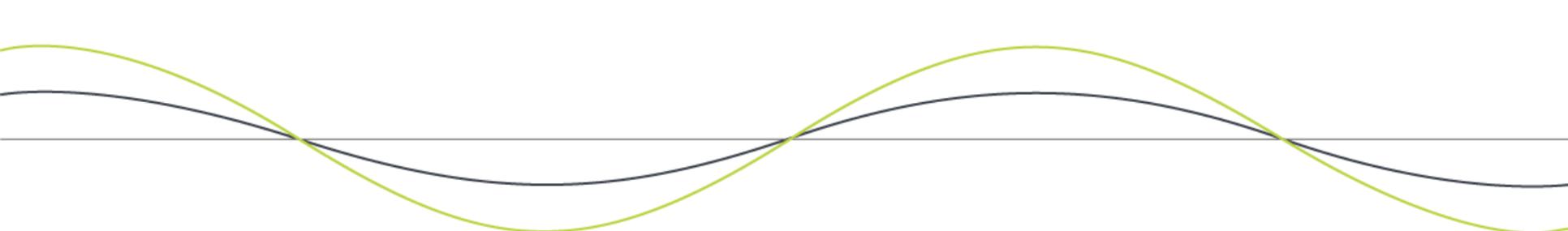


conversion

research & strategic insight

Highlighted Research Findings Prepared For **County of Prince Edward**
December 2018



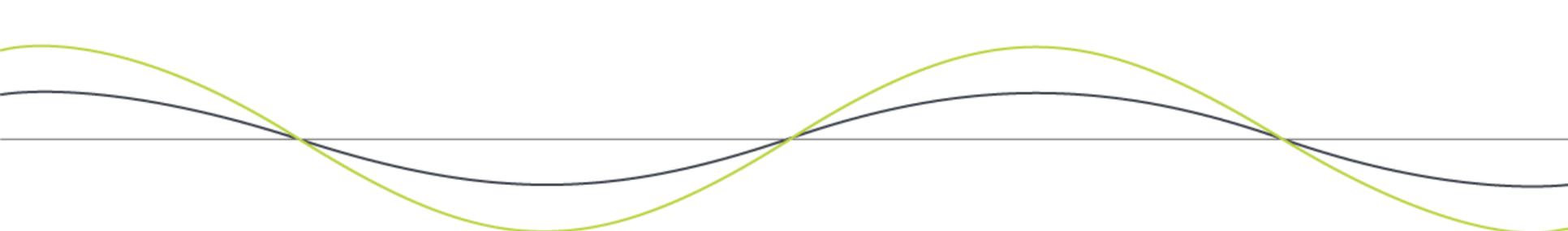
PROJECT OVERVIEW & OBJECTIVES

As part of an ongoing mandate to study, interpret and then apply local resident perceptions and attitudes to the always-changing landscape of municipal policy, the Community Development Department of the County of Prince Edward approached Conversion Research (team lead Mike Farrell) in late November to provide **accurate scientific polling** regarding resident attitudes to having “**legal and tightly regulated cannabis retail stores**” available in **Prince Edward County**.

Timing has been tight as a final decision from all municipalities in Ontario is due by January 22, 2019.

Key objectives of this study:

- Provide a representative and scientific read on the core question as is possible within an existing Council-approved budget
- Make this study multi-dimensional to give insight to this representative read on the key query; questions regarding attitudes to cannabis legalization in general, perceived economic impact of cannabis retail in PEC, past and current cannabis usage, expected impact on purchase venue for cannabis as well as key demographics were all part of the survey – allowing for statistically-driven contextual understanding of the results.



METHODOLOGY

Custom-Crafted Live Phone Interviewer Study

- + To achieve these key objectives our team programmed, fielded and analyzed a custom-crafted study with a minimum aggregate sample size of 350 full and part time Prince Edward County residents aged 18+. **This study is regionally representative deriving a confidence interval of +/- 5%, 19 times out of 20.**
- + Based on the limited online dbase sample available for the region a methodology of **random digit dialing (RDD) directly into the County using live telephone interviews** employing a Computer Assisted Telephone Interviewing (CATI) system was the study's fielding device.
- + The use of RDD phone methodology makes this study truly scientific; technically margins of error / confidence interval cannot be attributed to email or online studies as they are invariably employing some sort of curated list and, thus, are not 100% "random" - that said, the industry has moved beyond this and online studies using constantly groomed and updated d-bases are easily the most used methodology globally now for representative sampling.

Custom-Crafted Live Phone Interviewer Study

- + The Team Lead worked with the client team at PEC Community Development and fielding partners (Logit Research) to focus and maximize County phone numbers (by LL records and Billing Location for Cell). Soft quotas per ward in the County as well as soft quotas for gender and generation were applied to guide and maximize fielding representativeness; **these were based on most recent StatsCan estimates for PEC (2016 census, as reported in 2018).**
- + Weighting was applied to the results as needed based on final completed interview results.
- + The mix of mobile to land lines was 30/70; important to specifically impose a mobile quota to reach younger generation residents - they don't use landlines near as much as GenX+.
- + Survey length was 6 minutes (1 minute to screen, 4-5 minutes for questions).
- + **This study was completely anonymous and confidential.**

The following weights were applied on the final data based on the actual census pop counts for Prince Edward county by the following 3 age groups: GenZ/Millennial, GenX and Boomers/War Gen).

AGE	POP Male	POP Female
18-37	2110	2010
38-53	2200	2305
54+	5980	6615
AGE	% Male	% Female
18-37	9.94%	9.47%
38-53	10.37%	10.86%
54+	28.18%	31.17%

FIELDING RESULTS

FINAL COUNT	TOTAL	UNWEIGHTED TOTAL
Aggregate Sample Size	350	350
Aggregate Confidence Interval of +/- 5%, 19 times out of 20.		
Male	167	153
Female	180	196
18-37 (GenZ/GenY)	68	32
38-53 (GenX)	74	77
54+ (Boomer / WarGen)	208	241

This study was completely anonymous and confidential. All results are reported on in aggregate. No identifying information was ever collected as part of the survey or ever represented in the field sample.

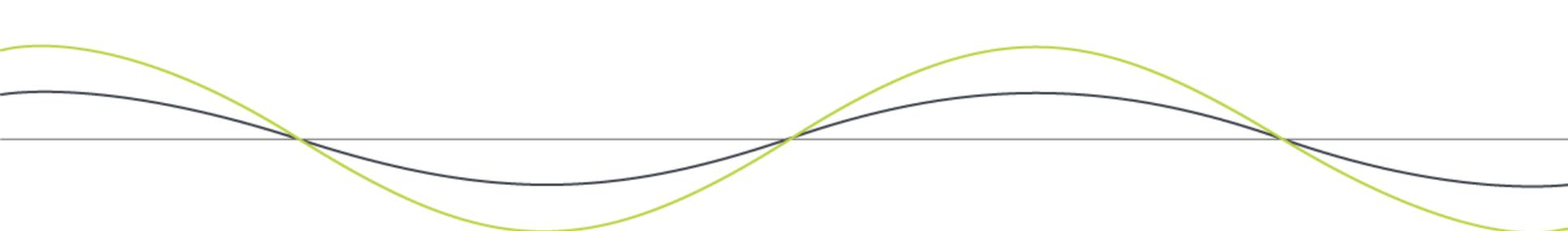
WARD REPRESENTATION	%
Sophiasburgh	8.6%
Hillier	5.6%
North Marysburgh	5.3%
South Marysburgh	4.8%
Ameliasburgh	13.6%
Hallowell	16.3%
Athol	5.6%
Picton	25.6%
Bloomfield	2.6%
Wellington	12%

40% Towns / 60% Rest of County
98% Full Time Residents / 2% Part Time

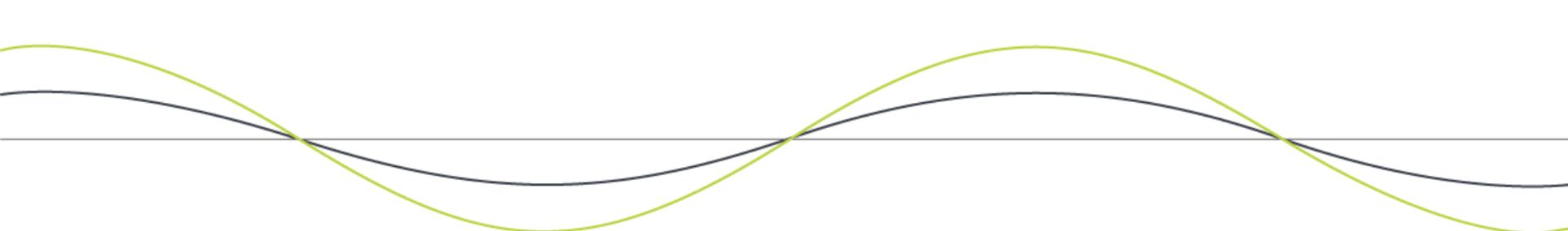
DETAILED FINDINGS



PRINCE EDWARD COUNTY



This report highlights key results as well as contextual insight derived from analytical vectors; primarily generational grouping and gender but also past use, attitude around cannabis legalization and other criteria as needed based on results.



THE LANDSCAPE



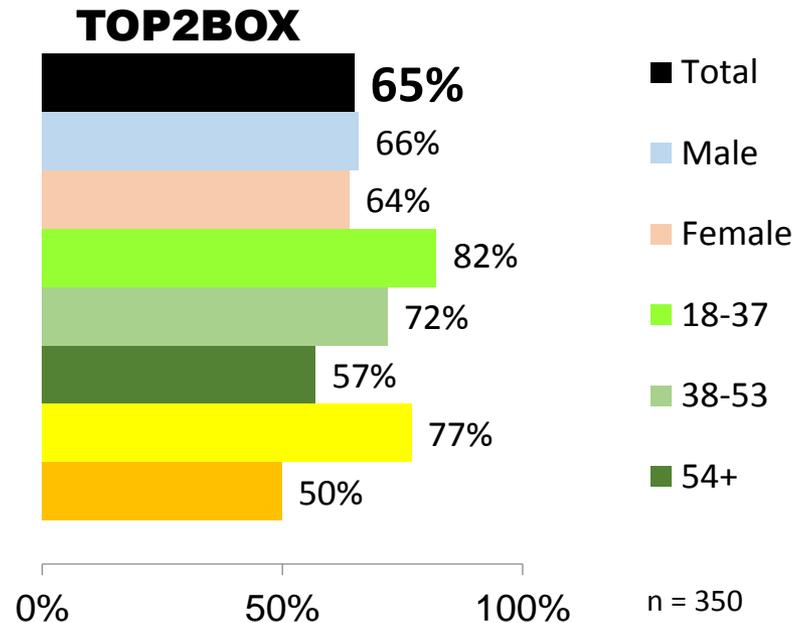


JUST UNDER TWO THIRDS (65%) OF COUNTY RESIDENTS SUPPORT CANNABIS LEGALIZATION IN CANADA. EVEN WITH GENERATIONAL DIFFERENCES SUPPORT IS WIDESPREAD.

SUPPORT FOR LEGALIZATION

Q1. Do you support or oppose the legalization of recreational and medicinal cannabis use in Canada?

- + As expected the County's youngest residents (GenZ/GenY) drive support with support gradually declining by generation. Still, almost 6 in 10 (57%) of Boomer/WarGen residents support cannabis legalization. **Times. Have. Changed.**
- + Gender differences on an aggregate level are non-existent and within the confidence interval across all generations.
- + Support is very strong from those residents who have ever used cannabis but, again, half of those who have never used also support legalization.
- + Importantly, residents with teens in the house are most supportive of legalization (80%) vs. households with children 12 or under (68%) or no children (63%).



"top2box" = somewhat or strongly support (4 and 5 on a 5 point scale)



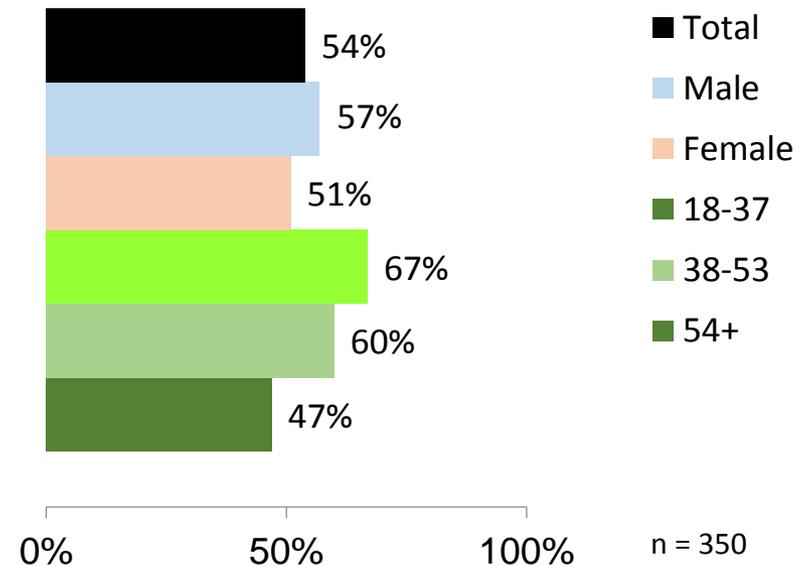
54% OF COUNTY RESIDENTS HAVE USED CANNABIS AT LEAST ONCE IN THE PAST.

PAST USE

Q2. Have you personally used or tried cannabis (marijuana or hashish) in any form (edible, smoked, vaporized) at least once in your life??

- + GenZ/GenY residents (aged 18-37) predictably drive past use at 67% vs. GenX (38-53) at 60% and Boomers/WarGen (54+) at 47%.
- + Interestingly, within the 18-37 age band, males drive past use very significantly (85% vs. 56% of females). This trend is NOT cross-generational; female GenX residents are more prone than their male counterparts to have used (64% vs. 56%) and Boomer/WarGen residents are almost equal from a gender perspective. Is there trending AWAY from cannabis amongst younger females or are they simply starting later?

EVER USED





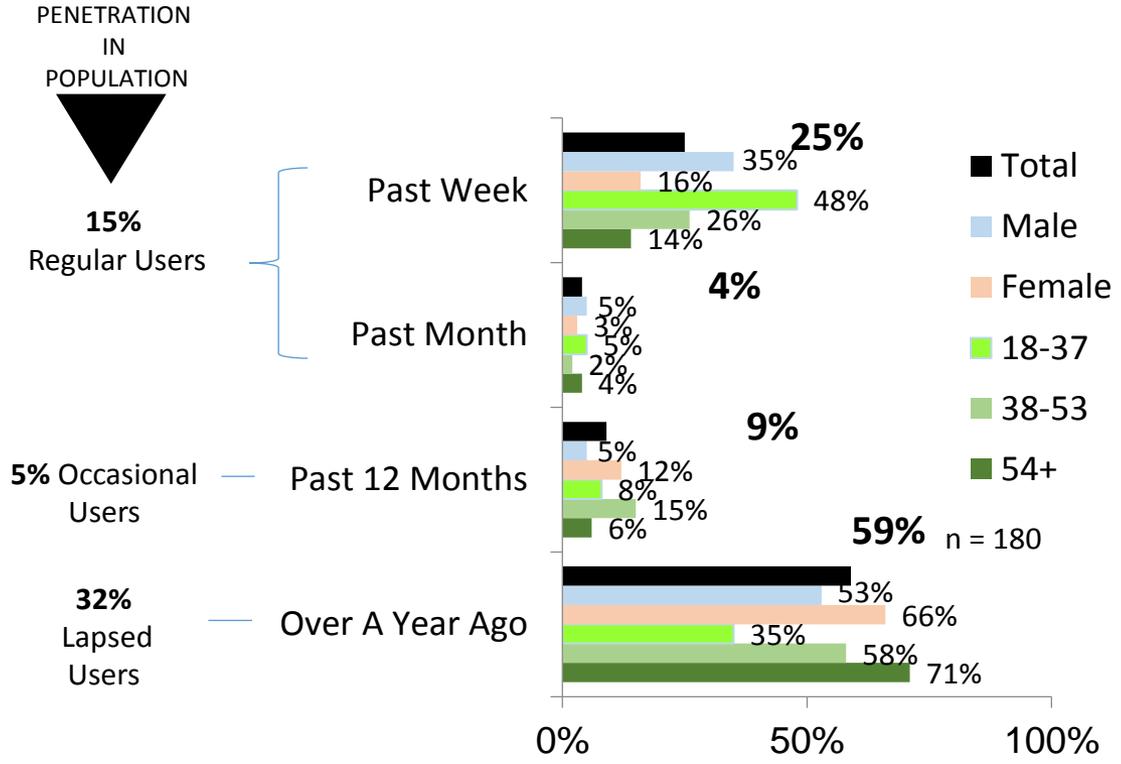
WHILE THE GREAT MAJORITY (59%) OF PAST USERS IN THE COUNTY ARE LAPSED, FULLY 1 IN 5 RESIDENTS 18+ ARE CURRENTLY REGULAR OR OCCASIONAL CANNABIS USERS. SIGNIFICANT.

USAGE RATE

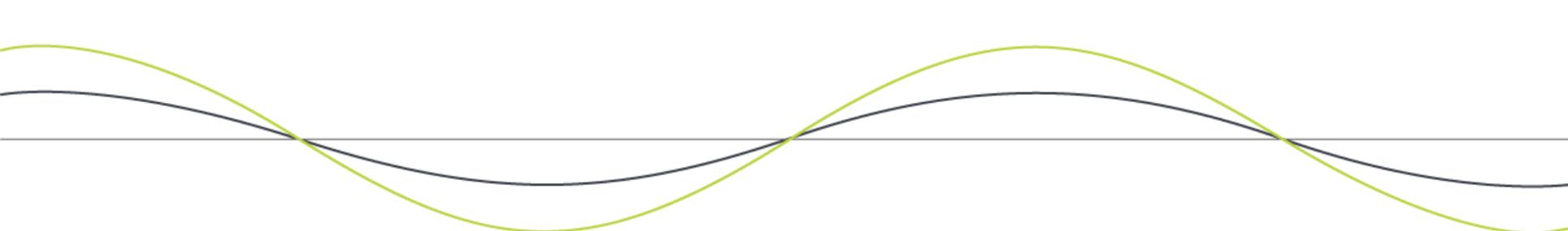
Q3 - When was the LAST TIME you personally used cannabis (marijuana or hashish) in any form (edible, smoked, vaporized)?

+ Extrapolating this data to the entire 18+ population in the County shows that 20% of current residents are “regular” or “occasional” users (15% and 5% respectively) while 32% are lapsed users.

+ **Past week use is driven significantly by residents who are younger and male.** Within the 18-37 age band – males dominate past week use when compared to females (73% vs. 10%) !



* 3% or respondents “didn’t know” or refused



CANNABIS RETAIL IN THE COUNTY



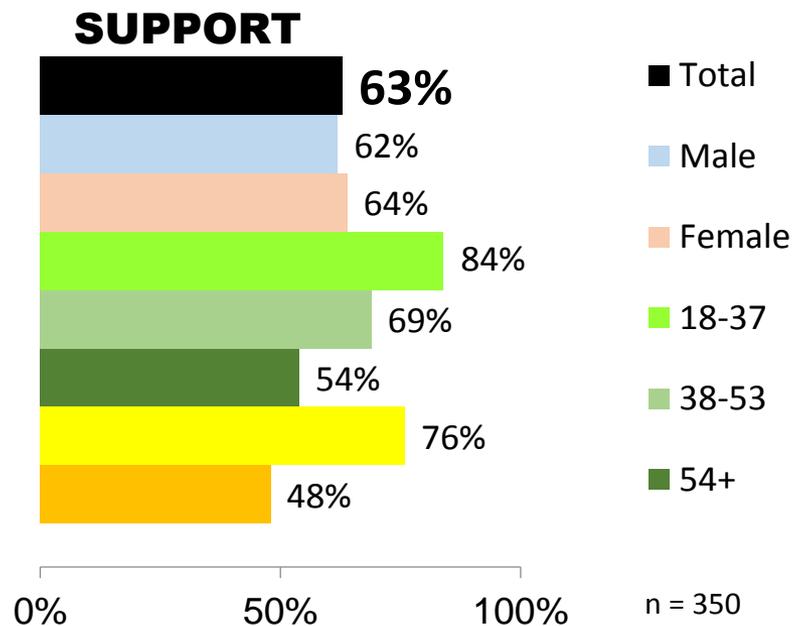


JUST UNDER TWO THIRDS (63%) OF COUNTY RESIDENTS SUPPORT LEGAL AND TIGHTLY REGULATED CANNABIS RETAIL IN THE COUNTY. 76% OF RESIDENTS AGED 18-53 SUPPORT.

SUPPORT FOR CANNABIS RETAIL IN PEC

Q4. Do you support or oppose legal and tightly regulated cannabis retail stores in Prince Edward County? Would that be strongly or somewhat?

- + This support is widespread despite significant generational differences.
- + Importantly, fully 76% of residents aged 18-53 (GenZ, GenY & GenX) support cannabis retail. As anticipated the youngest residents are driving support most dramatically at 84%. However, over half (54%) of Boomers and War Gen residents also support.
- + Gender differences on an aggregate level are negligible but **females ARE driving support within the younger 18-53 age bands.** (Details in next slide.)
- + Mirroring results re: legalization in general, support is strongest from residents who have ever used cannabis vs. those who have not (76% vs. 48%)



“support” = somewhat or strongly support (3 and 4 on 4 point scale)

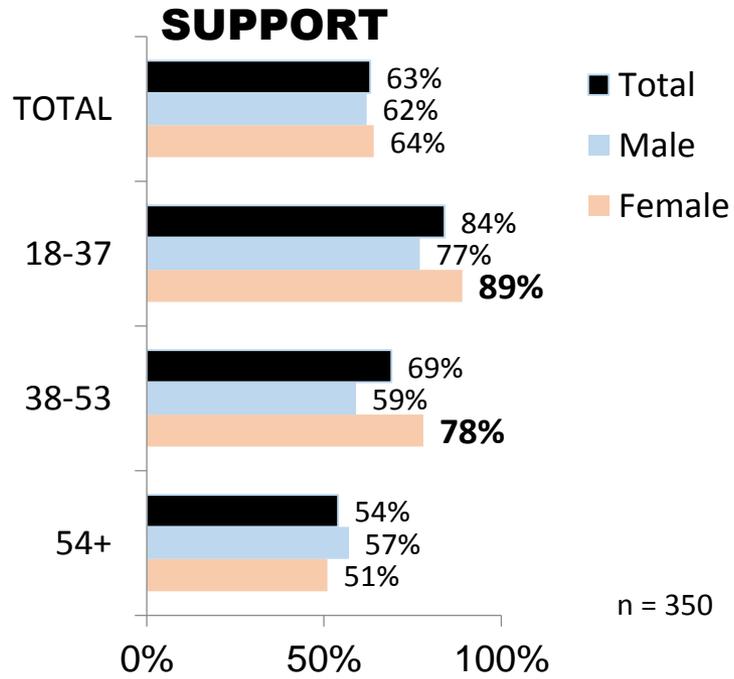


FEMALES ARE A SIGNIFICANT DRIVER OF SUPPORT AMONGST YOUNGER AND MIDDLE-AGED RESIDENTS OF THE COUNTY.

SUPPORT FOR CANNABIS RETAIL IN PEC

Q4. Do you support or oppose legal and tightly regulated cannabis retail stores in Prince Edward County? Would that be strongly or somewhat?

- + This is an interesting finding as regular cannabis is particularly low amongst females aged 18-37; their support appears more philosophical vs. experiential.
- + Families with teens drive support for both legalization in general and cannabis retail in the County. Gen X parents (18-53) make up the largest percentage of residents in the County with teens in their household (12%). It would not be a stretch to make a connection between strong female support for cannabis retail in this age band and the influence of mothers of teens.



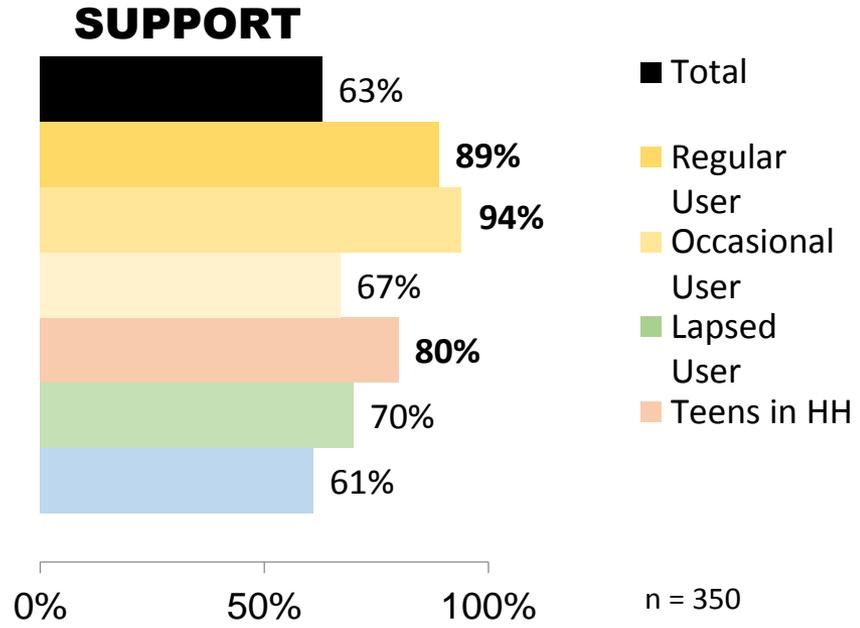


OTHER SIGNIFICANT DRIVERS FOR SUPPORT INCLUDE REGULAR AND OCCASIONAL CANNABIS USERS & HOUSEHOLDS WITH TEENS.

SUPPORT FOR CANNABIS RETAIL IN PEC

Q4. Do you support or oppose legal and tightly regulated cannabis retail stores in Prince Edward County? Would that be strongly or somewhat?

- + Penetration of regular and occasional users in the County is 20%
- + Penetration of households with teens in the County is 10%





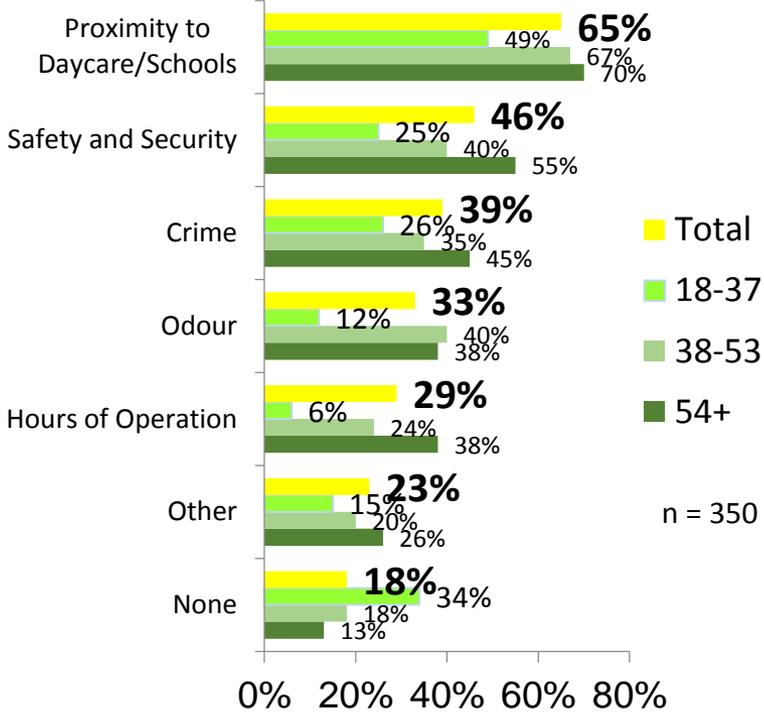
WHILE SUPPORT IS WIDESPREAD RESIDENTS DO HAVE SOME CONCERNS; CHIEF AMONG THEM IS PROXIMITY TO DAYCARES AND SCHOOLS.

CONCERNS: CANNABIS RETAIL IN PEC

Q5. Please let us know if any of the following are concerns for you personally regarding legal and tightly regulated cannabis retail stores in Prince Edward County.

- + Not surprisingly, the County’s younger residents (aged 18-37) drive those with “no concerns” while those aged 38+ are more prone to register concern; particularly driven by residents aged 54+.
- + While the current “yes” or “no” to the Province of Ontario is not linked to any provisos or preferences per municipality these are important considerations for communication support IF Council moves to allow cannabis retail in the County.
- + The top concern of proximity to daycare and schools is a watch out. Are there ANY ways that the municipality could address this particularly prevalent sentiment? Indeed, ANY of the resident concerns identified here?

CONCERNS



► This survey question involved a prompted list of concerns including “none” and “other” vs. a less precise “any concerns + verbatim prompt” question. This MAY bring less top-of-mind concerns to the surface artificially but is a good conservative gauge of concerns overall.

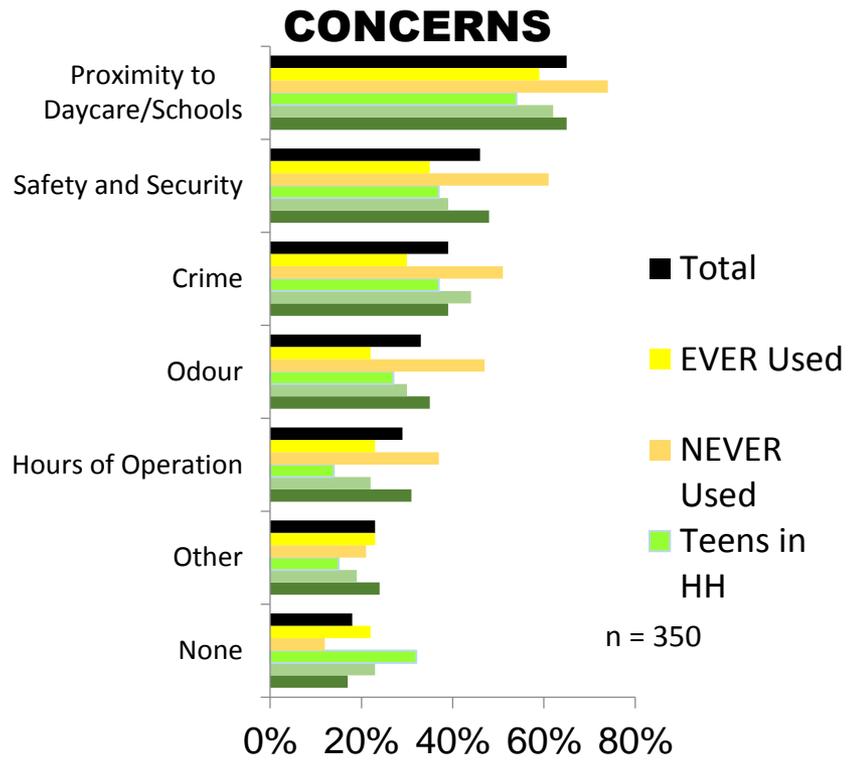


EXPERIENCE WITH CANNABIS DRIVES RESIDENT CONCERNS DOWNWARD; ESPECIALLY THOSE WHO HAVE USED OR W TEENS IN HOUSE.

CONCERNS: CANNABIS RETAIL IN PEC

Q5. Please let us know if any of the following are concerns for you personally regarding legal and tightly regulated cannabis retail stores in Prince Edward County.

- + Notably, proximity to daycare/schools continues to be a concern for ALL residents
- + Experience as a driver for less concern is a window into the value that transparency and fact-based information will be in communicating cannabis retail to PEC residents and alleviating concerns.





70% OF RESIDENTS WHO INTEND TO PURCHASE CANNABIS EXPECT TO DO SO AT RETAIL STORES IN THE COUNTY. THIS REPRESENTS JUST UNDER 1/4 (22%) OF POPULATION 18+.

PURCHASE INTENTION & VENUE

Q6. If legal and tightly regulated cannabis retail stores become available in Prince Edward County which of the following do you think will become your preferred venue for purchase?

- + Bricks and mortar retail is, by far, the preferred venue for County residents who intend to purchase cannabis.
- + Significantly, 7 in 10 intenders expect to purchase at County stores.
- + Tyendinaga has the potential to draw 21% of the local cannabis market away from PEC while online looks to draw another 9%.
- + Importantly, one third of the entire 18+ population are active cannabis purchase intenders. Large constituency.

PENETRATION WITHIN INTENT TO PURCHASE POPULATION



70%

21%

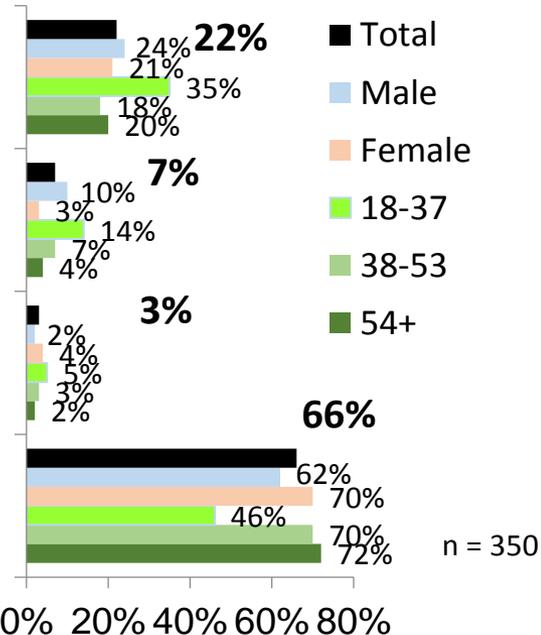
9%

Cannabis Retail in PEC

Cannabis Retail in Tyendinaga

Online Cannabis Retail

No Intention of Purchasing



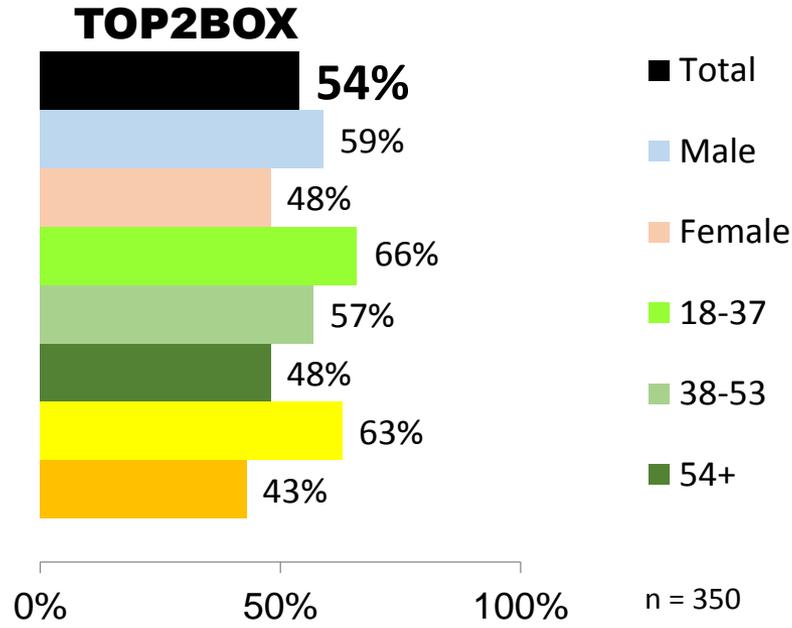


JUST OVER HALF (54%) OF COUNTY RESIDENTS EXPECT CANNABIS RETAIL WILL BENEFIT THE LOCAL ECONOMY. THERE'S ROOM TO MOVE THE NEEDLE HERE WITH FACT-BASED INFORMATION.

PERCEIVED ECONOMIC BENEFITS

Q7. Please tell us how much you agree or disagree with this statement? - Legal and tightly regulated cannabis retail stores will create jobs and benefit the economy in Prince Edward County

- + **Experience drives a more positive outlook on economic benefits;** perhaps more precise matriculations are driving this.
- + Approximately 2/3 of younger residents AND those who have ever used see the economic benefit potential. Males, more active cannabis users in general, also see more financial upside from legal cannabis retail in the County.



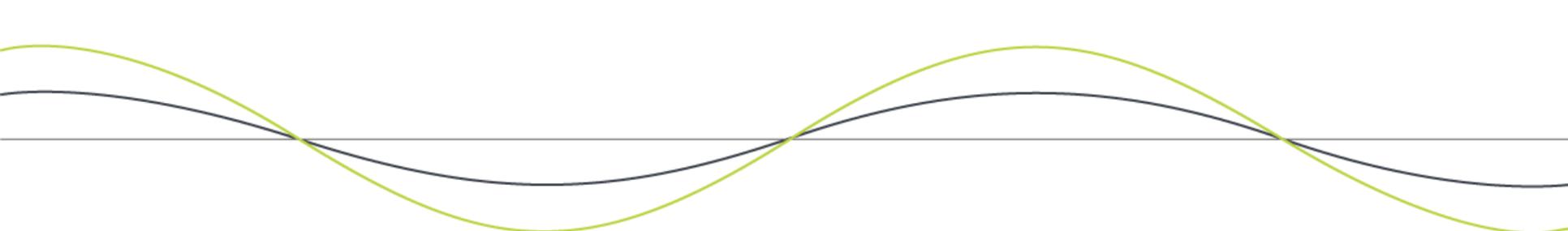
“top2box” = somewhat or strongly agree (4 and 5 on a 5 point scale)



- + Just under 2/3 (63%) of the County population aged 18 and over support “legal and tightly regulated cannabis retail” in Prince Edward County. This increases as the generations go down in age.
- + Just under a third (32%) of the County population aged 18 and over are active cannabis purchase intenders.
- + Fully 1 in 5 (20%) County residents 18 and over are regular or occasional users of cannabis.
- + Over half (54%) of the entire County population aged 18 and over have EVER used cannabis.
- + Almost 2/3 (65%) of the County population aged 18 and over support legalization of cannabis in general.
- + Key drivers for support of cannabis retail in the County include:
 - Younger Age (particularly those aged 18-37)
 - Past or Current Usage
 - Residents with Teens in Household
- + Females are less active users in general but females aged 18-53 (GenZ, GenY and GenX) ARE stronger supporters than males.

- + **Despite widespread support most residents DO have some concerns around cannabis retail in the County. Chief among these is proximity to daycares and schools; access to underage children and to legal aged youth under the age of 25 are concerns for many residents. Transparent communication and fact-based information, potentially combined with any municipal regulations, as is possible, will be key to address resident concerns.**
- + **Experience with cannabis drives resident concerns downwards; especially those who have used OR have teens in the household.**
- + **Fully 70% of active cannabis purchase intenders, over 18, in the County expect to purchase from stores in the County (this represents 22% of the entire 18+ population).**
- + **Cannabis stores in Tyendinaga have the potential to draw away 21% of the active cannabis purchase intenders in PEC.**
- + **Just over half (54%) of County residents over the age of 18 agree that there will be economic benefits from cannabis retail in PEC. There is room to move the needle here with fact-based information.**



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**THANK YOU.
WE LOOK FORWARD TO
WORKING WITH YOU AGAIN!**

CONTACT US

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