CANNABIS PUBLIC POLICY CONSULTING

VERMONT CANNABIS MARKET SUPPLY AND DEMAND ANALYSIS

February 2026

Prepared For:
Vermont Cannabis Control Board
89 Main Street, 3rd Floor
Montpelier, VT 05620

Co-Principal Investigators:
Gideon Cunningham, MA (PhD Candidate)
Graham Antoszewski, MS

Co-Investigators:
Mackenzie Slade, MPH
Mimosa Khatun, PhD

Additional Authors and Editors:
Hannah Boyum
Summer Fox, MPP

Report Citation:

Cunningham, G., Antoszewski, G., Slade, M., Khatun, M., Boyum, H., & Fox, S. (2026, February). Vermont cannabis market supply and demand analysis. Cannabis Public Policy Consulting.

For questions regarding this report, please contact info@cannabispublicpolicyconsulting.com

CANNABIS PUBLIC POLICY CONSULTING

Better Data. Better Policy. Better Outcomes.

CannabisPublicPolicyConsulting.com

Contents

Executive Summary

Following the legalization of adult-use cannabis in 2018, Vermont's cannabis market has entered a period of early maturation, characterized by expanding sales, improving supply-chain efficiency, and stabilizing consumer demand. Since retail sales launched in October 2022, licensed cannabis sales have exceeded $262 million through October 2025. Cultivation data indicate meaningful gains in harvest efficiency and packaged output, suggesting that operators are adapting to market conditions and refining production practices over time. At the same time, consumer purchasing patterns show that regulated channels currently capture approximately 68% of total cannabis expenditures, indicating that while the majority of demand flows through licensed retailers, a substantial share continues to occur through informal and unregulated sources.

This report provides an independent, data-driven assessment of cannabis supply and demand in Vermont, integrating consumer survey data with state-provided track-and-trace data. The analysis spans both adult-use and medical markets and incorporates regulated sales alongside informal and unregulated sourcing to offer a comprehensive view of consumer behavior and market dynamics.

Key findings from this analysis include:

- **Medical patients spend more on cannabis each month and disproportionately purchase higher-potency products.** Patients allocate a larger share of expenditures toward vapes and concentrates, averaging $58.58 per month on vapes and $54.79 on concentrates, compared to $38.88 and $12.00, respectively, among non-patients. These patterns suggest that potency-driven demand plays a more prominent role in medical consumption.
- **While the regulated cannabis market captures the majority of consumer spending, a meaningful share of demand continues to flow through informal and unregulated channels.** Approximately 68% of cannabis expenditures occur through regulated retailers, with the remaining share primarily sourced from friends and family. Consumers routinely source cannabis from multiple channels, suggesting optimization across price, potency, convenience, and product availability rather than exclusive reliance on regulated retail.
- **Price is the dominant driver of unregulated market participation.** Approximately 70% of past-month consumers who purchased cannabis from an unregulated source identified lower prices as a motivation for unregulated market participation, followed by convenience and access to preferred or higher-potency products.
- **Hemp-derived and alternative cannabinoids play a limited role in overall cannabis consumption, but still present emerging regulatory and public health considerations.**

While CBD use is relatively common among past-month cannabis consumers, other alternative cannabinoids (THCA, CBG, THCP, etc.) are used far less frequently and for primarily recreational purposes. Consumer understanding of these products is inconsistent and purchasing often occurs outside regulated dispensaries in places with inconsistent age verification practices, such as smoke shops, gas stations, convenience stores, or online vendors. While these findings indicate that consumers are not meaningfully substituting alternative cannabinoids for regulated cannabis, they nonetheless highlight potential challenges related to consumer education, public health, and enforcement that warrant regulatory attention.

- **Cultivation practices show clear gains in operational efficiency.** Analysis of track-and-trace data from May 2023 to April 2025 indicates a year-over-year reduction in total planting activity, suggesting that cultivators have scaled back production over time. Despite this decline, the share of planted crops reaching harvest increased by 15.5%, and total packaged flower output nearly doubled across seasonal cycles. Output per harvested plant also rose steadily, reflecting improving per-plant yields and a shift toward higher packaged production per cycle. While seasonal variability and severe flooding in July 2023 temporarily disrupted production and contributed to short-term supply volatility, market patterns suggest adaptive responses by operators, including recovery planting and inventory drawdowns. Importantly, similar volatility was not observed following Tropical Storm Beryl in July 2024, indicating growing operational adaptation and resilience among Vermont cultivators.
- **Retail sales have expanded steadily and geographically across the state.** Analysis of sales data from June 2023 through October 2025 shows regulated cannabis sales increased roughly eightfold and increased across nearly all product categories. Average sales per license rose steadily through much of 2024 before stabilizing in 2025, consistent with a market transitioning toward normalized competition. During this period, consumer preferences across product types remained relatively consistent, with raw flower, vapes, and edibles demonstrating persistent demand. In parallel, supply-side indicators suggest cultivation and production practices adjusted to support this stable product mix as the market expanded. Sales growth was geographically distributed across much of the state rather than concentrated among a small subset of retailers, indicating broad-based participation in market expansion.
- **Flower and pre-roll products remain the foundation of consumer demand, accounting for over 60% of total sales, while vape products have exhibited the most pronounced growth in proportional market share over time.** Vermont's flower market has transitioned from an early-stage environment characterized by lower transaction volume and price volatility to a more mature phase marked by high transaction density, substantial increases in grams dispensed, and moderating price declines.

Further, after peaking in mid-2024, flower prices began to soften, and by late 2025 both median and weighted average prices appear to be stabilizing, suggesting that pricing dynamics are adjusting to sustained increases in supply and more consistent purchasing patterns as the market matures.

- **Retail access appears sufficient for most consumers, but there is strong interest in alternative purchasing environments.** 83.2% of past-month consumers purchased cannabis within their county of residence, indicating that geographic access is generally adequate. At the same time, survey responses show broad interest in purchasing cannabis in alternative settings, particularly consumption lounges, permitted special events, grocery or convenience stores, and farmer's markets.

Future Market Considerations and Policy Discussion

- **Cannabis regulation inherently involves tradeoffs among market stability, access to safe products, business viability, public health, and illicit market displacement.** Vermont's deliberate approach to market development, including an emphasis on small-scale production and sustainability, appears to have supported stability during the transition to legalization, while contributing to a comparatively higher-cost market structure. Consumer behavior indicates that participation in informal markets is driven primarily by economic considerations, underscoring that the regulated market is competing not for access, but for preference. Increasing legal market participation will likely require continued downward pressure on prices.
- **Competition is the most direct mechanism for reducing prices, but it carries meaningful implications for small businesses.** Greater competition across cultivation, processing, and retail can increase convenience and lower consumer prices, yet often accelerates consolidation and compresses margins, placing added strain on smaller operators. Where expanding competition is not a preferred policy path, regulators have two additional options: reducing regulatory burden and lowering the excise tax. While regulatory streamlining may reduce operating costs, those savings are not guaranteed to be passed on to consumers. In contrast, excise tax reductions directly lower retail prices and are therefore more likely to translate into measurable changes in consumer purchasing behavior.
- **Product availability and potency limits also shape consumer behavior and regulated market participation.** THC potency is the most influential purchasing characteristic among Vermont consumers, and nearly one-quarter of those sourcing outside the regulated market cited access to higher-potency products as a motivating factor. Differences in purchasing patterns between medical and non-medical consumers further suggest that potency limits may influence where certain consumers choose to purchase. At the same time, price remains the dominant driver of unregulated market participation, with approximately 70% of consumers citing lower prices as their reason for purchasing outside licensed channels.

Section I. Introduction and Market Context

Vermont legalized adult-use cannabis possession, personal cultivation, and consumption in 2018, becoming the eleventh state to do so nationally. The state subsequently established a regulated adult-use cannabis market through the passage of S.54 (Act 64) in 2020, with licensed retail sales commencing in October 2022. Vermont's regulatory framework reflects a deliberate policy choice to prioritize small-scale businesses, environmental stewardship, and outdoor cultivation practices over rapid market expansion. This approach has produced a cannabis market that differs materially from those in many other states. Vermont's licensed cultivation base is dominated by small, outdoor growers, with limited reliance on large indoor or industrial-scale production. While this model aligns with broader state values related to sustainability and local agriculture, it also introduces unique exposure to seasonal variability and environmental risk.

The current report provides an independent, data-driven assessment of cannabis market supply and demand in the State of Vermont. Commissioned to support evidence-informed regulatory decision-making, the analysis evaluates whether existing and anticipated cannabis supply is aligned with lawful consumer demand across Vermont's regulated market. The report further examines how Vermont's distinctive regulatory structure and production model interact with environmental, economic, and behavioral factors that may influence market stability over time.

Research Scope and Objectives

The scope of this analysis encompasses both Vermont's adult-use and medical cannabis markets, including regulated sales channels, legal but non-regulated sources (such as home cultivation and gifting), and illicit sources where relevant for understanding overall market dynamics for past-month cannabis consumers. The study integrates demand-side behavioral data with available supply-side data to provide a comprehensive picture of market conditions, rather than relying on any single data source or measure.

The following were objectives for our research:

- Assess the current balance of cannabis supply and consumer demand among past-month cannabis consumers in the state.
- Evaluate consumer purchasing behaviors and sourcing patterns to identify the factors influencing participation in regulated versus unregulated markets.
- Examine pricing dynamics, product preferences, and competitive pressures shaping market performance and consumer decision-making.

- Identify emerging market considerations, including the role of alternative cannabinoids and evolving consumer trends.

Methodology

Regulatory Determinants of Cannabis Outcomes Survey (RDCOS)

CPPC administers the Regulatory Determinants of Cannabis Outcomes Survey (RDCOS), one of the largest and most frequently issued cannabis surveys in the United States. The RDCOS uses applied behavioral science methodologies and proprietary survey logic to quantify consumer behavior and evaluate the impacts of cannabis policies across more than 200 market, public health, and economic outcomes.

The RDCOS is designed to:

- Use a behavioral approach to understand cannabis consumption behaviors and patterns
- Evaluate the efficacy of individual regulatory policies
- Identify and tailor key performance indicators for state-specific markets
- Measure outcomes at the local, state, and national levels for benchmarking, trend analysis, and prediction.

For this project, CPPC collaborated with the Vermont Cannabis Control Board to tailor the standard RDCOS instrument to reflect Vermont's regulatory framework, market structure, and research objectives. Data was collected in October-November 2025 and captured 263 respondents. Data collected from the RDCOS serves as the analytical backbone for supply and demand assessment and will be integrated with administrative supply chain data to support forthcoming predictive modeling and market forecasting in the subsequent phase of this research.

The RDCOS, along with its tailored versions for specific populations of interest, is hosted on Qualtrics, a secure online survey platform with advanced logic features that support data validity and accuracy. The RDCOS has been reviewed and determined exempt by the BRANY Institutional Review Board (IRB). BRANY is registered in accordance with 45 C.F.R. § 46 Subpart E; and 21 C.F.R.§ 56.106.

Survey recruitment is conducted through Cint's Lucid Community Research Panels, a widely used and reputable recruitment platform that facilitates large-scale, diverse, and rapid sample collection through incentivized participation. Recruitment methods are designed to approximate representative population frames and ensure timely response rates. Data cleaning procedures are applied post-hoc, along with iterative proportional fitting (i.e., raking) using federal probability-based sample data to ensure representation of past-month cannabis users in the state.

All surveys are administered through Qualtrics, allowing CPPC to maintain respondent anonymity and comply with IRB requirements and National Institute of Standards and Technology (NIST) data security standards. Cint staff receive only a secure survey link and do not have access to respondent data. Because survey instruments may include questions related to sensitive behaviors, CPPC adheres to strict confidentiality, data security, and data management protocols. All staff involved in data analysis maintain current certifications in human subjects research and confidentiality through the U.S. Department of Health and Human Services.

Data collected in the RDCOS undergoes numerous steps to ensure data quality, including multiple attention checks, consistency of answers, and standard web-based duplicate and fraudulent response detectors. Additional steps are taken to increase representativeness and ensure the sample closely matches the observed characteristics of the broader past-month cannabis consuming population of Vermont. For this study, data from the 2024 Vermont BRFSS were utilized to generate “pseudo-weights” with weighted multivariate logistic regression in a process known as “Inverse Propensity Weighting” or “Inverse Probability Weighting”. The resulting weights are then “raked” in a process known as “Iterative Proportional Fitting” on six characteristics: age, gender, race and ethnicity, household income, county of residence, and the number of days an individual has used cannabis within the past month.

The RDCOS collects data on a total of 63 unique product types between cannabis and hemp products. Participants are asked to indicate the total number of units and prices paid within the past month from a variety of sources. For cannabis products, a total of seven sources is included. Post-collection data cleaning is utilized to ensure estimates represent the average past-month cannabis consumer in Vermont. This includes winsorization of individual variables and Mahalanobis distance to prevent structural, multivariate outliers from distorting the data.

Together, these methods produce a statistically adjusted, cost-effective sample designed to be representative of past-month cannabis consumers in Vermont, enabling robust inference regarding aggregate market demand and consumer behavior.

Limitations

Several limitations should be considered when interpreting the findings presented in this report. First, supply-chain data for *medical* cannabis sales were not available, limiting the ability to cross-validate sales estimates for traceable medical markets outside of the adult use sales. As a result, comparisons between regulated taxable sales and total market demand rely on indirect benchmarking rather than direct reconciliation for medical cannabis consumers specifically.

Second, taxable sales estimates for the October–November data collection period fall within the 95% confidence intervals generated by survey-based demand estimates. While this alignment provides validation for overall market sizing during that period, it does not eliminate uncertainty around precise category-level allocation.

Finally, the survey is designed to be representative of the overall population of past-month cannabis consumers in Vermont, rather than specific subpopulations such as registered medical patients. Accordingly, while comparative patterns between patients and non-patients are informative, findings should not be interpreted as fully generalizable to medical patients as a distinct population.

Note: Seed-to-sale system data was provided to CPPC through a data sharing agreement. As this data is self-reported from licensees into the traceability system, CPPC cannot certify the provided supply chain data accuracy and makes no claims, promises, or guarantees regarding its accuracy.

Section II. Market Demand

Market Size and Taxable Sales Benchmarks

To contextualize Vermont's cannabis demand within the broader market, CPPC developed monthly regulated market size estimates using a combination of national prevalence benchmarks and state-specific survey-based expenditure data. As shown in *Table 1. Total Vermont Regulated Cannabis Monthly Market Size Estimates*, these estimates reflect a range of plausible monthly market values based on combinations of lower-bound, point-estimate, and upper-bound assumptions derived from the National Survey on Drug Use and Health (NSDUH) and CPPC's proprietary demand modeling.

Across these scenarios, estimated total monthly regulated cannabis expenditures range from approximately $12.1 million at the most conservative lower-bound estimate to approximately $27.4 million at the upper-bound estimate. CPPC's central estimate places Vermont's total monthly regulated cannabis market at approximately $19.0 million.

Table 1. Total Vermont Regulated Cannabis Monthly Market Size Estimates

All Regulated Cannabis Expenditures	Combination
$12,063,960	NSDUH 2023 Lower Bound; CPPC Lower Bound
$16,701,560	**NSDUH 2023 Lower Bound; CPPC Estimate**
$21,340,400	NSDUH 2023 Lower Bound; CPPC Upper Bound
$13,717,890	NSDUH 2023 Estimate; CPPC Lower Bound
$18,991,290	**NSDUH 2023 Estimate; CPPC Estimate**
$24,266,100	NSDUH 2023 Estimate; CPPC Upper Bound
$15,469,110	NSDUH 2023 Upper Bound; CPPC Lower Bound
$21,415,710	**NSDUH 2023 Upper Bound; CPPC Estimate**
$27,363,900	NSDUH 2023 Upper Bound; CPPC Upper Bound

Presenting the market size as a bounded range reflects inherent uncertainty in demand estimation while providing a structured framework for evaluating the scale of consumer activity in the state.

To validate these estimates against observed market activity, CPPC compared modeled demand to reported taxable sales captured through Vermont's statewide cannabis excise tax data. Taxable sales during 2025 generally ranged between approximately $11.0 million and $13.7 million per month.[1] Because these data reflect only taxable adult-use sales, they exclude medical cannabis purchases and other non-taxable sources of consumption.

As a result, taxable sales figures represent a conservative benchmark rather than a complete accounting of total cannabis demand. The purpose of this exercise is to increase confidence in estimates of cannabis expenditures in sources outside of the regulated cannabis market for which no data exists outside of survey estimates. Importantly, observed taxable sales fall within the lower portion of CPPC's estimated market size range, providing an external point of validation for the modeling approach. This alignment increases confidence that CPPC's central and upper-bound estimates reasonably capture additional demand attributable to medical use and other non-taxable sources not reflected in excise tax filings.

Demand estimates indicate that Vermont's cannabis market reflects a mature consumer base with consistent past-month use patterns. Average monthly cannabis expenditures across all consumers total approximately $197 per month, with notable differences between patient and non-patient consumers, shown in *Table 2. Average Monthly Cannabis Expenditures by Patient Status and Product Category*. Medical cannabis patients report higher average monthly spending ($252) compared to non-patients ($187), suggesting more intensive or frequent consumption among patient populations.

Spending patterns also differ across product categories. Medical patients allocate a larger share of expenditures toward higher-potency products, particularly vapes and concentrates. Patients spend an average of $58.58 per month on vapes and $54.79 on concentrates, compared to $38.88 and $12.00, respectively, among non-patients. These differences are consistent with potency-driven demand playing a more prominent role in medical consumption, likely influenced by therapeutic use patterns and regulatory potency limits.

Conversely, flower and pre-roll products remain foundational to demand across both patient and non-patient consumers, with relatively similar average spending levels. This consistency indicates that traditional cannabis formats continue to anchor consumption regardless of patient status.

[1] *https://tax.vermont.gov/data-and-statistics/cannabis-excise-tax*

Table 2. Average Monthly Cannabis Expenditures by Patient Status and Product Category

Product Category	Non-Patient	Patient
Total Spending	$187.38	$251.73
Adult-Use/Medical Dispensary	$128.56	$169.78
Flower	$78.35	$80.00
Pre-Rolls	$22.93	$23.55
Edibles	$30.25	$34.45
Beverages	$3.91	$0.36
Concentrates	$12.00	$54.79
Vapes	$38.88	$58.58
Tinctures	$0.36	—
Topicals	$0.71	—
Capsules	—	—

Regulated and Unregulated Market Participation

Survey results indicate that the regulated market captures approximately 68% of total cannabis expenditures in Vermont. Dispensaries account for 69% of adult-use spending and 67% of medical spending (see Figures 1 and 2). While the regulated system captures the majority of consumer spending, a substantial share of demand continues to flow through informal and unregulated channels.

Among adult-use consumers, approximately 18% of expenditures occur through purchases from friends or family, with an additional 6% attributed to illicit delivery services. Medical consumers report a similar reliance on informal sourcing, with 25% of spending attributed to friends or family. Direct illicit purchases represent a relatively small share of medical spending (0.6%), though informal channels remain an important component of overall consumption.

Table 3. Share of Cannabis Expenditures Occurring in the Regulated Market by Patient Status

Category	% of Dollars Spent in Regulated Market (Licensed Dispensaries)
Non-Patient	68.61%
Patient (includes regulated delivery)	67.45%
Total	68.38%

Figure 1. Distribution of Adult-Use Cannabis Expenditures by Source

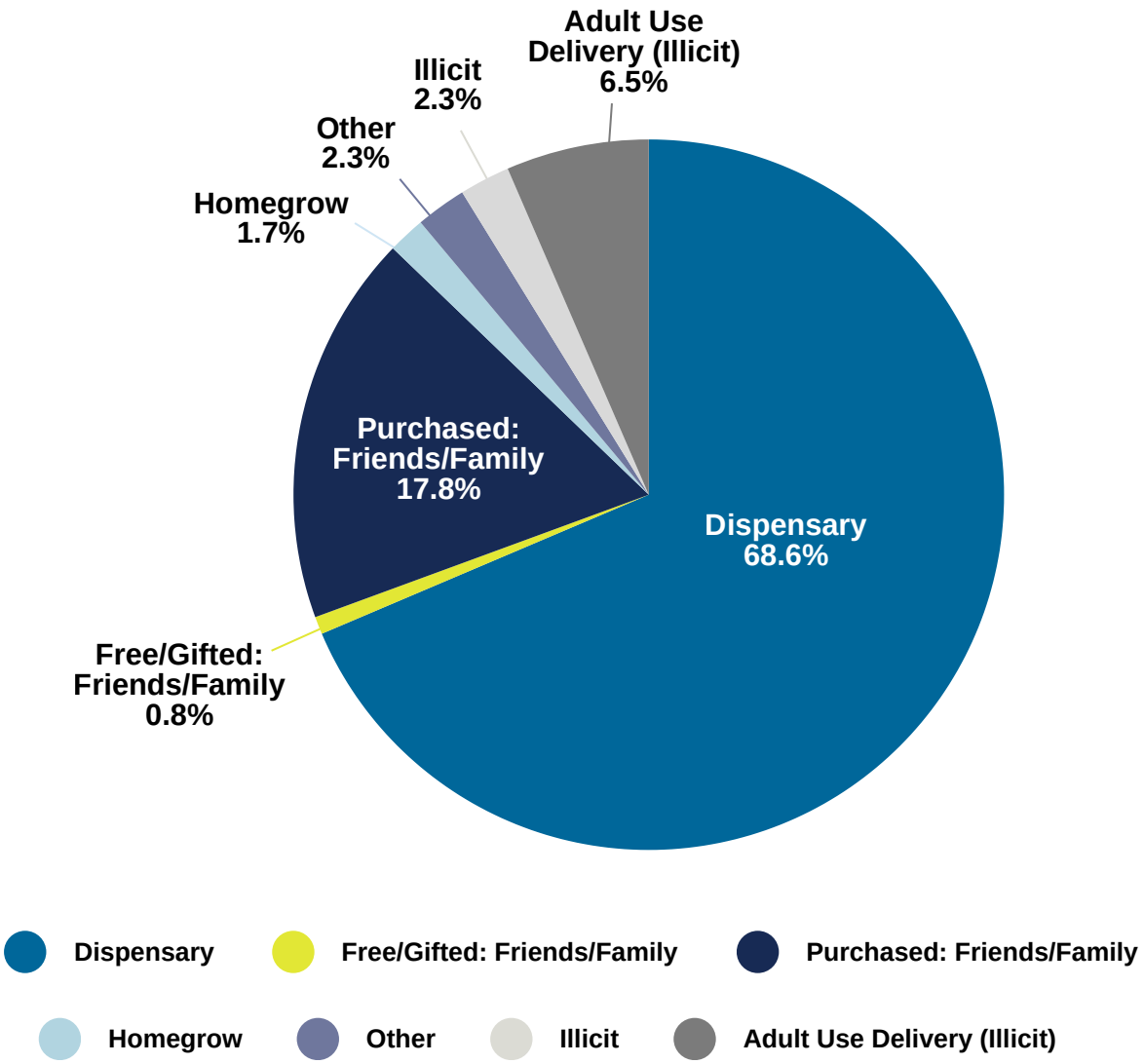
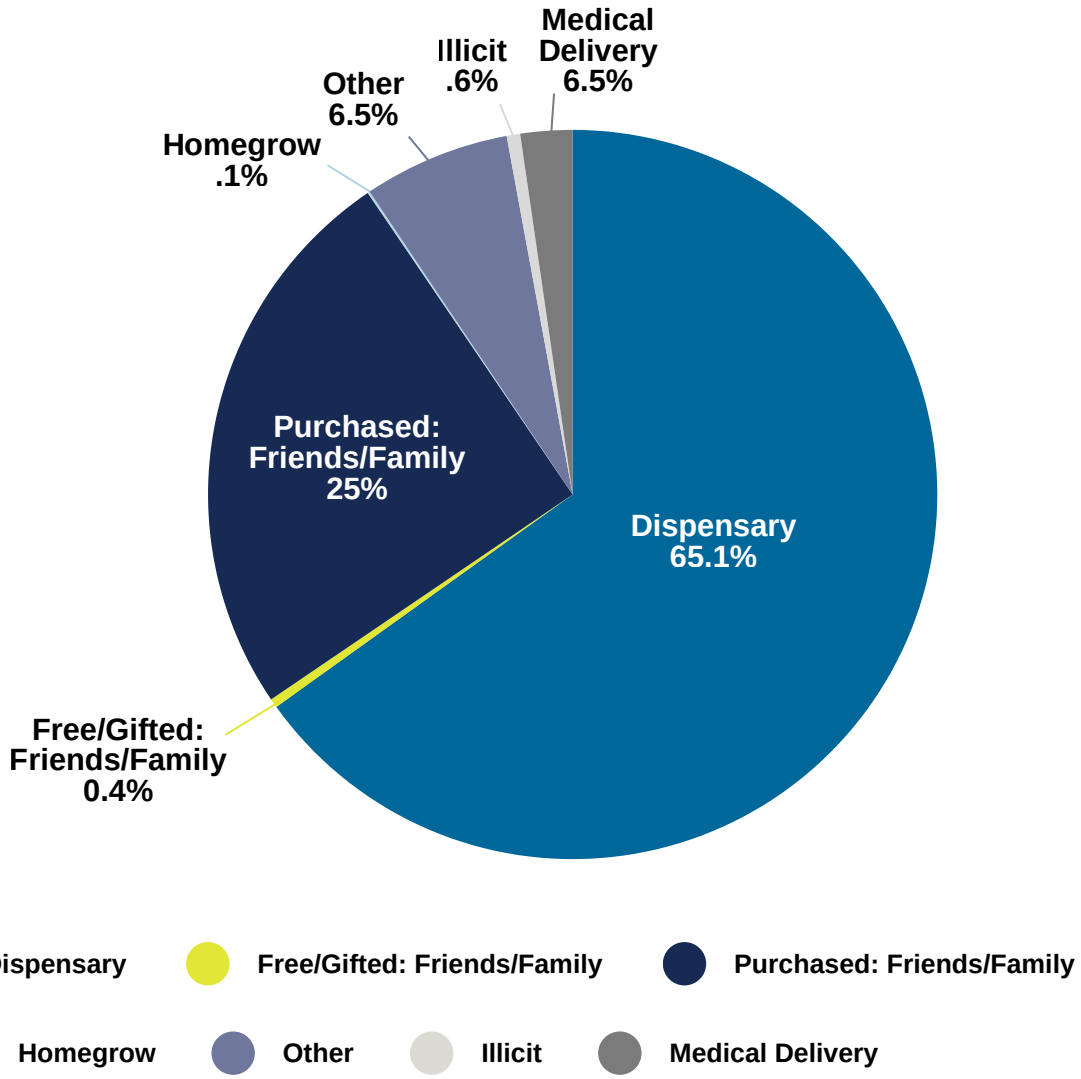


Figure 2. Distribution of Medical Cannabis Expenditures by Source



Consumers also demonstrate sourcing diversification rather than reliance on a single market. Monthly units purchased or obtained reflect consistent use of multiple channels, including dispensaries, friends or family, delivery services, homegrow, and other sources. While dispensaries remain the dominant source, non-trivial quantities of flower, vapes, and edibles are obtained through informal and unregulated channels. This pattern suggests that consumers actively optimize across price, convenience, potency, and availability rather than demonstrating exclusive loyalty to regulated retail.

Homegrow and gifting play a relatively small role in Vermont's cannabis market. Homegrown cannabis accounts for approximately 2% of adult-use expenditures and 0.1% of medical expenditures. However, gifting and informal purchasing collectively represent a larger share of total consumption and function as partial substitutes for regulated retail, particularly when consumers seek lower prices, higher-potency products, or specific product characteristics not readily available through dispensaries.

Table 4. Cannabis Past-Month Expenditures ($) By Product Across Source and Patient Status

	Patient Status	Total	Adult-Use/Medical Dispensary	Free/Gifted: Friends/Family	Purchased: Friends/Family	Illicit	Adult-Use/Medical Delivery	Home grow	Other
Flower	Non-Patient	$78.35	$52.09	$0.39	$17.76	$2.23	$3.09	$2.15	$0.64
	Patient	$80.00	$54.98	$0.89	$13.87	$0.47	$5.87	$0.03	$3.88
Pre-Rolls	Non-Patient	$22.93	$21.02	$0.24	$0.66	$0.32	$0.52	$0.17	$ -
	Patient	$23.55	$17.46	$ -	$6.09	$ -	$ -	$ -	$ -
Edibles	Non-Patient	$30.25	$21.46	$0.23	$0.46	$0.42	$3.98	$0.66	$3.04
	Patient	$34.45	$18.03	$ -	$7.40	$0.20	$ -	$ -	$8.81
Beverages	Non-Patient	$3.91	$3.86	$0.02	$ -	$0.01	$0.02	$ -	$ -
	Patient	$0.36	$0.36	$ -	$ -	$ -	$ -	$ -	$ -
Concentrates	Non-Patient	$12.00	$10.21	$0.06	$0.00	$0.49	$1.17	$0.05	$ -
	Patient	$54.79	$48.56	$ -	$5.97	$0.26	$ -	$ -	$ -
Vapes	Non-Patient	$38.88	$18.93	$0.55	$14.40	$0.80	$3.44	$0.10	$0.66
	Patient	$58.58	$24.51	$ -	$29.70	$0.52	$ -	$0.17	$3.68
Tinctures	Non-Patient	$0.36	$0.36	$ -	$ -	$ -	$ -	$ -	$ -
	Patient	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Topicals	Non-Patient	$0.71	$0.63	$0.05	$ -	$ -	$0.03	$ -	$ -
	Patient	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capsules	Non-Patient	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Patient	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Table 5. Cannabis Past-Month Units (g/units) By Product Across Source and Patient Status

	Patient Status	Total	Adult-Use/Medical Dispensary	Free/Gifted: Friends/ Family	Purchased: Friends/ Family	Illicit	Adult-Use/Medical Delivery	Home grow	Other
Flower (Units)	Non-Patient	20.88	8.59	3.35	3.17	0.49	0.75	4.5	0.04
	Patient	18.11	13.04	1.49	2.02	0.12	0.82	0.4	0.23
Pre-Rolls (Units)	Non-Patient	8.24	6.59	0.64	0.21	0.1	0.07	0.63	0
	Patient	5.77	3.37	1.24	1.17	0	0	0	0
Edibles (Units)	Non-Patient	1.36	0.68	0.29	0.02	0.03	0.14	0.08	0.12
	Patient	5.77	3.36	0.31	1.79	0.01	0	0	0.29
Beverages (Units)	Non-Patient	0.51	0.43	0.02	0	0	0	0	0.05
	Patient	0.04	0.04	0.01	0	0	0	0	0
Concentrates (Units)	Non-Patient	1.63	1.08	0.32	0	0.12	0.08	0.02	0
	Patient	4.35	2.78	0.45	1.08	0.05	0	0	0
Vapes (Units)	Non-Patient	2.05	0.85	0.24	0.63	0.07	0.21	0.03	0.02
	Patient	3.14	1.53	0.14	1.15	0.09	0	0.13	0.11
Tinctures (Units)	Non-Patient	0.01	0.01	0	0	0	0	0	0
	Patient	0	0	0	0	0	0	0	0
Topicals (Units)	Non-Patient	0.05	0.03	0.02	0	0	0.01	0	0
	Patient	0.01	0	0.01	0	0	0	0	0
Capsules (Units)	Non-Patient	0	0	0	0	0	0	0	0
	Patient	0	0	0	0	0	0	0	0

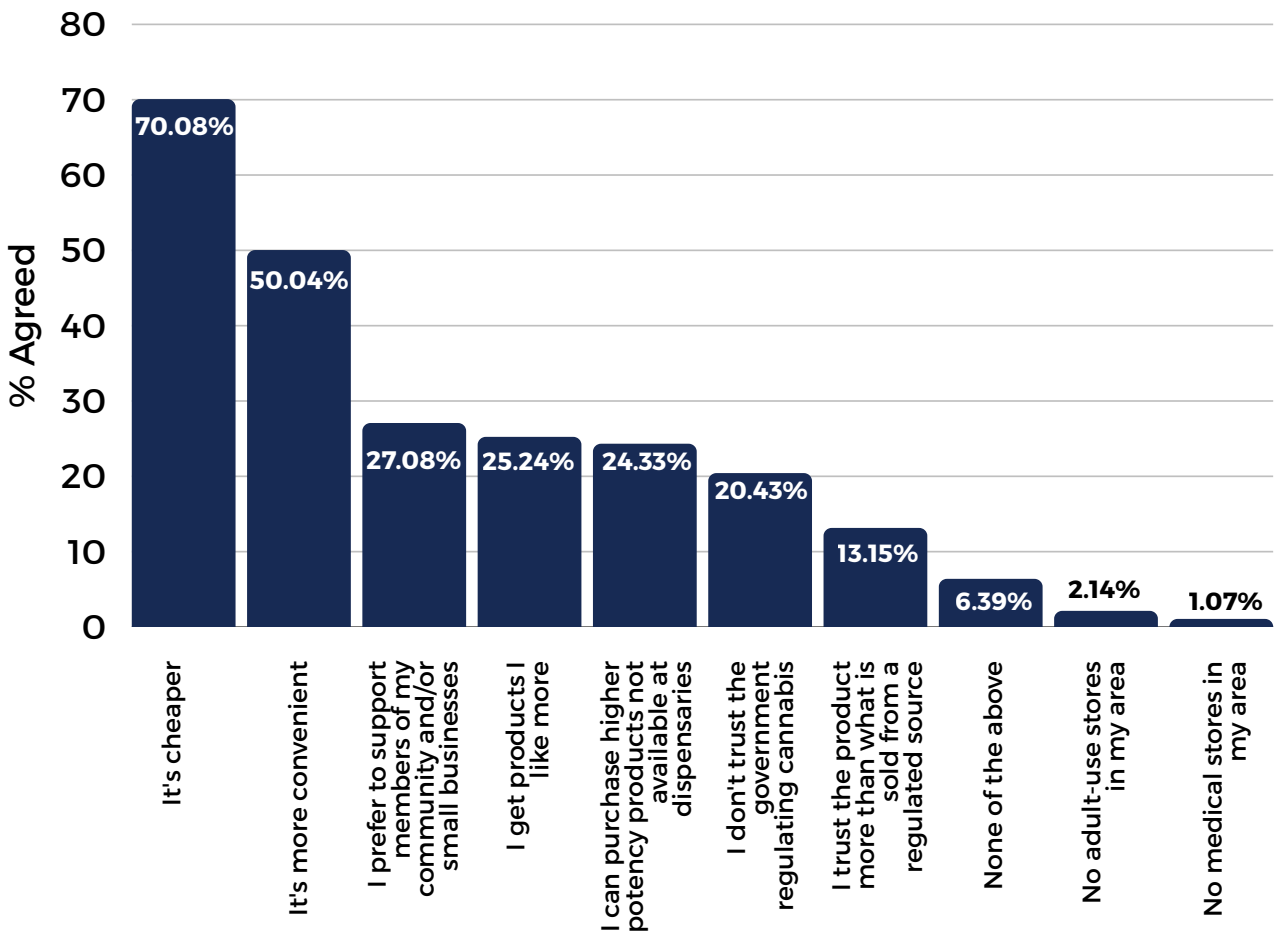
Consumer Sourcing Behaviors

Drivers of Unregulated Market Participation

Survey responses among those that purchased cannabis outside of the regulated market indicate that purchasing from the unregulated cannabis market is not primarily driven by a lack of physical access to licensed retailers (See Figure 3). Only a small share of past-month consumers cited the absence of nearby adult-use or medical stores as a motivating factor. Instead, unregulated purchasing is largely shaped by economic, product-related, and trust-based considerations.

Lower prices emerged as the most frequently cited driver of unregulated purchasing, with approximately 70% of past-month consumers identifying cost as a motivating factor, which is a significantly high rate of consensus. Convenience was the second most commonly reported reason, cited by roughly half, indicating that ease of transaction and speed of access remain influential even in the presence of a regulated retail system. In addition, a substantial share of past-month consumers reported turning to unregulated sources to obtain products they prefer or to access higher-potency products not available through licensed dispensaries.

Figure 3. Reason(s) for Purchasing from the Unregulated Market



Social and trust-based factors also contribute to unregulated market participation. More than one quarter of past-month consumers who purchased outside of the regulated market indicated a preference for supporting members of their community or small businesses. Approximately one in five past-month consumers expressed distrust in government regulation of cannabis, while a smaller but notable share reported greater trust in unregulated products compared to those sold through licensed channels. These findings suggest that participation in the unregulated cannabis market is driven by a combination of price sensitivity, convenience, product availability, and consumer trust, rather than structural barriers to regulated market access.

Drivers of Regulated Market Participation

Survey responses indicate that purchasing decisions within Vermont's regulated cannabis market are primarily driven by product attributes and transactional considerations, as shown in *Table 6. Reasons for Purchasing Cannabis Across Any Source*. THC potency and price emerged as the most frequently cited reasons for purchasing from any source, with approximately two-thirds of respondents indicating each factor as influential.

Beyond potency and price, nearly half of past-month consumers cited source and strain availability as motivating factors, underscoring the importance of product selection and where the products are obtained. Convenience was also a meaningful consideration, reported by approximately 43% of respondents. Safety-related attributes, including testing for contaminants, were cited by roughly 40% of respondents, while just over one quarter identified legality as a motivating factor.

These results indicate that while compliance and consumer protections remain relevant, they are secondary to product characteristics and price for many consumers. Attributes such as terpene profiles and non-THC cannabinoids were less frequently cited, reflecting more specialized preferences among a subset of consumers.

Table 6. Reasons for Purchasing Cannabis Across Any Source

Reason for Purchasing	% Agreed
THC Potency	66.04%
Price	64.75%
Source	46.31%
Strain	45.21%
Convenience	42.68%
Safety (Tested for Contaminants)	39.72%
Obtained Legally	28.08%
Terpenes	19.81%
CBD or Other Non-THC Potency	15.29%
Delivered	8.30%
None of the Above	1.71%

Demand-side evidence indicates that Vermont's regulated cannabis market captures the majority, but not the full extent, of consumer spending. Product availability, potency constraints, and price competitiveness appear to exert greater influence on sourcing decisions than retail access alone. Flower remains in the dominant product category, while vapes and concentrates play a disproportionate role in medical demand and illicit substitution.

These findings suggest that future gains in regulated market participation are less constrained by physical retail access and more closely tied to product access and market competitiveness. Consumer sourcing behavior indicates that limitations related to product availability, such as potency caps, and price sensitivity play a more significant role than geographic proximity alone. Adjustments that improve product alignment with consumer preferences, including consideration of pricing dynamics and product caps, may increase regulated market participation. At the same time, expanding geographic retail density could introduce additional competition, contribute to downward price pressure, and capture demand among consumers for whom convenience remains a primary driver of unregulated purchasing.

Hemp-Derived Product Use

Survey results indicate that awareness and use of hemp-derived and alternative cannabinoid products vary widely by compound, across the adult past-month cannabis population. As shown in *Table 7. Lifetime and Past-Month Use of Hemp-Derived and Alternative Cannabinoids*, cannabidiol (CBD) represents the most commonly used non-Delta-9 THC cannabinoid, with approximately 28% of respondents reporting use in the past month and nearly half reporting prior use outside the past month. In contrast, the majority of respondents reported never using, or being unsure whether they had used, other alternative cannabinoids such as Delta-8 THC, Delta-10 THC, THCP, THCV, CBN, HHC, CBG, and hemp-derived Delta-9 THC, indicating limited penetration and familiarity within the broader adult population, not just cannabis consumers.

Across these alternative cannabinoids, past-month use rates were generally low, typically ranging between 2% and 28% depending on the compound. Even for the most commonly reported alternative THC products (e.g., CBD, THCA, Delta-8 THC, CBN , and Delta-10 THC), a majority of respondents reported no use in the past 30 days. This indicates that while alternative cannabinoids are present in the market, regular or widespread use remains limited relative to traditional cannabis products.

Table 7. Lifetime and Past-Month Use of Hemp-Derived and Alternative Cannabinoids

Cannabinoid	Past-Month Use (%)	Never Used / Unsure (%)
CBD	28.40%	22.40%
THCA	13.80%	76.60%
Delta-8 THC	9.90%	66.00%
CBN	9.00%	81.90%
Delta-10 THC	8.00%	77.70%
Delta-8 THCO	8.00%	81.60%
CBG	8.00%	81.60%
THCP	7.20%	80.30%
Hemp-derived Delta-9 THC	7.00%	77.60%
THCV	3.70%	87.30%
HHC	2.10%	86.30%

Among those respondents who have used alternative cannabinoids in the past month, the available data suggest that hemp-derived and alternative cannabinoid products do not primarily function as a substitute for low-THC or balanced CBD/THC cannabis products within the regulated market. While CBD use is relatively prevalent, most alternative cannabinoids, including those often marketed as milder or legally distinct, exhibit low rates of regular use and limited frequency of consumption.

Among all past-month cannabis users, use of alternative cannabinoids, most reported infrequent consumption, typically one to four days in the past month. Near daily or daily use was uncommon and observed only among very small shares of respondents for select compounds, reinforcing that alternative cannabinoid use is not broadly common within the general population.

Table 8. Frequency of Hemp-Derived and Alternative Cannabinoids Use by Cannabinoid (%)

	Delta-8	THCO	Delta-10	THCP	THCV	CBD	CBN	HHC	CBG	THCA	Hemp-Derived Delta-9
0 days	91.81	94.64	93.33	94.6	96.8	72.5	91.35	98.02	92.86	89.25	93.06
1 to 4 days	4.32	4.9	4.71	1.98	2.96	17.72	3.01	1.82	4.12	3.15	3.88
5 to 10 days	0.53	0.06	1.12	0.59	0.1	2.5	0.81		0.34	3.07	0.97
11 to 19 days	0.3	0.26	0.35	0.36	0.14	2.61	2.86	0.03	2.53	0.09	-
20 to 29 days	1.78	-	0.13	0.58	-	0.6	0.58	-	-	0.58	-
All 30 days	1.26	0.14	0.37	1.88	-	4.07	1.39	0.14	0.14	3.86	2.1

Importantly, respondents who used alternative cannabinoids within the past month did not overwhelmingly report medical motivations, as seen in Table 9. Reported Reasons for Using Hemp-Derived or Alternative Cannabinoids. Approximately 64% indicated recreational reasons for use, while 22% reported medical reasons and 14% reported both. This distribution suggests that alternative cannabinoid products are more often used for general consumption rather than as a targeted replacement for regulated medical or low-THC options.

Table 9. Reported Reasons for Using Hemp-Derived or Alternative Cannabinoids

Reason for Use	Percent of Respondents
Recreational	63.75%
Medical	22.23%
Both	14.01%

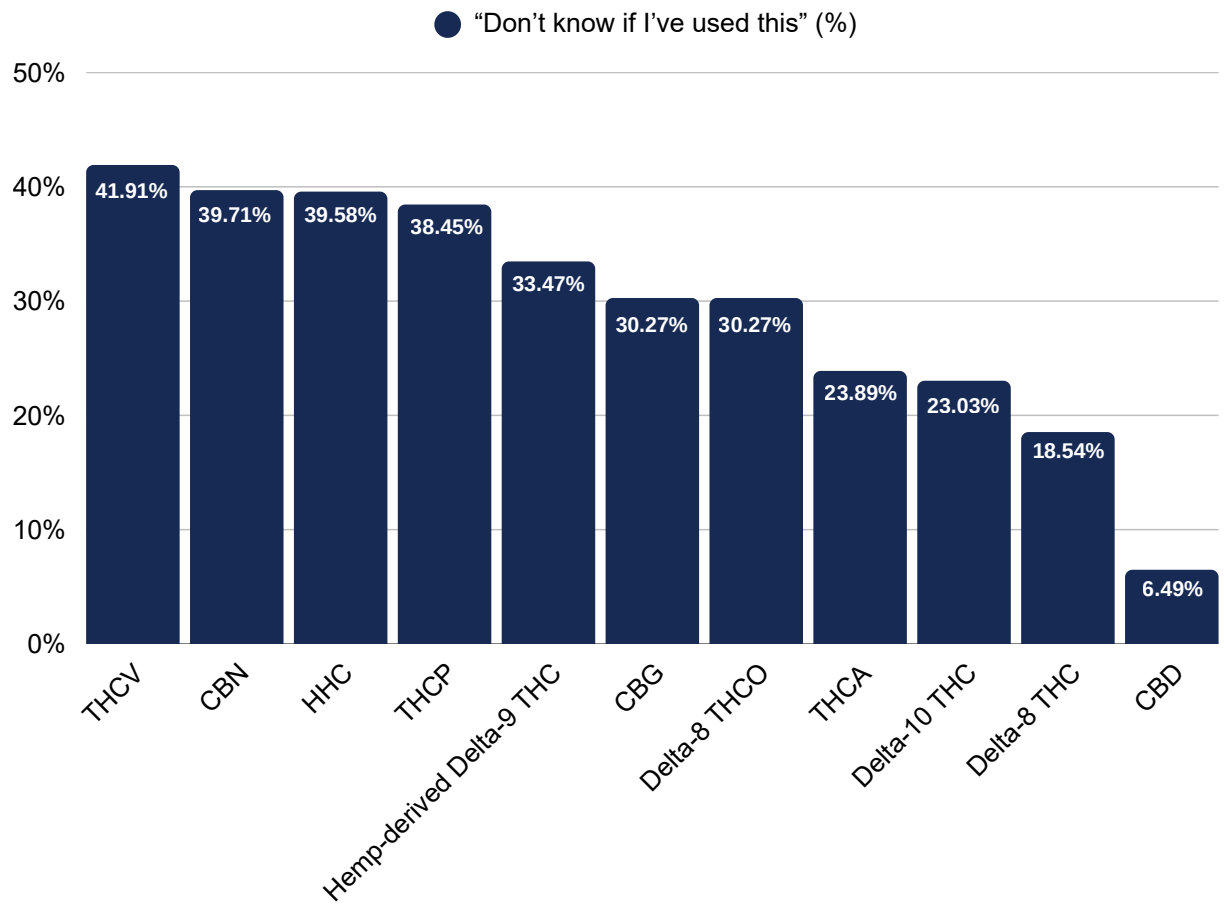
Additionally, decision-factor rankings indicate that convenience (61%), price (39%), and potency (32%) were the most commonly cited reasons for purchasing alternative cannabinoids. Safety considerations were cited by roughly 31% of respondents. These patterns suggest that alternative cannabinoid products are more likely filling gaps related to ease of access, price sensitivity, or product availability rather than addressing unmet demand for specific therapeutic or low-intoxication use cases.

Table 10. Reported Purchase Drivers for Hemp-Derived or Alternative Cannabinoid Products

Factor	Percent Selecting
Convenience	60.50%
Price	39.20%
Potency	32.00%
Safety	30.70%
Source	12.30%
Other	10.40%
I think I live in a state or municipality/county that does not allow legal cannabis	0.41%
To avoid drug testing	0.18%

Survey results also highlight substantial gaps in public understanding of alternative cannabinoids. Across most compounds, a large share of past-month consumers reported that they did not know whether they had used the product or did not know what the compound was, as seen in *Figure 4. Percent of Respondents Unsure Whether They Have Used Specific Cannabinoids.* For several cannabinoids, including THCP, THCV, HHC, CBG, and CBN, approximately one-third to just over two-fifths of past-month consumers selected "I don't know if I've used this," indicating limited consumer awareness or clarity regarding product composition and labeling.

Figure 4. Percent of Respondents Unsure Whether They Have Used Specific Cannabinoids



Purchasing sources for alternative cannabinoids also differ markedly from regulated cannabis purchasing patterns. While approximately 47% of respondents reported purchasing alternative cannabinoids from licensed adult-use or medical dispensaries, a substantial share reported obtaining these products from smoke shops (32%), gas stations or convenience stores (19%), online vendors (10%), or friends and family (18%). Only a small proportion reported purchasing from explicitly illicit sellers.

Table 11. Sources of Hemp-Derived and Alternative Cannabinoid Purchases

Source	Percent of Past-Month Consumers who Have Purchased
Licensed dispensary	47.46%
Smoke shop	31.69%
Gas station / convenience store	18.55%
Friends or family	18.35%
Online vendor	10.30%
Another type of shop	3.11%
Someone who is not a friend or family member and is NOT selling on behalf of a legal cannabis source	2.60%

Age-verification practices varied significantly by source. As shown in *Table 12. Age Verification Practices by Purchase Source for Hemp-Derived and Alternative Cannabinoid Products*, almost all respondents purchasing alternative cannabinoids from licensed dispensaries reported being asked to present identification. In contrast, ID verification was inconsistent or absent in many non-regulated retail environments, including gas stations, online purchases, and purchases from friends or family. These discrepancies suggest uneven application of age-control practices across sales channels for alternative cannabinoid products.

Table 12. Age Verification Practices by Purchase Source for Hemp-Derived and Alternative Cannabinoid Products

Purchase Source	Yes (%)	No (%)	I Don't Remember (%)
Licensed adult-use / medical dispensary	97.03%	—	2.97%
Gas station, grocery store, or convenience store	30.44%	56.57%	12.99%
Smoke shop	78.49%	21.51%	—
Another type of shop	11.76%	10.74%	77.50%
Online	37.66%	62.34%	—
Friends / family	15.39%	82.91%	1.70%
Illicit seller or unregulated/unlicensed store	9.88%	90.12%	—

Overall, the data indicates that consumer engagement with hemp-derived and alternative cannabinoids is shaped by limited product knowledge, inconsistent regulatory signaling across retail environments, and motivations centered on convenience, price, and perceived potency rather than formal legal distinctions. These dynamics present challenges for consumer education, enforcement consistency, and alignment between regulated cannabis policy objectives and the evolving alternative cannabinoid marketplace.

Section III. Market Supply & Retail Access

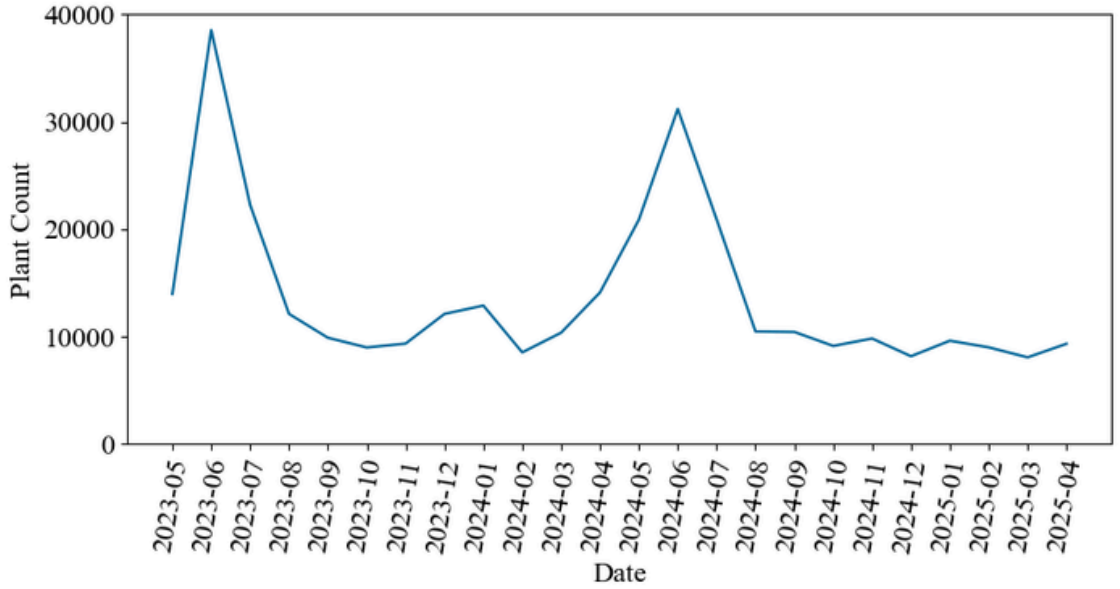
Supply Data & Cultivation Trends

Cultivation and harvest data reported at the county level were used to examine the evolution and efficiency of Vermont's cannabis supply over time. Licensed cultivators are required to record planting, harvest, and final packaging activity within the state's track-and-trace system, providing a structured record of how cannabis production moves downstream toward the consumer market. This data allows for analysis of aggregate production patterns and changes in cultivation behavior across reporting periods.

For the purposes of this analysis, harvest data from May 2023 through April 2025 were utilized, representing a 24-month observation window.

Across the observed period, monthly planting activity generally stabilized at approximately 10,000 plants, with pronounced seasonal peaks consistent with outdoor cultivation cycles (see Figure 5). The highest planting volumes occurred in June 2023, with 38,668 plants recorded, followed by a lower peak of 31,210 plants in June 2024. When aggregating planting activity across the primary outdoor planting window of May, June, and July, total plant counts declined by 1,894 plants from 2023 to 2024.

Figure 5. Monthly Cannabis Planting Activity in Vermont

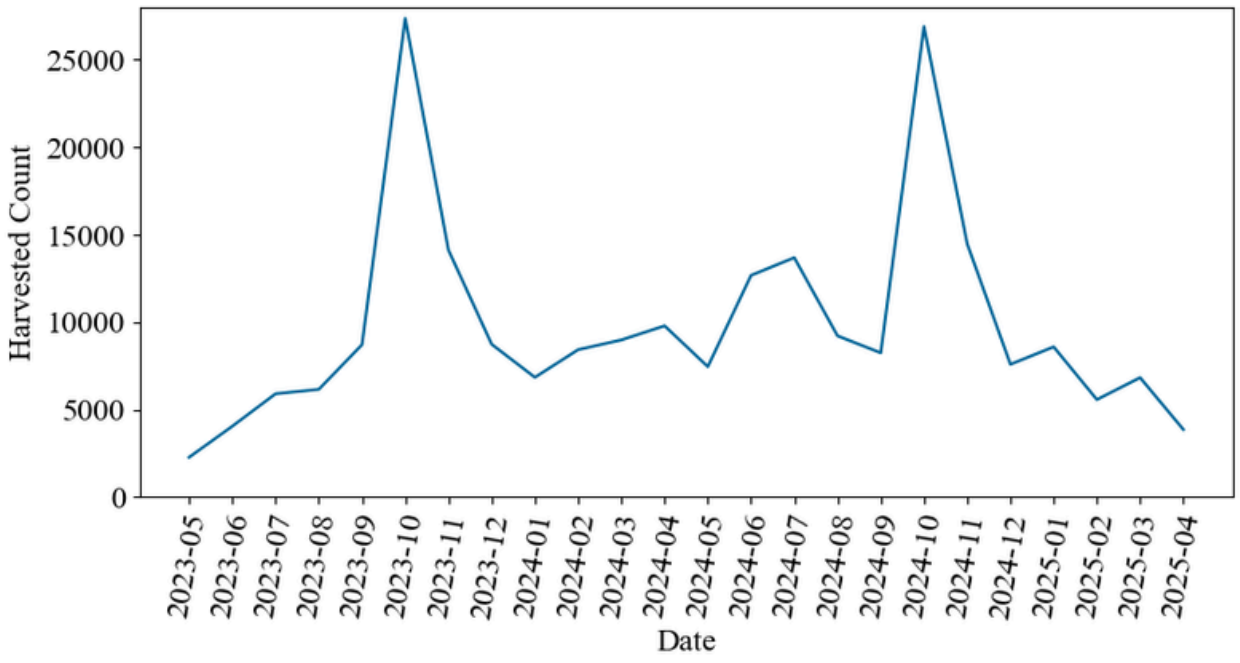


This pattern is further reinforced when the data is examined across full seasonal cycles. During the May 2023–April 2024 cycle, a total of 173,428 plants were planted, compared to 157,160 plants during the May 2024–April 2025 cycle. Regardless of the aggregation approach, the data consistently indicate a year-over-year reduction in total planting activity, suggesting that cultivators have scaled back production over time.

Despite reductions in overall planting activity, cultivators were able to maintain, and in some cases increase, the number of plants successfully brought to harvest in 2024. Peak harvest volumes in October were comparable across years, with 27,373 plants harvested in October 2023 and 26,976 plants harvested in October 2024. At the aggregate level, however, total harvested plants increased year over year, rising from 111,362 plants harvested during the May 2023–April 2024 cycle to 125,178 plants harvested during the May 2024–April 2025 cycle.

This pattern becomes more pronounced when examining the proportion of planted plants that ultimately reached harvest within each seasonal cycle, as seen in *Figure 6. Monthly Cannabis Harvest Activity in Vermont.* During the May 2023–April 2024 period, approximately 64.2% of planted plants were harvested (111,362 harvested out of 173,428 planted). In contrast, during the May 2024–April 2025 cycle, 79.7% of planted plants reached harvest (125,178 harvested out of 157,160 planted). This represents a 15.5% increase in the share of planted plants successfully harvested. These harvest outcomes indicate that, even as planting volumes declined, a greater proportion of cultivated plants progressed through to harvest, consistent with improved cultivation efficiency at the system level.

Figure 6. Monthly Cannabis Harvest Activity in Vermont



Further evidence of increased cultivation efficiency is reflected in trends in packaged flower weight. As expected, peak packaged weight coincides with peak harvest activity in October. In October 2023, approximately 9,117,446 grams of flower were packaged, compared to 16,909,804.5 grams in October 2024, representing an 85.5% increase year over year.

This pattern persists when examined across full seasonal cultivation cycles, as seen in Figure 7 below. Total packaged flower weight increased from 23,937,436 grams during the May 2023–April 2024 cycle to 44,657,128 grams during the May 2024–April 2025 cycle, corresponding to an 86.6% increase in packaged output. Viewed alongside planting and harvest trends, these results describe a consistent shift in Vermont's cultivation supply dynamics toward higher packaged output per cycle.

Figure 7. Monthly Packaged Flower Weight from Cultivation Activities

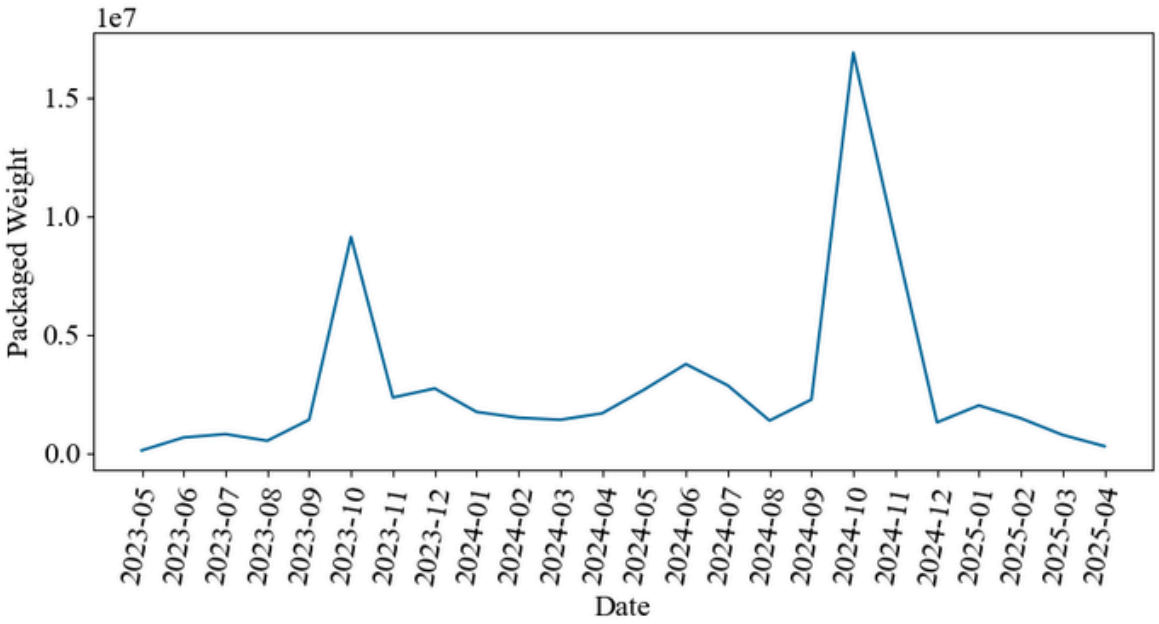
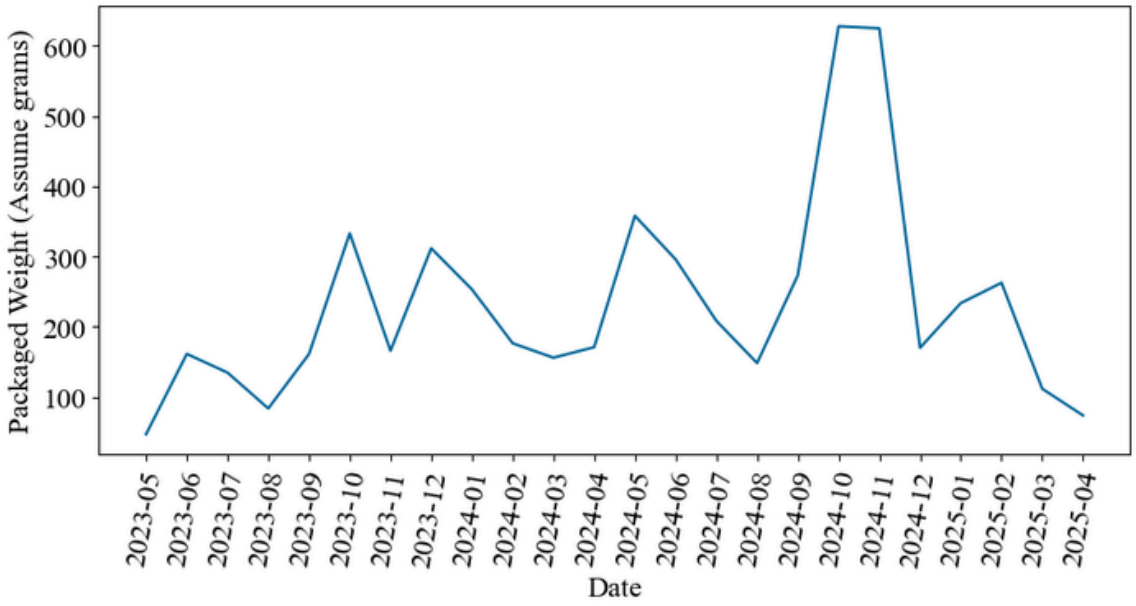


Figure 8 on the following page illustrates packaged flower weight per harvested plant on a monthly basis, highlighting variability in grams of finished flower produced per plant over time. While month-to-month fluctuations are evident, the data exhibit an upward trend, with packaged weight per harvested plant exceeding 600 grams during October and November of 2024.

Despite month-to-month variability, the observed increase in packaged output per harvested plant is consistent with improvements in per-plant yield across successive harvest periods. Together, planting, harvest, and packaging indicators reflect an evolution in cultivation practices characterized by higher output per plant and per cycle.

Figure 8. Packaged Flower Weight per Harvested Plant Over Time



While seasonal patterns explain much of the observed cultivation variability, significant weather-related events likely contributed to short-term disruptions during the study period, including the severe flooding that affected Vermont in July 2023. The flooding caused widespread infrastructure damage, road washouts, and agricultural losses that likely disrupted cultivation timelines and downstream product availability. While harvest counts and packaged weight data were less affected, market dynamics observed in subsequent sales quarters are consistent with a temporary supply shock associated with post-disaster recovery conditions. This includes the unexpected bump in the number of plants growing monthly in November and December of 2023, following the loss of crops during the harvest season, which would be unexpected in an off-growing season were the flood to have not happened. Lower price-per-gram values observed in late 2023 may reflect the sale of existing inventory following harvest, while upward price movement beginning in early 2024 aligns with the introduction of newer harvest cycles amid comparatively constrained supply. Transaction volumes also increased during this period, indicating sustained consumer demand despite potential short-term supply limitations. When Vermont experienced another major flooding event in July 2024 associated with Tropical Storm Beryl, similar volatility was not observed, suggesting that cultivators and the track-and-trace system may have adapted operationally following the prior year's disruptions. These patterns suggest increasing operational resilience within Vermont's regulated cannabis supply chain.

Interpreting wet weight, packaged weight, and waste weight data for downstream monitoring presents inherent analytical challenges. Cultivators employ varying harvesting, trimming, and processing practices, which introduce substantial variability into wet and waste weight reporting.

As a result, the relationship between wet weight, waste weight, and final packaged output is not uniform across licensees. In some cases, reported waste constitutes a negligible share of packaged weight, while in others, waste-to-packaged ratios are considerably higher. This variability limits the reliability of these measures as precise indicators at the individual harvest level.

Despite these limitations, examining aggregate trends across reporting periods provides useful contextual insight. As shown in the Figures 9 and 10, from the peak harvest period in 2023 to the corresponding peak in 2024, reported waste weight declines by approximately an order of magnitude, while total wet weight is reduced by roughly half. Over the same period, packaged weight exhibits a modest increase. The waste weight data is also consistent with flooding-related agricultural losses in September and October 2023.

Although caution is warranted when interpreting the absolute values of wet and waste weight due to reporting variability, the directional patterns observed across these measures suggest a shift toward greater cultivation efficiency at the system level. Specifically, the data are consistent with a production environment characterized by lower total wet biomass, reduced waste generation, and increased final packaged output. Taken together, these indicators reinforce evidence of improved efficiency in cultivation and post-harvest practices over time.

Figure 9. Absolute Wet, Waste, and Packaged Cannabis Weights Over Time (Linear Scale)

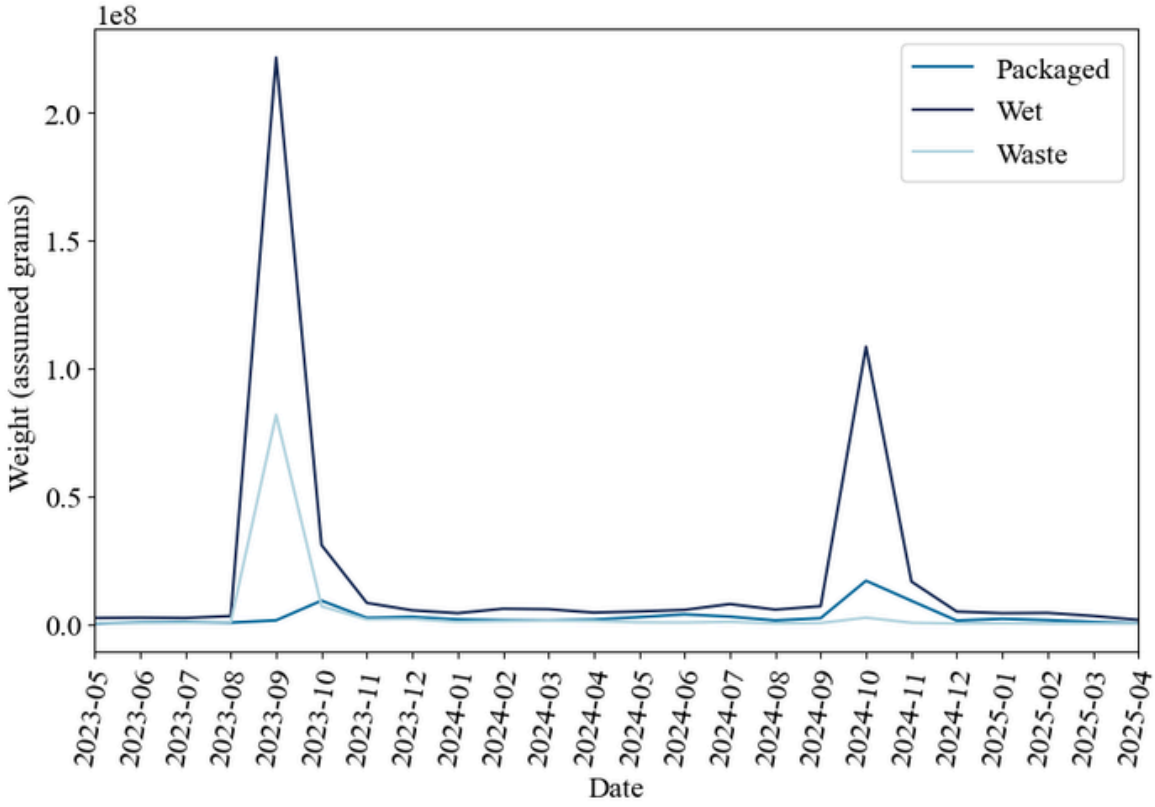
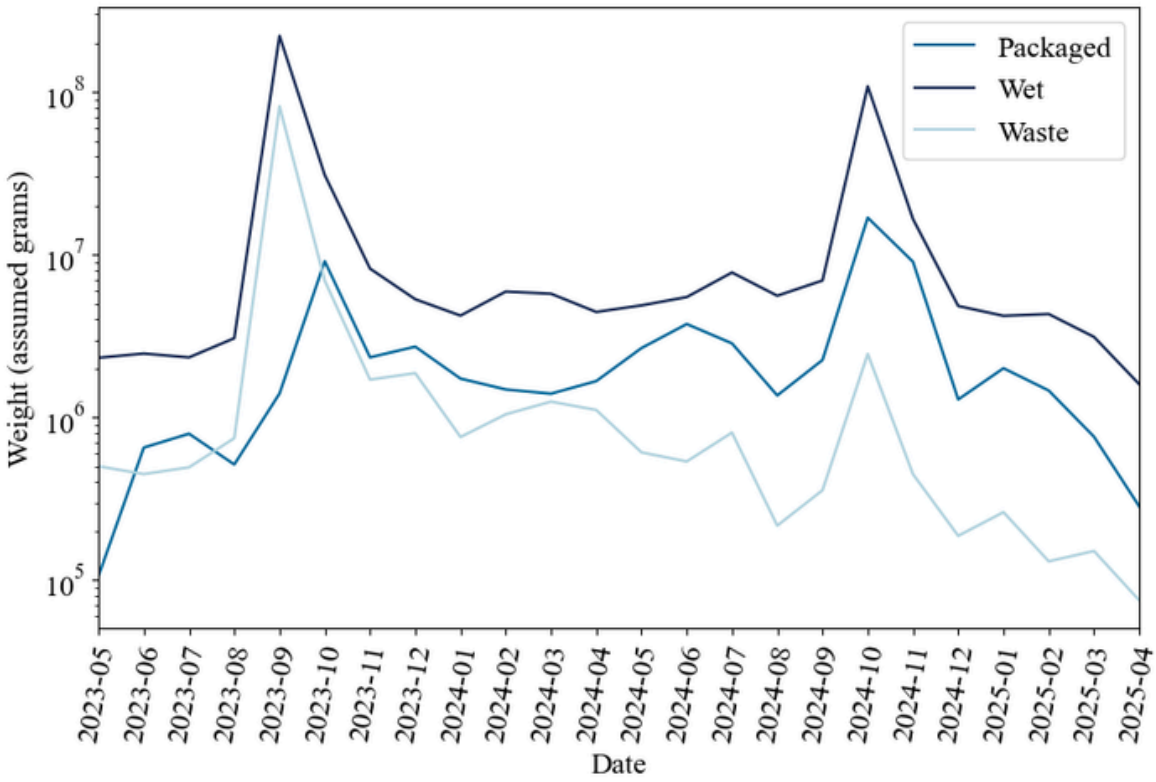


Figure 10. Proportional Changes in Wet, Waste, and Packaged Cannabis Weights (Logarithmic Scale)



Retail Sales Data and Demand Trends

To assess whether gains in cultivation efficiency translated into increased consumer access and market activity, track-and-trace sales data were examined. Sales data spanning June 2023 through October 2025, a total of 29 months, were utilized for this analysis.

Across this period, sales increased steadily across nearly all product categories (see *Figure 11. Monthly Cannabis Sales by Product Category Over Time*), with flower, vape, and edible products accounting for the largest shares of growth. Aggregate monthly sales across all product categories rose from approximately $1.59 million in July 2023 to $10.20 million in July 2024, and further to $13.12 million in July 2025 (see *Figure 12. Total Monthly Cannabis Sales in Vermont*). This progression represents roughly an eightfold increase in monthly sales over a two-year period.

Figure 11. Monthly Cannabis Sales by Product Category Over Time

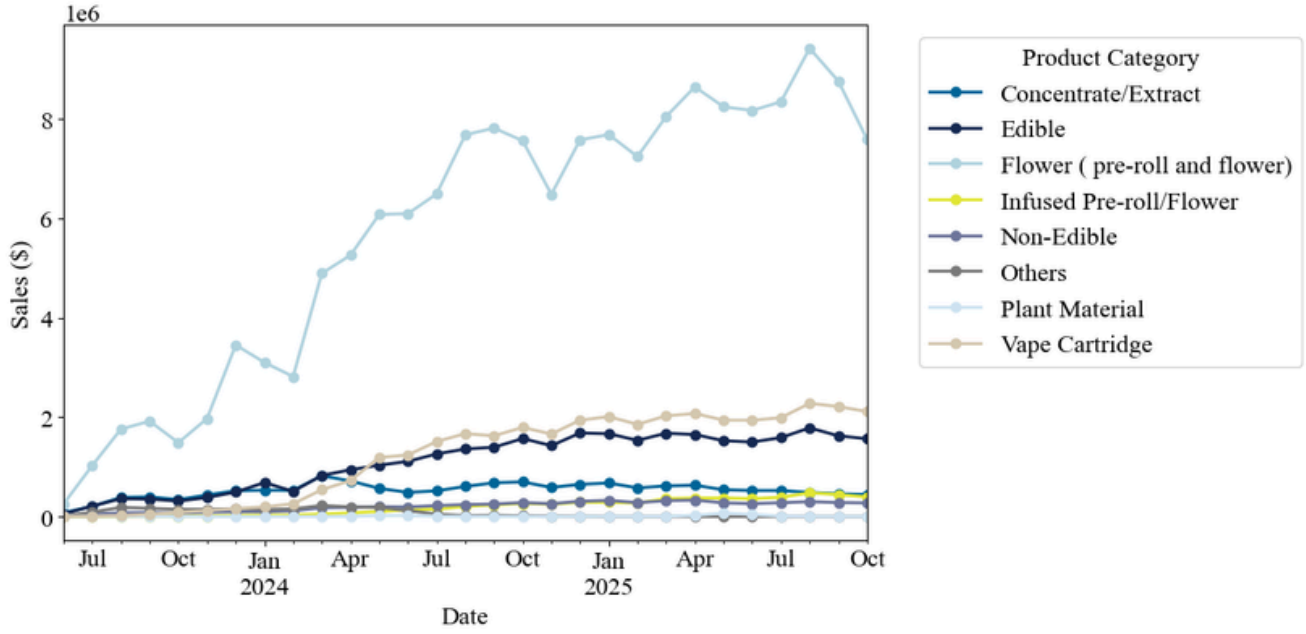
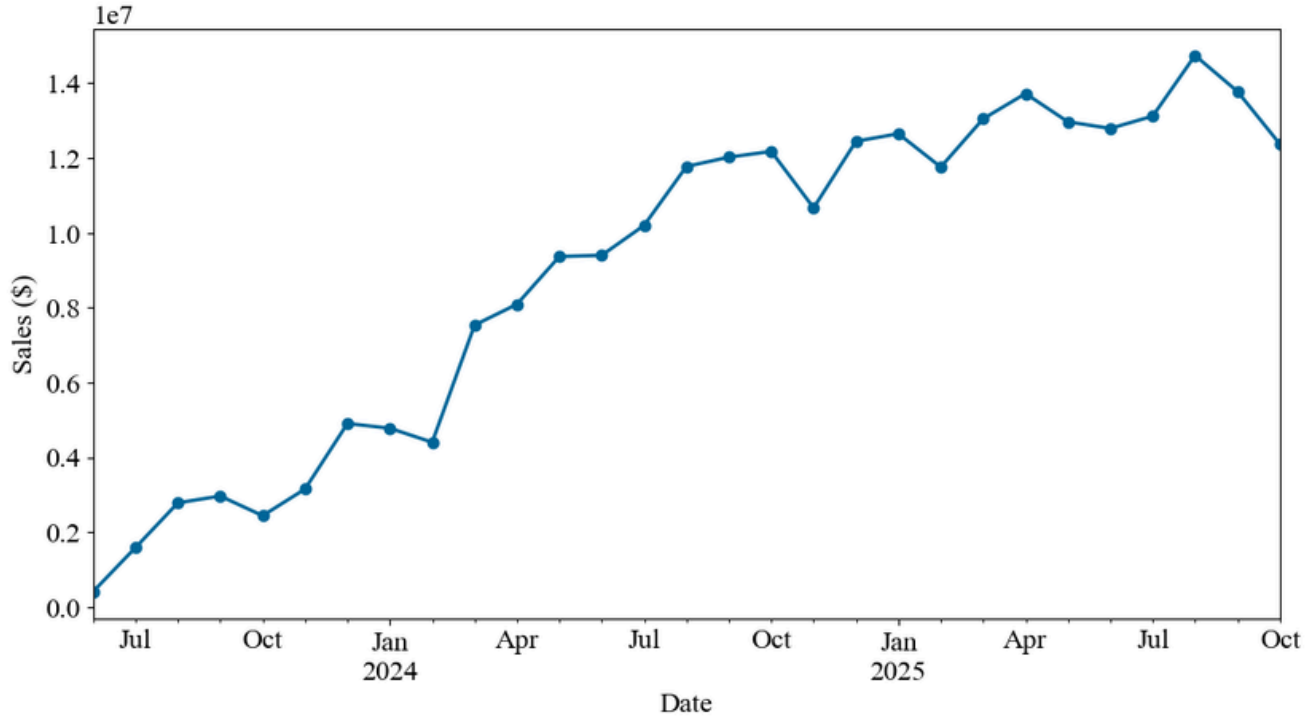


Figure 12. Total Monthly Cannabis Sales in Vermont



Cumulatively, Vermont recorded just over $262 million ($262,061,717.55) in regulated cannabis sales between June 2023 and October 2025 (see *Figure 13. Cumulative Cannabis Sales by Product Category Over Time*). Raw flower and pre-roll products accounted for nearly $166 million of total sales, underscoring their central role in consumer demand within the regulated market.

Figure 13. Cumulative Cannabis Sales by Product Category Over Time

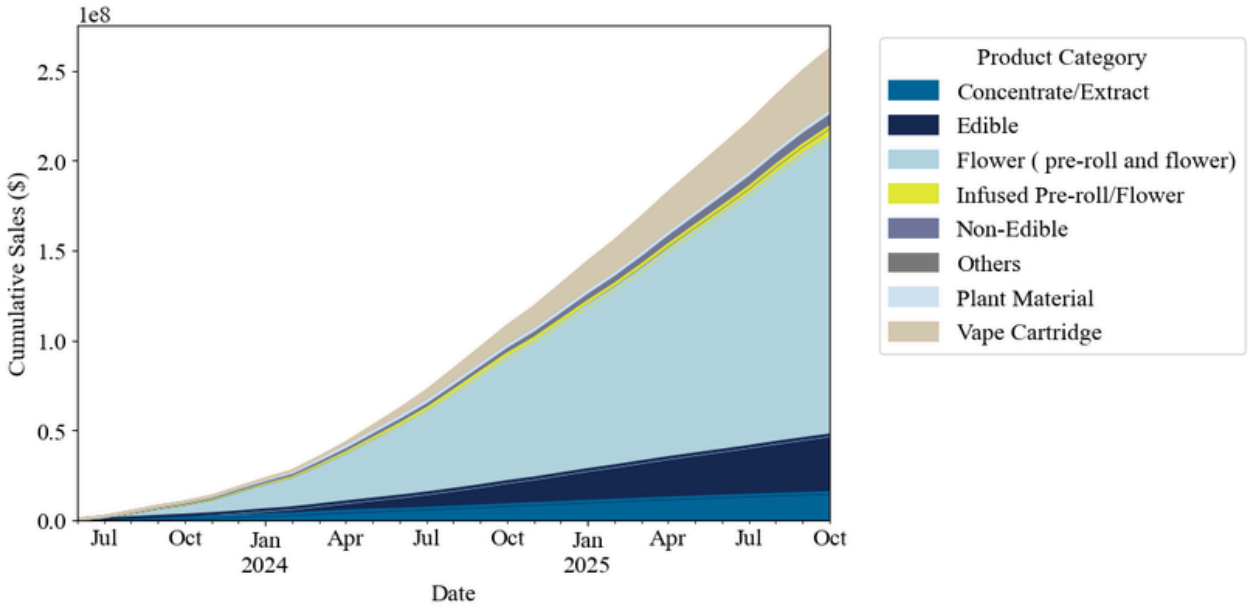


Table 13 Cumulative Sales by Product Type

Product Category	Cumulative Sales
Concentrate/Extract	$15,200,911
Edible	$32,065,470
Flower (pre-roll & flower)	$165,851,921
Infused Pre-roll/Flower	$5,583,821
Non-Edible	$5,926,144
Others	$2,017,641
Plant Material	$211,949
Vape Cartridge	$35,203,861

When examining the distribution of sales by product category, raw flower and pre-roll products consistently account for the majority of regulated cannabis sales, maintaining between approximately 61% and 65% of total market share throughout the period of analysis. This stability indicates that traditional flower-based products continue to anchor consumer demand within Vermont's regulated market.

Vape products exhibit the most pronounced growth in proportional market share over time. Beginning with no recorded sales in June 2023, vapes captured approximately 12% of total sales by the second quarter of 2024 and increased further to between 16% and 17% by October 2025. This increase coincides with a corresponding decline in the proportion of concentrate and extract sales, a shift that is likely influenced by the reclassification of vape products from the concentrate category into a distinct product class in late 2023 or early 2024.

Infused flower and infused pre-roll products also gained market share over the analysis period, increasing from negligible levels in 2023 to approximately 3% of total sales by 2025. Outside of vape and infused flower products, other product categories did not experience meaningful increases in their share of total sales.

Since late 2024, the proportional distribution of sales across product categories has remained highly stable (see *Figure 14. Product Category Share of Total Monthly Cannabis Sales*), with category shares fluctuating by only a few percentage points. This stability suggests that while overall market sales continued to grow month over month, consumer preferences across product types remained relatively consistent. Observed category-level demand patterns, particularly for raw flower, vapes, and edibles, appear well-defined and persistent over time. In parallel, supply-side indicators suggest that cultivation and production practices have adjusted to support this stable mix of product demand as the market expanded.

Figure 14. Product Category Share of Total Monthly Cannabis Sales

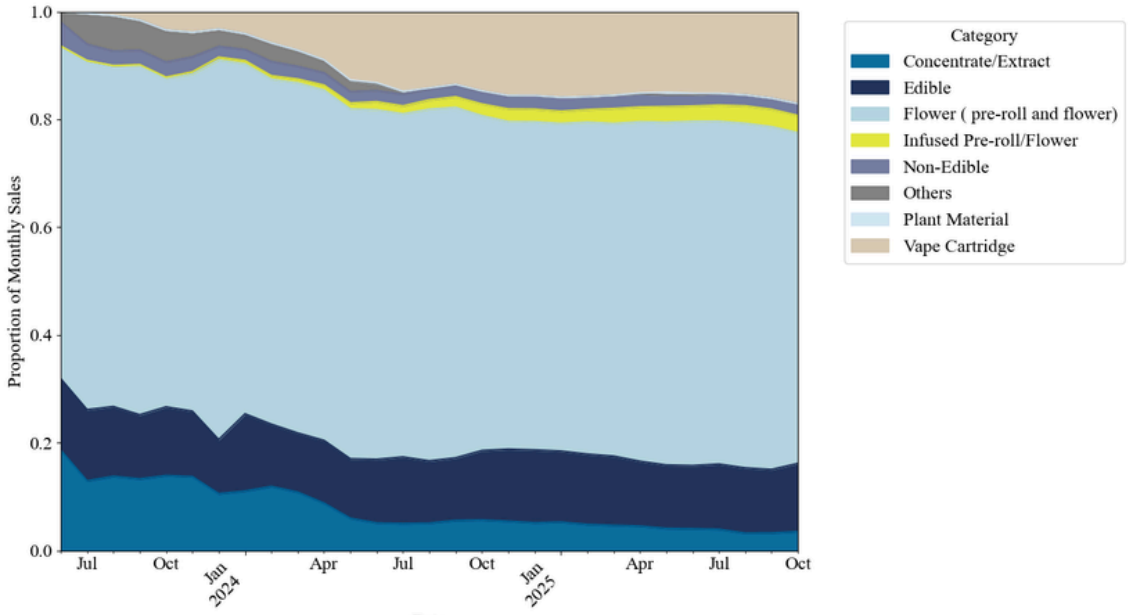


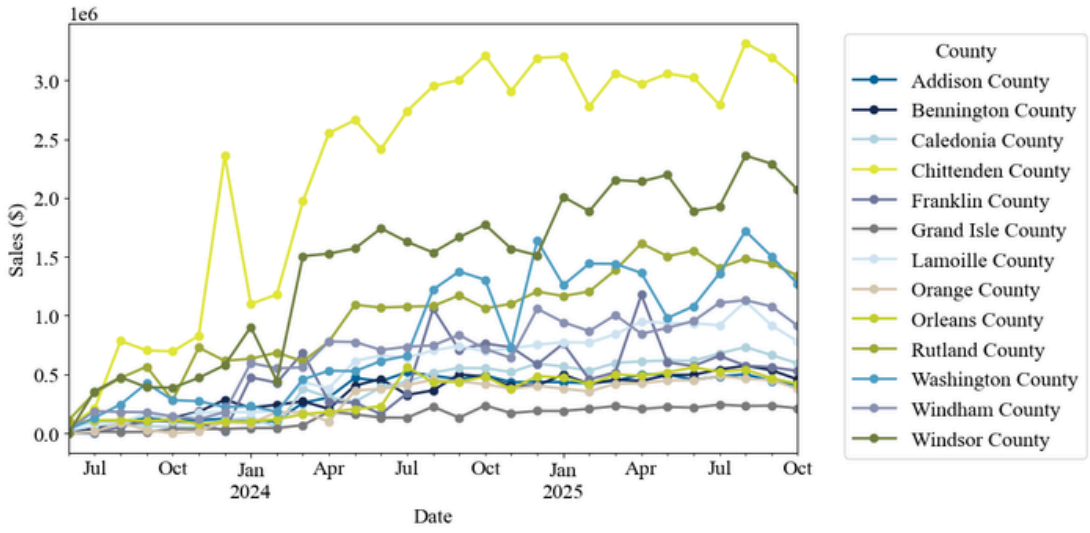
Table 14. Product Category Share of Total Monthly Cannabis Sales

Month-Year	2023-06	2023-Q3	2023-Q4	2024-Q1	2024-Q2	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3	2025-10
Concentrate/ Extract	19%	13%	13%	11%	7%	5%	5%	5%	4%	4%	4%
Edible	13%	13%	12%	12%	11%	12%	13%	13%	12%	12%	13%
Flower (pre-roll and flower)	62%	64%	65%	65%	65%	65%	61%	61%	63%	64%	61%
Infused Pre-roll/Flower	0%	0%	0%	1%	1%	2%	2%	2%	3%	3%	3%
Non-Edible	4%	3%	3%	2%	2%	2%	2%	2%	2%	2%	2%
Others	2%	6%	5%	3%	2%	0%	0%	0%	0%	0%	0%
Plant Material	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vape Cartridge	0%	1%	4%	6%	12%	14%	15%	16%	15%	16%	17%

Retail Sales Landscape and Geographic Access

Examining the geographic distribution of regulated cannabis sales shows that the $262,061,717.55 in cumulative sales are distributed across 13 counties (no retail establishments are licensed in Essex County). Sales increased month over month statewide, with Chittenden and Windsor Counties leading monthly sales in 2025, averaging approximately $3 million and $2 million per month, respectively.

Figure 15. Monthly Cannabis Sales by County Over Time



While cumulative sales by county are presented in Table 15 below, the overall distribution reflects a relatively even allocation of market activity across much of the state. Excluding Chittenden, Windsor, and Grand Isle Counties, total cumulative sales among the remaining ten counties range from approximately $8.2 million to $28.7 million, suggesting that regulated sales are not concentrated exclusively within a small number of jurisdictions.

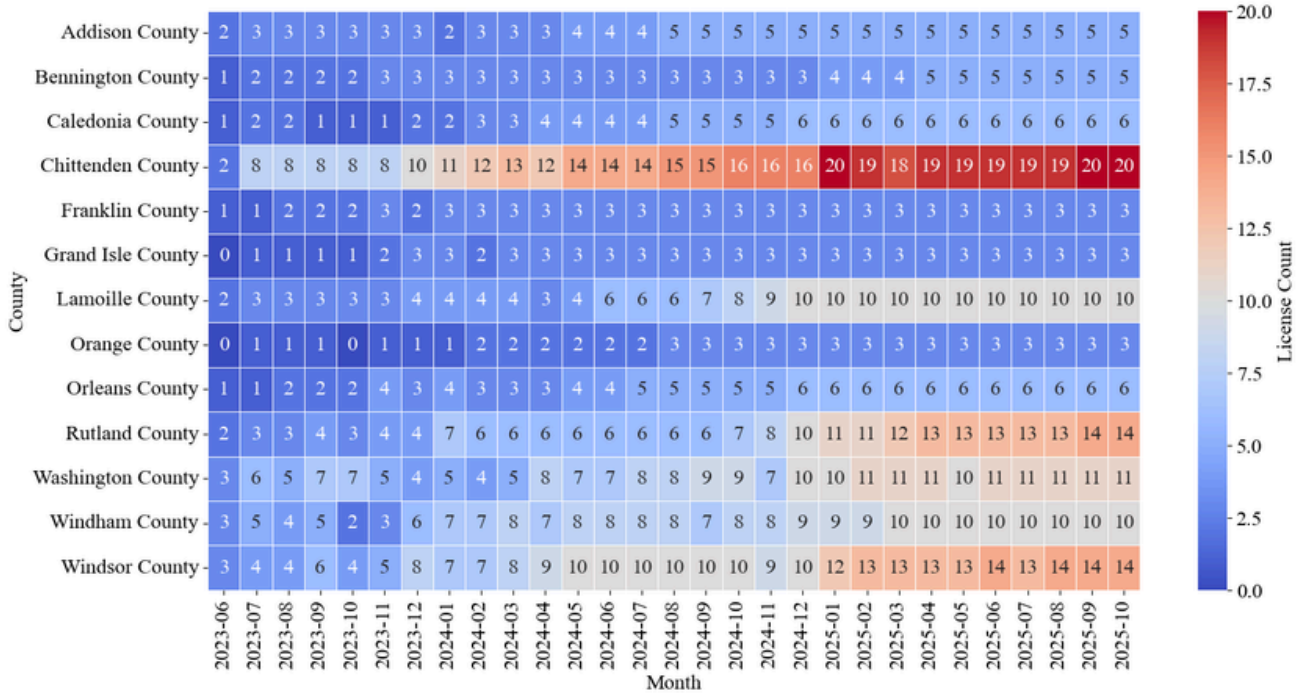
Table 15. Cumulative Sales by County

County	Cumulative Sales
Addison	$9,695,708.28
Bennington	$10,005,438.61
Caledonia	$11,427,432.14
Chittenden	$65,914,788.66
Franklin	$13,228,628.61
Grand Isle	$4,044,105.74
Lamoille	$16,450,150.44
Orange	$8,275,508.93
Orleans	$9,375,291.73
Rutland	$28,765,070.19
Washington	$24,473,144.38
Windham	$19,457,334.27
Windsor	$40,949,115.57

However, cumulative sales totals alone do not fully describe geographic market dynamics. To better contextualize county-level sales patterns, this analysis evaluates whether variation in monthly sales corresponds to differences in the number of active retail licenses, as shown in *Figure 16. Number of Active Cannabis Licenses by County Over Time*. In particular, it considers whether higher sales volumes in counties such as Chittenden and Windsor may be partially attributable to higher retail license density.

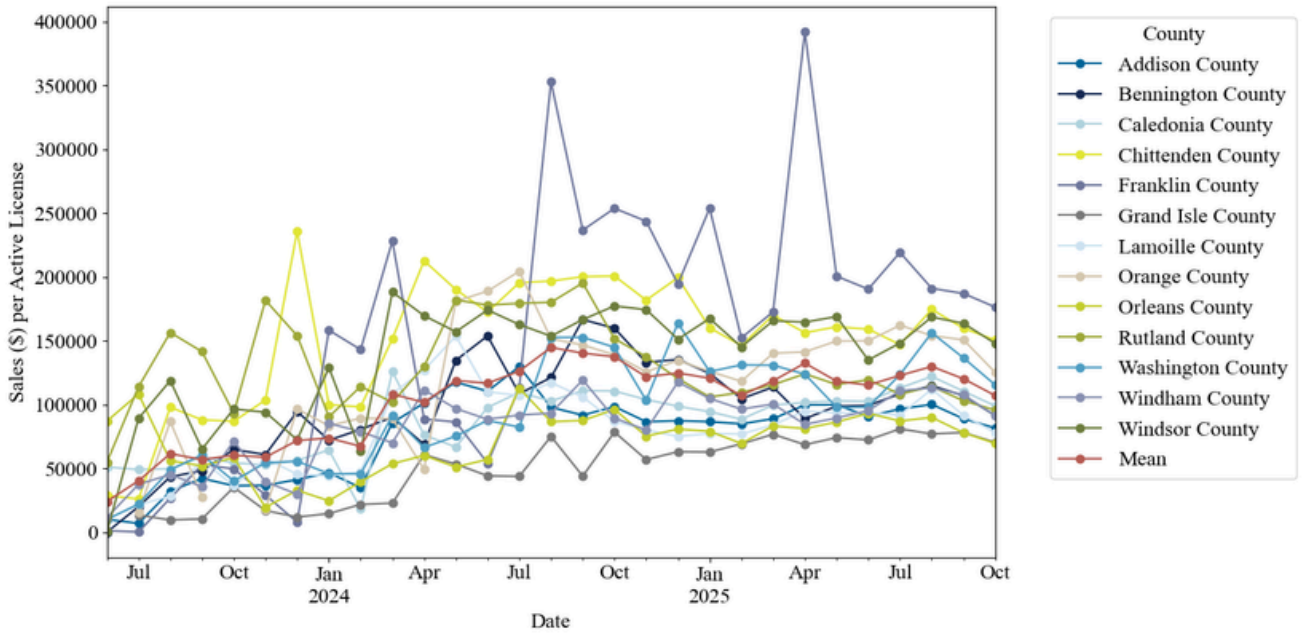
Across the analysis period, the number of active licenses increased over time in each county. Chittenden County maintained the highest number of active licenses, reaching 20 by October 2025. More broadly, counties tended to fall into one of two licensing profiles: those maintaining between three and six active licenses, and those maintaining between 10 and 14 licenses.

Figure 16. Number of Active Cannabis Licenses by County Over Time



Using these license counts, county-level sales were normalized by the number of active licenses to calculate average monthly sales per license. When examined in this way, sales per license clustered consistently between approximately $75,000 and $150,000 across most counties. As illustrated in Figure 17 below, county-level sales-per-license trajectories generally cluster around the statewide mean, shown by the black reference line.

Figure 17. Average Monthly Cannabis Sales per Active License by County



Franklin County represents a notable exception to this pattern. With only three active licenses, tied for the lowest license count statewide, and a geographic location along the Canadian border, Franklin County exhibits periodic spikes in sales per license. These deviations may be influenced by low license density and localized market dynamics, and may also reflect data limitations such as reporting variability or temporal inconsistencies. As a result, Franklin County is treated as an outlier in interpreting broader statewide trends.

Excluding Franklin County, sales per license increased steadily from 2023 through much of 2024 before stabilizing during 2025, indicating that sales growth was broadly distributed across licenses and geography rather than concentrated among a small subset of retailers. As of October 2025, average sales per active license were $107,099.29, down from a peak of $144,718.00 observed in August 2024. Sales per license during the August 2024–October 2025 period fluctuated within this range.

It remains unclear whether the observed decline in sales per license toward the end of the analysis period reflects normal seasonal variation, a continued diffusion of sales across an expanding license base, or incomplete reporting in the most recent months of available data. Accordingly, late-period estimates should be interpreted with appropriate caution.

Price Trends for Flower and Pre-Roll Products

To assess pricing trends and volatility over time, the analysis focused on flower products, including raw flower and pre-rolls, which together represent the largest share of the regulated cannabis market by sales volume. For the purposes of pricing analysis, these products were treated as a single category to capture the dominant segment of consumer demand.

Sales records reflect substantial variability in how product categories and units are recorded. Although a large share of transactions are labeled as raw flower, other product types, including edibles, vapes, and infused pre-rolls, are also present in the sales data and are not always consistently categorized. In addition, Vermont's track-and-trace system records sales by product unit rather than standardized weight, requiring unit weights to be extracted from product names. This process is further complicated by the wide range of observed packaging formats, including single-gram units, multi-gram packages, and pre-roll bundles with varying unit weights. While a structured text-parsing methodology was applied to convert unit-based transactions into gram equivalents, inconsistencies in naming conventions introduce unavoidable uncertainty. As a result, total grams dispensed are likely modestly underestimated, though this limitation does not materially affect observed price trends.

To account for differences in purchasing behavior across transaction sizes, quarterly price-per-gram (PPG) estimates were calculated using both weighted averages and medians.

Transactions priced at $0.01 or less were excluded, and the upper and lower 2.5 percentiles of PPG values were trimmed to remove spurious observations, including improperly categorized products. Median PPG values provide an approximation of typical consumer-facing prices, while weighted averages reflect the influence of bulk or higher-volume purchases.

Table 16. Quarterly Flower Price-Per-Gram and Sales Volume Trends

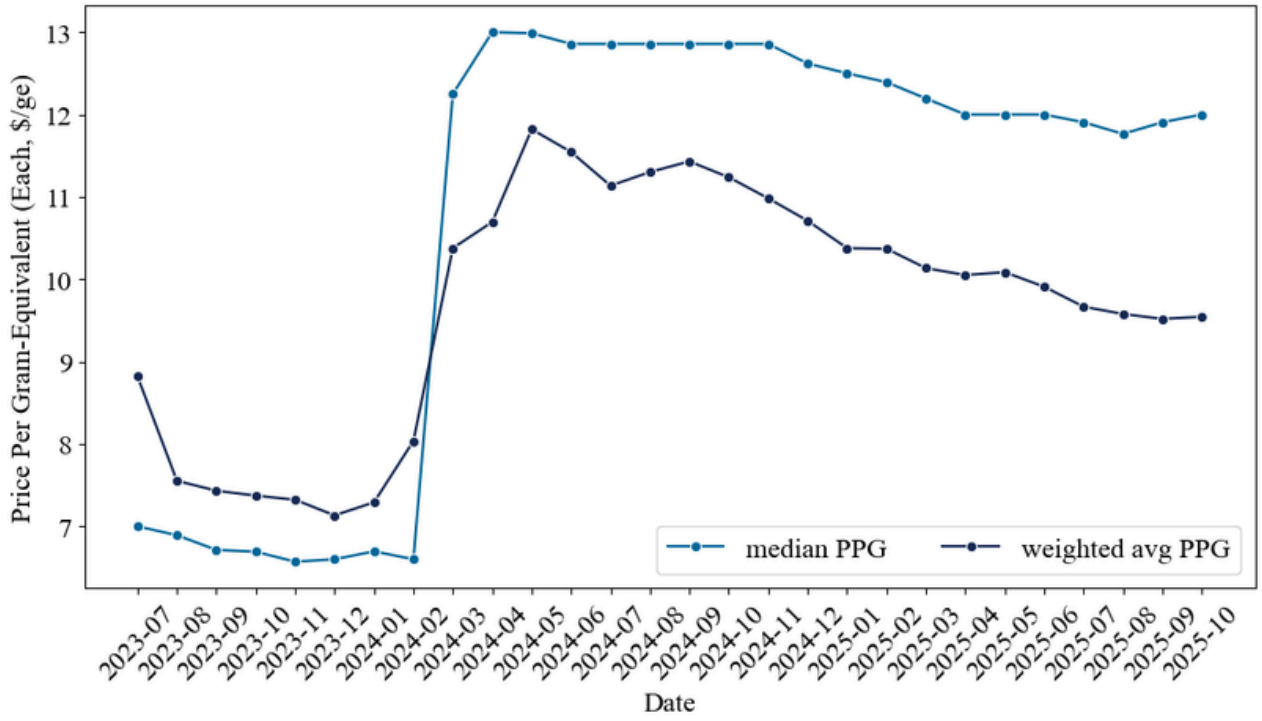
Quarter	Median PPG	Weighted Average PPG	Total Dispensed, Grams Equivalence	Total Number Transactions
Q3-2023	6.87	7.73	671188.65	7154
Q4-2023	6.62	7.26	924065.36	9068
Q1-2024	8.52	8.67	1336570.59	16029
Q2-2024	12.95	11.37	1618530.83	21577
Q3-2024	12.86	11.3	2029420.5	25189
Q4-2024	12.78	10.97	2047814.49	28911
Q1-2025	12.36	10.28	2454466.44	33372
Q2-2025	12	10.01	3869450.48	36725
Q3-2025	11.86	9.59	4569426.04	39071

As shown in Table 16, flower market activity expanded rapidly over the study period. From the third quarter of 2023 to the third quarter of 2025, the number of flower transactions increased more than fivefold, from 7,154 to 39,071 transactions. Over the same period, total grams dispensed rose nearly sevenfold, from approximately 671,189 grams to 4,569,426 grams. This growth accelerated beginning in early 2024, when quarterly transactions increased from 9,068 in Q4 2023 to 16,029 in Q1 2024 and continued to rise steadily through 2025.

Pricing trends evolved alongside this rapid expansion in supply and transaction volume. Early in the market period, median PPG declined from $6.87 in Q3 2023 to $6.62 in Q4 2023, before increasing sharply in 2024 as demand and transaction density increased. Median PPG peaked at $12.95 in Q2 2024 and gradually declined thereafter, reaching $11.86 by Q3 2025.

Weighted average PPG followed a similar but smoother trajectory, peaking at $11.37 in Q2 2024 and declining to $9.59 by Q3 2025.

Figure 18. Trends in Median and Weighted Average Price per Gram for Flower Products



The divergence between median and weighted average prices over time provides additional insight into purchasing behavior. While median prices reflect what a typical consumer might expect to pay per gram, weighted averages capture the influence of higher-volume transactions and bulk purchasing. The consistent decline in weighted average PPG after mid-2024 suggests increasing price efficiency in larger transactions, even as median prices remained comparatively stable.

Taken together, the data indicates that Vermont's flower market has transitioned from an early-stage environment characterized by lower transaction volume and price volatility to a more mature phase marked by high transaction density, substantial increases in grams dispensed, and moderating price declines. By late 2025, both median and weighted average prices appear to be stabilizing, suggesting that market pricing dynamics are adjusting to sustained increases in supply and more consistent purchasing patterns over time.

Consumer Retail Access and Interest in Alternative Purchasing Environments

Findings from the survey indicate that most past-month consumers obtained cannabis within their county of residence rather than traveling elsewhere. Specifically, 83.2% of respondents reported that they did not travel to a different county within the past-month to purchase cannabis, while 16.8% indicated that they did. This pattern suggests that retail access is generally sufficient to support local purchasing behavior for the majority of consumers, reducing the need for cross-county travel. At the same time, the presence of a smaller but notable share of consumers willing to travel may reflect localized differences in retail availability, product selection, pricing, or consumer preference.

Interest in Purchasing Cannabis in Alternative Retail and Consumption Settings

Survey results indicate broad interest in purchasing cannabis in a range of alternative retail and consumption settings, if legally available in Vermont. Across all locations evaluated, interest skewed toward the higher end of the scale, with a substantial share of past-month consumers reporting that they would be “very interested.”

Table 17. Interest in Purchasing Cannabis at Different Locations if Legally Available in Vermont

Location	Not at all interested	Not very interested	Neutral	Somewhat interested	Very interested
Farmer’s market	22%	4%	16%	20%	38%
Convenience store	22%	10%	16%	20%	32%
Grocery store	18%	17%	14%	17%	33%
Special event with cannabis consumption permitted	20%	7%	16%	13%	44%
Cannabis consumption lounge / café	21%	3%	12%	21%	42%

Interest was particularly strong for cannabis consumption lounges or cafés and special events where cannabis consumption is permitted. 42% of past-month consumers reported being “very interested” in purchasing cannabis at a consumption lounge or café, while 44% reported being “very interested” in purchasing at special events. These locations also exhibited relatively low levels of reported disinterest, suggesting appeal across a wide range of consumers.

Retail settings integrated into everyday commercial environments also generated notable interest. Approximately one-third of past-month consumers reported being “very interested” in purchasing cannabis at grocery stores and convenience stores, with an additional share indicating they would be somewhat interested. Farmer’s markets similarly attracted strong interest, with 38% of past-month consumers reporting they would be “very interested” in purchasing cannabis in that setting.

Across all proposed locations, past-month consumers were more likely to express interest than disinterest, indicating that alternative purchasing environments, particularly those that emphasize social context, convenience, or integration into existing retail experience, may align with consumer preferences if permitted under future regulatory frameworks.

Section IV. Market Dynamics and Future Market Considerations

Impact of Current Limits on Consumer Behavior

Cannabis policy regulators are tasked with balancing multiple policy goals in regulating a cannabis market. These include market stability, maintaining business viability, protecting public health, limiting the illicit cannabis sales, and providing safe access to legal cannabis products. The emphasis placed on each goal varies from state-to-state. This is largely reflected in the statutory and/or regulatory requirements that structure the market outcomes of cannabis policy. Statutory or regulatory decisions that place emphasis on some of these goals over others by necessity involve policy tradeoffs. These tradeoffs are reflected in the price of cannabis products that come to market.

Cannabis consumers are sensitive to the price of cannabis products. This is reflected in consumers' willingness to substitute legal cannabis products for cannabis products produced outside of the traditional cannabis market. As our survey has shown, 70% of past-month cannabis consumers in Vermont who purchased from what is traditionally defined as the "illicit" cannabis market was due to price. This indicates that to increase legal market participation, the price of cannabis products must come down. While the relationship varies from business to business, the final sale price of cannabis products is a function of the wholesale price of cannabis, fixed input costs (rent, insurance, etc.), variable costs (lights, water, labor, etc.), regulatory costs, taxation, and competition at each node of the supply chain (cultivation, processing, and retail). Statute and regulatory bodies can only influence some of these. When the price of cannabis products is lower these products displace illicit cannabis markets. Lower cannabis prices, while assisting in displacing the illicit cannabis market, have two other outcomes: decreasing the per unit revenue of cannabis businesses, and likely increasing the consumption of cannabis products among some cannabis consumers.

Competition, the most important determinant of price in cannabis policy, increases density of cannabis retail, increases convenience, but applies pressure on businesses to stay viable. While access was not a concern among survey respondents in Vermont, convenience was the second highest reason for purchasing the illicit market. This competition compels businesses to offer a lower price on cannabis products to remain in business. This is true for cultivation, processing, and retail. In other states, these competitive pressures often lead to the consolidation of businesses and more efficient practices over time.

The result is larger cannabis companies, or “economies of scale” as it is typically referred to, that confront lower per unit costs with higher volume output (sales, production, etc.). These larger companies put additional pressure on small businesses to compete in an already competitive market. This results in business failures, more consolidation, or at a margin of survival. Increasing competition (across supply chain nodes) would likely result in lower cannabis prices that would increase consumer expenditure in the regulated cannabis market but would likely put additional pressure on small businesses as they garner a lower margin per unit of cannabis products sold. Decisions on market competition should be made carefully to balance these competing policy objectives.

While competition is a primary driver of cannabis pricing, non-market interventions that typically lead to a reduction in cannabis prices are decreasing regulatory burden or decreasing the final tax rate of sale. These decisions often come with weighing the costs and benefits to public health and or state taxation revenue (though modeling this is more complex). Since THC potency is the primary driver of the price of cannabis products, when analyzing products comparatively, potency caps are designed to have two roles: limit competition to the below potency cap products and limit the consumption of high potency products. According to our survey findings, THC potency is the most important purchasing characteristic to past-month cannabis consumers in Vermont. Similarly, 24% of past-month cannabis consumers in Vermont that obtained cannabis products from outside of the regulated cannabis market responded that a reason they did so was due to not having access to higher potency cannabis products. Another point of note is the wide gap in purchasing patterns between vape and concentrated products from patients to non-patients. This could be due to two equally plausible explanations: the lack of potency caps for medical patients allows consumers to obtain more potency for a cheaper price relative to other cannabis products, or this subpopulation of cannabis consumers’ distinct characteristic (being a medical cannabis patient) accounts for the difference. If the former is the reason, removing potency caps, or raising the limit, could drive higher expenditures back to the regulated market. Again, potency caps are intended to limit the consumption of higher potency products to preserve public health, and decisions about the removal of potency caps should be made carefully to balance competing policy objectives.

Future Market Scenarios

Interstate Commerce Considerations

To better understand how past-month cannabis consumers in Vermont would respond to a future federal marketplace under interstate commerce, we asked the following question: “In the future, how frequently would you use a service that provides at-home delivery of cannabis products from different companies in an online marketplace similar to how other online marketplaces provide products from different companies (i.e., Amazon, Walmart, etc.)?”

Table 18. Self-Reported Frequency Of At-Home Delivery Of Cannabis Products From Online Marketplaces (i.e., Amazon, Walmart, Etc.)

Response Option	% Endorsed
Never	19.77%
Hardly ever	21.79%
Only when it is a specific item I want	20.59%
Frequently	20.93%
Almost always	8.27%
Always	8.65%

As shown in Table 18 above, responses were distributed fairly equal across never, hardly ever, only for a specific item, and frequently, suggesting mixed intentions around purchasing in a future online marketplace under interstate commerce. However, when grouping these responses into levels of engagement low engagement (never and hardly ever) make up the largest share of the population at 41.56%, suggesting past-month Vermont cannabis consumers are likely to have minimal participation in this future hypothetical marketplace. The conditional engagement (only when it is a specific item I want) suggest that ~20% of Vermont cannabis consumers will participate, but with dependencies. Finally, the high engagement (frequently, almost always, always) category constitutes 37.85% of the cannabis consuming population, suggesting frequent participation. Notably, the higher habitual users of this service (almost always and always responses) make up the smallest share of the high engagement category (~17% of the 37.85%).

In general, these findings suggest that there is likely low demand for the online marketplace environment. However, it is highly likely that price and access would influence this demand in the real world. To test this, we inquired about characteristics that would impact purchasing decisions.

Unsurprisingly, price emerged as the most frequently endorsed characteristic that would impact past-month consumers' purchasing decision in participating in a federal marketplace as described. Potency emerged as the second most frequently endorsed, and convenience as the third. Notably, these selected characteristics largely conflict with the findings in Table 19 as it is probable that the online marketplace will be lower in price and more convenient.

Table 19. Characteristics That Would Impact Purchasing Decisions in Federal Marketplace (Select All)

Characteristics That Would Impact Purchasing Decisions in Federal Marketplace (Select All)	Percent Endorsed
That the cannabis is grown within my state	31.39%
That the cannabis is sold by a local business	26.62%
Price	67.18%
Organically grown	30.17%
Unique product characteristics	21.66%
Outdoor-grown cannabis	21.01%
Indoor-grown cannabis	13.49%
That the cannabis is grown by a local farmer	24.52%
Convenience	47.49%
Strain	50.08%
THC / CBD Content	54.50%
None of the above	10.57%

These findings hold consistent when consumers were asked to select the important characteristic that would impact purchasing decisions from the federal marketplace. Price was of the highest importance, with potency following.

Table 20. Most Important Characteristic That Would Impact Purchasing Decisions in Federal Marketplace

Most Important Characteristic That Would Impact Purchasing Decisions in Federal Marketplace (Select All)	Percent Endorsed
That the cannabis is grown within my state	4.49%
That the cannabis is sold by a local business	4.95%
Price	32.83%
Organically grown	5.96%
Unique product characteristics	1.31%
Outdoor-grown cannabis	2.30%
Indoor-grown cannabis	0.75%
That the cannabis is grown by a local farmer	4.12%
Convenience	3.53%
Strain	9.80%
THC / CBD Content	19.39%
None of the above	10.57%

When asking about the least important characteristic, unique product characteristics emerged as the leading characteristic.

Table 21. Least Important Characteristic That Would Impact Purchasing Decisions in Federal Marketplace

Least Important Characteristic That Would Impact Purchasing Decisions in Federal Marketplace (Select All)	Percent Endorsed
That the cannabis is grown within my state	14.40%
That the cannabis is sold by a local business	5.39%
Price	4.29%
Organically grown	12.80%
Unique product characteristics	24.18%
Outdoor-grown cannabis	8.17%
Indoor-grown cannabis	10.34%
That the cannabis is grown by a local farmer	7.75%
Convenience	4.68%
Strain	5.60%
THC / CBD Content	2.40%

At present, interstate commerce in cannabis is generally considered impermissible due to its status as a controlled substance under federal law. As a result, state markets operate as closed systems, with production, pricing, and access determined largely by in-state regulatory structures rather than regional supply dynamics. In recent years, however, policymakers and industry stakeholders have increasingly discussed the potential use of interstate compacts as a future mechanism for coordinated market participation, drawing on precedents from other policy areas where states have entered formal agreements to harmonize standards, share resources, or manage cross-border activity. While cannabis-specific compacts remain largely aspirational under current federal constraints, these discussions signal a growing recognition that fragmented state markets may face structural inefficiencies absent some form of regional coordination.

Section V. Public Health Implications

Cannabis-Related Health Outcomes

Cannabis Use Before Work

Survey responses indicate that cannabis use within two hours prior to work is uncommon among the majority of past-month consumers. Nearly three-quarters of past-month consumers (74%) reported no instances of cannabis use within two hours before work during the past 30 days. This finding suggests that pre-work cannabis use is not a routine behavior for most past-month cannabis consumers in Vermont.

Table 22. Cannabis Use Within Two Hours Before Work - Frequency of Use in the Past 30 Days

Frequency of Use Before Work	Percent of past-month Consumers
No days	74%
1–2 days	2%
3–4 days	2%
5–14 days	6%
15–21 days	7%
22–27 days	2%
28–30 days (near-daily/daily)	6%

Among past-month consumers who did report cannabis use before work, the frequency of use was generally low. A relatively small share reported occasional use, with approximately 2% indicating use on one to two days in the past month and an additional 2% reporting use on three to four days. Moderate-frequency use, defined as use on five to fourteen days, was reported by 6% percent of respondents.

Frequent pre-work use was concentrated within a small subset of past-month consumers. Approximately 7% reported use on 15 to 21 days in the past-month, while 2% reported use on 22 to 27 days. Near daily or daily use (28 to 30 days) was reported by 6% of respondents. Overall, the distribution of pre-work cannabis use is highly skewed. The majority of past-month consumers reported no use, while a small minority accounts for most reported frequent use. This pattern indicates that cannabis use prior to work is not broadly distributed across the workforce and is instead concentrated among a limited subset of individuals.

Consumer Practices for Verifying Licensed Cannabis Retailers

Survey responses indicate that a substantial share of consumers do not actively verify whether cannabis retailers are properly licensed. Nearly half of past-month consumers reported that they do not check licensing status when purchasing cannabis, suggesting that licensing verification is not a routine part of the purchasing process for many consumers.

Among past-month consumers who do take steps to verify licensure, the most common method was visually confirming the presence of a physical license displayed at the retail location, cited by 23% of respondents. An additional 15% reported using third-party platforms such as Weedmaps, Leafly, or similar websites to determine whether a store is licensed. Fewer past-month consumers relied on social verification, with 8% indicating that friends or family informed them a store was licensed.

Direct verification through official state resources was the least commonly reported method, with only 7% of respondents indicating that they check licensing status via a state website. These findings suggest that while some consumers attempt to assess licensing status, verification practices are inconsistent and often rely on informal or indirect sources rather than authoritative regulatory information.

Cannabis Use Disorder

The Cannabis Use Disorder Identification Test Short Form (CUDIT-SF) is a 3-item, validated screening instrument designed to identify patterns of cannabis use that may signal elevated risk for problematic use or Cannabis Use Disorder (CUD). The CUDIT-SF was included in the survey of Vermont cannabis consumers. A cumulative score of 2 or higher is commonly used as a threshold to indicate potential risk and to signal that further assessment may be warranted. Importantly, the CUDIT-SF is not a diagnostic tool. Instead, it functions as an early screening measure intended to identify individuals who may benefit from additional evaluation.

Based on this scoring approach, approximately 27.7% of Vermont consumers met or exceeded the threshold associated with potential CUD.

This estimate falls slightly below the roughly 30% prevalence commonly observed among cannabis consumer populations, suggesting that Vermont aligns broadly with national patterns while not exceeding them. While most consumers do not report behaviors consistent with elevated risk, the presence of a sizable minority underscores the importance of continued surveillance, prevention efforts, and access to education or treatment resources.

Cannabis Impaired Driving

Findings from the survey indicate that most Vermont cannabis consumers (72.6%) did not report driving within two hours of consuming cannabis in the past month. However, 27.4% of respondents reported at least one instance of driving within two hours of consuming cannabis in the past month. Most notably, 9.3% indicated doing so every day or nearly every day (28–30 instances), pointing to a concentrated subset of consumers engaging in frequent impaired driving. These findings suggest that although driving within two hours of consuming cannabis products is not the norm among the majority of Vermont cannabis consumers, the presence of higher-frequency behavior among a smaller segment of the cannabis consumer population warrants continued attention from a public health perspective, including targeted education and public awareness campaigns.

Section VI. Summary of Findings and Policy Discussion

The findings of this report describe a regulated cannabis market that has advanced past its initial implementation phase but continues to develop as market conditions, participation, and regulatory structures take shape. Vermont's market shows multiple indicators of maturation, including improving cultivation efficiency, expanding sales, geographically distributed retail activity, and stable consumer demand, suggesting that the foundational elements of a functioning regulated system are firmly in place.

Importantly, the analysis points to a market where access is largely sufficient, but competitiveness remains a defining force. Consumers appear able to obtain cannabis locally, yet many continue to engage with informal channels. This behavior does not appear to reflect a failure of retail availability, rather, it signals that consumers are responsive to price, product characteristics, and purchasing convenience. In practical terms, the regulated market is competing not for access, but for preference.

This distinction has meaningful implications for the market's next phase of development. As supply expands and cultivation practices become more efficient, downward pressure on prices is likely to continue, albeit at a slower rate than other states, a typical progression as regulated markets mature. At the same time, evidence suggests that statutory parameters influencing product availability may unintentionally sustain demand outside the regulated system when consumers perceive legal products as insufficiently aligned with their preferences.

The geographic distribution of sales and the clustering of revenue across licenses further reinforce the interpretation of an increasingly competitive marketplace. While we do not know the owner distribution of these retail outlets, increasing access points to legal cannabis only decreases cannabis prices when businesses are owned by different owners and engage in competition. Simply increasing the geographic density of cannabis retail outlets does not do this. While continued license growth may diffuse sales across retailers, this pattern is not inherently destabilizing. It often reflects a transition toward normalized competition. Ongoing monitoring will remain important to distinguish between healthy competitive dynamics and potential oversupply, but current indicators are more consistent with market balancing than contraction.

The emergence of hemp-derived and alternative cannabinoids introduces an additional layer of complexity. Limited consumer understanding of these products, combined with purchasing environments that may lack consistent safeguards, suggests a marketplace evolving faster than consumer knowledge.

As cannabinoid categories continue to proliferate nationally, regulatory clarity and public education could play an important role in reducing ambiguity and supporting informed consumer decision-making.

Vermont's deliberate approach to market development appears to have supported stability during the transition to legalization. The next phase will likely depend less on expansion and more on adjustment, ensuring that regulatory structures remain responsive as consumer behavior, production capacity, and the broader cannabinoid landscape continue to evolve.