

INTERVIEW REGARDING

Amazon's CBD Market

This interview was conducted by CBD Oracle via email on April 5, 2024, and is provided here for full transparency. Learn more about [CBD Oracle's Editorial Policy](#).

Amazon Seller

CEO

CBD Company

This seller, who is the CEO of a large CBD company with experience selling on Amazon, asked to remain anonymous.

CBD Oracle: Do you consider Amazon a good place to do business, currently? Do you think many regular consumers of CBD buy from there?

Anonymous: Currently I consider Amazon a terrible place to do business for CBD in the United States. They are actively removing real CBD products across the platform, while allowing sellers of fake hemp products to flourish. I do think a lot of consumers buy from Amazon, and unfortunately most of them are buying products made with hemp seed oil that contain no actual CBD. (Unless they are buying CBD on Amazon outside of the United States, like in the UK for example.)

CBD Oracle: Would Amazon be a bigger name in the CBD space if they allowed legitimate companies like yours to operate there? Could they make more money?



Anonymous: Amazon could make a ton of money from selling real CBD products, in fact, it's my opinion that they would be the largest single seller of CBD in the world if they were to do so. Keep in mind they also own Whole Foods, one of the largest natural food retailers in the world. Interestingly, Amazon has official programs for CBD products in many other countries including the UK, where they openly sell CBD products across most of the EU. In the US, it's a much different story. We believe this is solely because of the power of the FDA, as Amazon is now in the pharmaceutical industry with the new Amazon pharmacy. Like many other CBD sellers, Amazon is now cleaning house of real CBD products to manage their risk of backlash from the FDA, as they don't want to lose their ability to sell pharmaceuticals. This is ultimately what has happened in every single other major retailer in the US who has a pharmacy (Kroger, Walgreens, Target, CVS, etc.)

CBD Oracle: If Amazon changed their CBD policy, do you think more hemp companies would register as sellers? Would they be willing to compete with the many dishonest sellers on the platform?

Anonymous: If Amazon changed their CBD policy, I think most companies would immediately sign up to become sellers on the platform. Amazon could do consumers and legitimate brands a huge favor by removing fake CBD/hemp products from the platform. Unfortunately they are doing the opposite. Second, honest sellers would be willing to compete, even though they would make next to no money after advertising costs and Amazon platform fees are factored in. This is the scary part about the monopoly that Amazon has created for all industries for their own benefit, not just CBD.

For brands on Amazon, the cost to advertise your products to make a sale, plus the cost of the platform fees, is often times more than the revenue. Meaning we lose money on each transaction. That's the reality of trying to grow a brand on Amazon in a competitive market.

CBD Oracle: If you could institute one change at Amazon regarding hemp, what would it be?

Anonymous: If I could institute one change at Amazon for hemp, it would be to allow real CBD brands to offer their products to consumers, and to force fake CBD products off of the platform. This would allow honest sellers to thrive, and to get rid of folks trying to take advantage of consumers. Unfortunately this will never happen as long as the FDA is allowed to leverage businesses with pharmacies, effectively barring CBD from any big box retailer in the United States. This is ultimately the sole reason why Amazon doesn't sell CBD in the US, but they sell it all across the EU. ■