There was little doubt that medicinal cannabis dispensaries would remain open under essential services guidelines. But recreational cannabis sellers have been incorporated under the essential services umbrella in most states where they legally operate (Massachusetts is one notable exception). Consequently, most consumers still have access to cannabis and hemp-derived CBD products, regardless of their reason for purchasing and using them.

Like all businesses remaining open, medicinal and recreational cannabis retailers are constrained by lockdown procedures and social distancing rules. In some locales, the traditional way of shopping for cannabis products (coming into a store or dispensary to purchase them directly) has been prohibited. This has left most cannabis consumers with two viable options: curbside ordering and pickup, or ordering online, with curbside pickup or delivery based on the rules in particular states.

Curbside pickup with ordering at the time of arrival is being used in most states. Stores provide designated parking spaces for customers to wait outside to be served by store personnel. Those who choose this option may order at the time of arrival, but they can also pre-order products online and then pick them up outside the store whenever they’re ready.

Online ordering is compatible with either curbside pickup or delivery. Either way, it offers the ultimate in consumer convenience, and that is reflected in the rising traffic numbers, many online cannabis platforms have been seeing in the past few weeks.

Most cannabis retailers feared they would be hemorrhaging customers after lockdowns edicts had been issued. But in the first few weeks of quarantine, it has become apparent that cannabis customers share the government’s opinion that they’re purchasing essential products.

## Online Ordering Offers a Customized Consumer Experience

The largest online cannabis marketplace in operation in the United States is called [iheartjane.com](http://iheartjane.com). Run by the retail software company [Jane Technologies](http://JaneTechnologies.com), Inc., the iheartjane website has a well-established coast-to-coast presence. They currently list more than 280,000 products for sale, which can be purchased from more than 1,000 affiliated stores nationwide.

In the month of March, Jane Technologies tracked a [142 percent increase](#) in medicinal and recreational purchases completed on iheartjane.com. Fearing future interruptions in the supply chain, or perhaps uncertain of their economic futures, cannabis consumers have been stocking up

on their favorite products with unbridled enthusiasm, and they've been doing so mainly by going online. At least in the short-term, this is protecting the cannabis industry from the worst economic effects of coronavirus-inspired lockdowns.

Online ordering platforms offer retailers and consumers access to advanced retail software that saves money for both. Retailers only have to pledge a small percentage of their profit from each sale to use this type of centralized software, while consumers benefit by having the opportunity to comparison shop within their state or city.

Virtual retailers like iheartjane significantly expand product options for users. But most cannabis consumers are not experts about the industry as a whole, and their knowledge of the utility of specific products is limited.

To educate their customers, the [Jane Technologies](#) cannabis website lets users type in the symptoms they've been experiencing in a search box. They will then receive a customized list of products that might help them, along with additional information about retailers in their area who stock those particular products. Such a service is especially helpful for those who are new to medicinal cannabis or CBD and are starting on the ground floor.

Another online platform embracing an educational mission is [Three Wells](#), which is based in Manhattan Beach, California. Three Wells acts as a centralized ordering depot for multiple companies located in states where the purchase of cannabis and CBD products are legal. Customers can order from dispensaries in their state for pickup or delivery, depending on local laws.

But Three Wells does more than just offer services to cannabis companies in search of more customers. Their site features an extensive menu of articles and videos that discuss the benefits of cannabis and CBD products for various conditions. Those who aren't sure what they want or need can find a gold mine of information on the Three Wells site, which specializes in serving adults over the age of 40.

One well-known name making its mark in online services is Leafly. As the largest website in the world devoted to all things cannabis and CBD, Leafly attracts cannabis retailers and consumers looking for a reliable outlet on which to complete transactions.

The company is an educational hub for individuals looking for information about cannabis and CBD products and their potential uses, therapeutic or otherwise. Website visitors can search for dispensaries and stores in their area, and with a quick click can visit those locations to place orders. After buying products online, customers can select [Leafly Pickup or Leafly Delivery](#) services, depending on what's allowed in their state or available from their retailer of choice.

## **Challenges and Opportunities**

Online ordering platforms are convenient and easy to use. Even without the jumpstart provided by the coronavirus, they were destined to dominate the retail side of the business.

But these platforms still require more effort to use than a general purchase and delivery service like Amazon. Federal prohibition of cannabis and state limits on the CBD trade prevent location-neutral instant purchasing since most retailers are unable to ship anything across state lines. The simple one-click approach to shopping that helped make Amazon such a behemoth is not an option for consumers visiting online cannabis platforms. While the steps they must follow to place orders are relatively uncomplicated, there is still some inconvenience involved, along with at least some possibility for confusion.

Legalization at the federal level would open new possibilities for innovation and the creation of a smoother consumer experience; however, at this point, that still seems to be years away.

Vertical integration may offer a pathway to higher profitability for companies that sponsor online cannabis ordering platforms. [Eaze has chosen this approach](#) as an adjustment from earlier strategies that created serious cash-flow problems. The San Francisco-based company was forced to lay off 20 percent of its employees in 2019, which left them uncertain about the future and scrambling to find new funding.

Fortunately for Eaze, they were able to secure \$35 million in fresh investments, once they announced their plans to vertically integrate. In 2020, they will introduce a line of branded products, in conjunction with multiple licensed cannabis retailers throughout the state of California. Eaze will still handle transactions for other brands and retailers, but they are convinced that launching their own product line will boost their profits and guarantee their long-term viability.

The timeline for the launching of this new initiative might seem unfortunate. But relatively steady consumer demand for cannabis would appear to offer opportunities for smart expansion, even during this time of crisis.

Online ordering platforms are no longer the wave of the future in cannabis. They are instead the trend of the present, and their sudden popularity should give the companies that sponsor them some vital financial breathing room. The willingness of the cannabis industry to embrace online retail will undoubtedly help it survive the impact of the Covid-19 lockdowns, even as other sectors are thrown into turmoil.

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