The Impact of Cannabis Customer Perceptions on Its Sustainability in South Africa's eThekwini Municipality

Tshililo Ruddy Farisani; Pfano Mashau

School of Management IT and Governance, University of Kwazulu Natal, South Africa

farisanitshililo@gmail.com

Abstract

Globally, there has been a new approach to the cannabis industry in that it is now viewed as a legal industry rather than an illegal one. South Africa has now formally joined the countries that use legal cannabis sales to create jobs and grow their local economies. The knowledge gap is in its sustainability due to past perceptions associated with illegality. The purpose of this study is to understand the impact of cannabis customer perceptions towards the sustainability of the legal cannabis SMMEs situated in South Africa's eThekwini municipality. This study follows a pragmatism research design and makes use of both quantitative and qualitative approaches to achieve the purpose of the study. Data is extracted from the Google online reviews (i.e those are the selected 30 stores in 20 suburbs that received 571 reviews) and literature reviews. Google maps capture provides data regarding customer reviews and store ratings. Data were analysed using Microsoft excel. Findings show positive cannabis perceptions from areas with racially diverse customers and signs of stigmatisation in black communities and thereby threatening the sustainability of the cannabis industry. It is recommended that the national and local regulators should adopt an approach that discounts stigmatisation and protect customers and cannabis SMMEs of all races to ensure the sustainability of the industry. The contribution of the article is in its use of Institutional Theory and Consumer behaviour theory to view the eThekwini cannabis customers 'perceptions and suggest long-term sustainability measures.

Keywords: *Customers; Cannabis; Legalization; Product Quality; Product price; Product value; Perception, sustainability*

1. Introduction

Gwala (2023) traces the first cannabis use to 2800 BC in Central Asia and Western China. Despite such early discovery use of cannabis, its legality remained a contentious issue until recently. Farisani (2023) posit that the historical global approach to cannabis production and sale has been associated with illegality and that its customers were treated as lawbreakers. An emerging approach that started in the 1930s (Hartman 2021); blocked and reemerged in the 1980s (Dufton 2017) and given momentum by the state of New York in 2017 (Kavousi et al., 2022) has been that of accepting cannabis production, its sale and its customers as critical aspects of national and local economies. In South Africa,

Cannabis production and sale appeared in both 2022 and 2023 State of the Nation Addresses (SONA) to underpin the seriousness of the government to use cannabis production and sale as one of the tools to create jobs and grow the economy. While the South African approach is consistent with the global trend where there is a growing number of cannabis products retailers, stores and dispensaries (Fataar, Goodman, Wadsworth & Hammond 2021; Viviers, Petzer & Gordon 2021), there is a gap in knowledge in the sustainability of this new cannabis industry. Farisani (2023), Viviers et al. (2022) and Mokwena (2019) corroborate the gap of knowledge citing a lack of data on perceptions of the new cannabis industry.

Kavousi, Giamo, Arnold, Alliende, Huynh, Lea, Lucine, Tillett Miller, Webre, Yee, Champagne-Zamora & Taylor (2022) affirm the need and corroborate pointing to a steady increase in USA cannabis sales and revenue from 12.1 billion dollars in 2019 to 19 billion dollars in 2020. Armstrong (2021) affirms and cite his study conducted in Canada that relayed that between 2018 and 2020 there was a rapid cannabis retail expansion which was strongly related to the legalization of cannabis sale.

The recent approach by the South African government to use cannabis production as a tool to empower Small, Medium and Micro Enterprises (SMMEs) to create local jobs and grow the local economies expose a gap of knowledge. A gap of knowledge in understanding the sustainability of the new cannabis industry in South Africa. This study responds to this gap of knowledge. Thus, the objective of this study is to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability. eThekwini is one of South Africa's biggest metro in population and revenue.

2. Literature Review

This study uses the available literature and two theories in line with the research objective to contribute to knowledge that would assist in sustaining the cannabis industry. The chosen theories are the Institutional Theory and the Consumer behaviour theory.

2.1 Cannabis Consumer's perceptions of the product's quality, price and value

Farisani (2023), Viviers et al. (2022) and Mokwena (2019) assert that few studies capture customers' perception of cannabis products and that a large number of potential customers of these products are still concerned about the quality and health risks associated with using cannabis products. Mokwena (2019) point out that despite the ruling from the apex court in South Africa, perceptions are still largely negative concerning cannabis. Mokwena (2019) explain that "many South Africans, as well as government departments, view this ruling as a direct barrier to the goal of promoting the health and well-being of the citizens " (p.1). Grant (2023) affirms citing the "stigmatisation" of the cannabis industry in South Africa. Thus, the stigmatisation of the industry and the negative perceptions of such key institutions are a serious concern that requires further research. Such research is crucial because the goal of the South African government to use legal cannabis to create jobs and grow local economies needs the cooperation of such institutions/departments.

Pourseyed-Lazarjani et al. (2020) echo Mokwena (2019) and further add that there are concerns that "because consumers have limited means to analyse the chemical composition of the cannabis products, consumers may be inadvertently purchasing products with undesired properties given that different cannabinoids produce different effects" (p.2). Pourseyed-Lazarjani et al. (2020)'s analysis further highlights the question of the quality of cannabis products to consumers despite its new legal status. Nevertheless, Viviers et al. (2021) argue positively concerning the quality of legalized cannabis in South Africa and abroad. Viviers et al. (2021) point out that legalized cannabis products are safe and that the efficacy and measures are regulated by several organizations including World Health Organization

(WHO) and pharmaceutical industries. Moreover, advancement in technology and research has assisted both the researchers and buyers of Cannabis products in identifying various safe use of cannabis products.

Fataar et al. (2021) echo Viviers et al. (2021) while pointing to positive perceptions recorded by several studies in countries that have legalized cannabis for a while now. Fataar et al. (2021) posit that consumers generally have positive perceptions of legal cannabis products, with the important exception of price. A study conducted in Canada a few months after the legalization of cannabis confirms that cannabis products in the legal market are generally expensive and that the illegal market is engaging in survival strategies which may include lowering product prices (Mahamad, Wadsworth, Rynard, Goodman, & Hammond, 2020). The lowering of prices by the illegal market undermines the sustainability of legal cannabis for Small and Medium Enterprises while raising new doubts concerning the quality of the cannabis products in the market. Ahmed et al. (2023) affirm pointing to the close relationship between product price and quality in the eyes of consumers.

It is also noteworthy to state that the existence of the legal industry of cannabis worldwide necessitates evidence-based regulatory policies to minimize risks associated with cannabis price and quality misrepresentation. Mahamad et al. (2020) study found that the availability of legal cannabis does not incentivize and expand the illegal cannabis market unless the price of the legal product is too high. Riley, Vellios, & van Walbeek (2020) corroborate and assert that legal cannabis sellers understand this and argue that "dealers have been quite successful in splitting the cannabis market into different market segments and adjusting the price to what their customers can pay." (p .128) This is important as the price of a product is closely related to how the product value is perceived.

Farisani (2023); Parry, Myers & Caulkins (2019) argue that the government (i.e local and national policymakers) is responsible for the cannabis-enabling environment and therefore product value in the eyes of the consumers. Thus, a slow process in the full legalization of Cannabis in South Africa exposes the industry to the risk of competing against a complex illegal cannabis trade. Parry et al. (2019) affirm and point to a need to arrest the challenge while still in its infancy. Hence the need for a measured approach that considers the sustainability of the legal cannabis industry and the customers' perceptions.

A research study by Feindt and Poortvliet (2020) shed light on the mental and social processes through which consumers form perceptions and opinions about unfamiliar technologies. The study concluded that a limited understanding of the product principles and a lack of (visible) products prevent the formation of experience-based attitudes and behavioural intentions. This is consistent with Djaelani & Darmawan's (2021) analysis who pointed to internal and external influences on customers' perspectives on the value of new products. Consumer behaviour theory will further enrich the discussion and enlighten our understanding of the path to achieving the aim of the study.

2.2 Consumer behaviour theory and the sustainability of the cannabis industry

Schiffman and Knauk (2007) assert that Consumer behaviour theory is concerned with the "behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs" (p.3). Toivonen (2011); and Djaelani & Darmawan (2021) corroborate while pointing to the process (especially the views of customers on product quality and price) that consumers follow in making the final purchasing decision. Understanding the cannabis customers' views on product quality and price is crucial in determining the sustainability of the cannabis trade. Thus, Toivonen (2011)'s model (see figure 1 below) and Djaelani & Darmawan's (2021) article will assist in achieving the objective of this study. The objective of this study is to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability.

Both articles of Ahmed et al. (2023) and Toivonen (2011) posit that the quality of the product and price are equally important in terms of how the customers will value it and make a purchasing decision. Toivonen (2011) points out that product quality is made up of tangible and intangible product components

and their quality is interconnected from a customer's perspective (see figure 1). Djaelani & Darmawan (2021) echo Toivonen (2011) citing customers' "influences from inside and outside". The tangible features are shown in the above diagram as the performance of the product and its appearance. Product quality's intangible aspects include services, information, suppliers, and the environment.
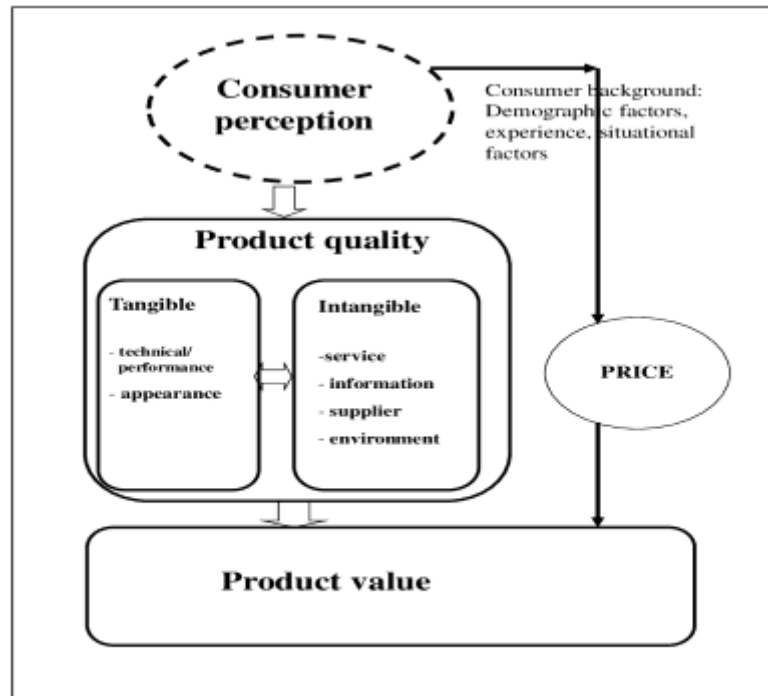
Source: Toivonen, R. (2011). The dimensionality of quality from a customer perspective in the wood industry. *Dissertationes Forestales, 114*(2011), 71.
Figure 1: Customer perception of total product quality and value model

Simatupang, S., Candra, V., Putri, D. E., Grace, E., & Hamdani, E. (2021) also affirm Djaelani & Darmawan (2021) and Toivonen's (2011) analysis concerning the interconnectedness of product quality and price in shaping the customers' perception on the value of the product to them. As long as the customer perceives the value of the product to be reasonable and satisfactory to their needs, the sustainability of such product on stores' shelves is guaranteed and the same would apply to cannabis products in South Africa's eThekwini. This is consistent with Institutional Theory's approach.

2.3 Institutional Theory's cultural cognitive and regulative elements on the customer perspective on the value of products and their sustainability

Institutional Theory's cultural cognitive element shed light on humans' beliefs, assumptions and values (Farisani, 2023, Scott, 2013). Drawing from Institutional Theory's cultural cognitive element approach enables us to understand customers' beliefs and assumptions about cannabis products and their environment. Beliefs and assumptions about the products and the environment which they are sold from. Such beliefs and assumptions then determine the value the customers attach to the product and its environment leading to the customers accepting the price as fairly priced or expensive. On the other hand, drawing from Institutional Theory's regulative element allow us to understand the role of active local institutions such as national government (through national policymaking), local municipality (through local laws, rules and regulations) and law enforcement agencies (such as police and South African

Revenue Services) in creating a conducive environment (Farisani, 2022a; Smyth & Vanclay, 2017). A conducive environment where customers believe they are getting value for their money (i.e price they pay for the cannabis products) in the cannabis legal stores. Again, the perception of the cannabis customers will be crucial in the sustainability of the cannabis trade.

3. Methodology

This study was conducted during the Covid 19 pandemic and therefore, the research design and approach was chosen with not only the objective of the study but the prevailing conditions in mind. Mpofu and Mpofu (2023) corroborate pointing to difficulties of conducting research during the pandemic. This study takes a pragmatic view towards integrating theoretical knowledge (i.e literature review) with practical ideas of customers (online reviews) of cannabis products. Pragmatism was chosen for this study. Clark and Ivankova, 2015; Creswell, Fetters, Plano-Clark and Morales (2009) are amongst the researchers that posit the suitability of pragmatism when the researcher intends to use both qualitative and quantitative data. Integrating theoretical knowledge and Google online reviews will avail both qualitative and quantitative insights that will assist to achieve the objective of this study. The objective of this study is to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability. Mpofu and Mpofu (2023); Blaikie (2018); Fetters, Curry and Creswell (2013) are amongst those who assert that pragmatism allows for innovative ways to find solutions to problems such as sustainability.

The data used to study cannabis stores' perceptions is collected from both Google online reviews and from literature review. Google reviews are accessible through google maps, it allows customers of cannabis stores to review the store by leaving comments that detail their experiences and also rate the service thereafter. The data is reliable as customers participate willingly to assist further customers. This study uses customer reviews and ratings to determine customers' perception of cannabis stores in the greater area of eThekwini Municipality. A total of 51 stores were identified on google maps, and the researcher was able to verify 30 stores scattered in 20 locations (eThekwini suburbs) by driving to these locations. The 30 verified stores were sampled to be part of the study (all store reviews and ratings are included in this study) i.e the selected 30 stores in 20 suburbs received 571 reviews (see Table 1, figures 2,3 and 4 for demographics). The data was extracted from google in July 2022.

Content analysis was chosen to enable both qualitative and quantitative data analysis. Microsoft Soft excel software was used to categorize qualitative data from all the store reviews into themes which inform the analyses. The quantitative ratings were also captured in excel. Thus, content analysis's approach to both qualitative and quantitative data were observed during categorization, coding, analysis and presentation, and thereby enabling the emergence of useful themes and sub themes presented in the results and discussion sections (Mubiru, Kombe and Limbumba, 2022).

This study complied with the University of [anonymized for blind review]'s ethical clearance policy (anonymized Ethics Review application no anonymized) that applies to online data collection. Triangulation was used in this study to ensure reliability and validity i.e the findings from Google online reviews in this study were checked against the findings presented by other researchers discovered as part of the literature review. The approach of using the findings of one tool against the other to ensure reliability and validity is consistent with Bougie and Sekaran (2009). Lincoln and Guba (1985) corroborate and further magnify the strong and significant relationship between reliability and dependability in that a protest of credibility in research confirms, dependability.

4. Findings

The findings section below is in line with this article's aim to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability. The findings present captured customer reviews and ratings to determine customers' perception of cannabis stores' product quality, price and value with the view to contribute to the cannabis industry's sustainability in the greater area of eThekwini Municipality. Starting with the key demographics before presenting findings on customers' perception of cannabis stores' product quality, price and value.

4.1 Demographics of participants

Below are key demographics that have important information to assist in understanding the findings better:

The selected 30 stores in 20 suburbs received 571 reviews by the time of data collection from the reviewers of the following gender demographic:

Table1: Reviewers' gender

Reviewers Gender n=571		
Female	Male	Unknown
30%	50%	20%

Source: Researchers' own analysis

Reviews on google are mostly given by citizens of white ethnic groups, followed by Indians.
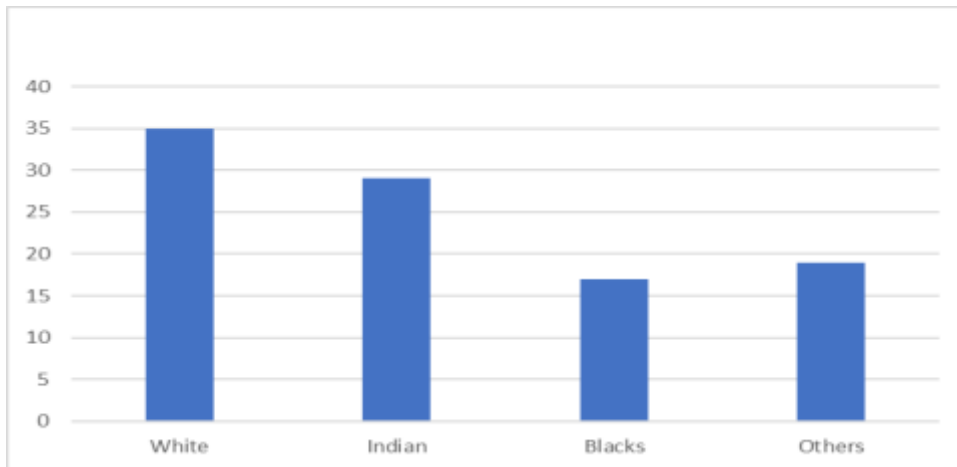

Figure 2: Racial groups

Source: Researchers' own analysis

35% of the reviewers are whites and the Indians make up 29% of the reviewers. Blacks comprise the largest eThekwini municipality population; however, only 17% of the reviewers are identified as blacks. These findings show that Cannabis is primarily stigmatised amongst black people in South Africa. The diagram below shows the concentration of sampled cannabis stores in eThekwini, South Africa.
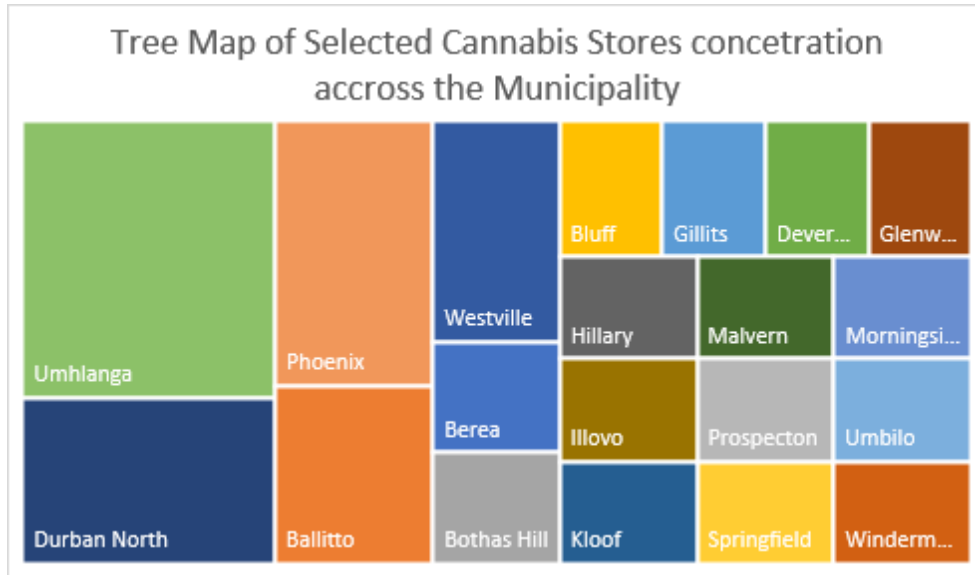
Figure 3: Tree map of sampled cannabis stores in eThekwini, South Africa

Source: Researchers' own analysis

Cannabis stores in the year 2022 are largely concentrated in the northern part of the municipality. The above diagram shows that most stores are located in Umhlanga, followed by Durban north. It is also important to note that the cannabis stores are spread across all sides of the municipality, as indicated in the diagram above. The results also show that most cannabis stores are in white and Indian-dominated Umhlanga suburbs.

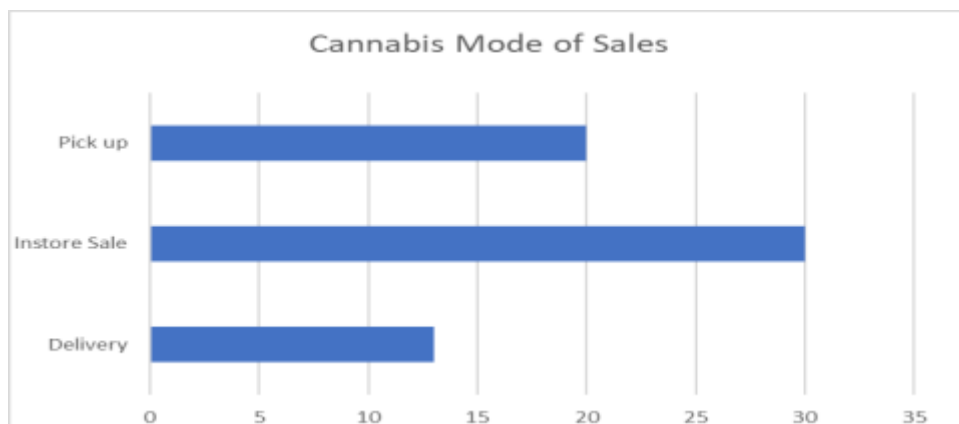The diagram below shows the mode of sales for cannabis stores in Durban.

Figure 4: Cannabis mode of sales

Source: Researchers' own analysis

All cannabis stores in Durban offer in-store purchasing options, with 13 of 30 sampled stores open for delivery and 20 of 30 stores open to purchase and pick-up services (all cannabis stores cited in this study have cannabis-only licenses and hence sell cannabis-related products only). The findings reveal that the coronavirus pandemic accelerated none contact mode of buying and most stores across sectors

offered delivery options. Below are the key findings in line with aim of the research starting with the perceptions of cannabis product quality.

4.2 Findings on the perceptions of cannabis customers on product quality

This section presents findings of cannabis customers' perception of the product quality and ultimately their decision to purchase those products. Thus, it is important to understand customers' perceptions concerning both tangible and intangible aspects of cannabis product quality when purchasing. The tangible features of the cannabis product are its performance and its appearance. Product quality's intangible aspects include services, information, suppliers, and the environment. The findings present comments and ratings of both tangible and intangible aspects of product quality.

The findings show that the Cannabis stores in the year 2022 are largely concentrated in the northern part of the municipality (see figure 3 above). Participants also rate Umhlanga cannabis stores highly on cannabis tangible product quality on sale, hence a large share of stores in this part of the municipality. eThekwini Municipality has an average google rating of 4.6/5 while the Umhlanga rate is higher than average. A participant customer confidently wrote in the comments section for customers concerning the cannabis tangible product quality on sale "Can't get any better, wide range" (White, male, Umhlanga resident, eThekwini municipality, participant 1). Another wrote "never get a bad batch" (Indian, phoenix, eThekwini municipality, participant 2) The comment for participant 1 and 2 resembles similar comments and ratings by fellow customers in approving both the appearance and performance of the cannabis product on sale at eThekwini stores.

The findings also reveal that the participants were happy with the intangible aspect of the product quality on offer at the eThekwini stores. A male white participant 3 points to "Quality dispensary and great customer service" in a jovial comment after visiting a Cannabis store in Ballitto, eThekwini Municipality. The findings also show that cannabis customers are equally happy with the information they need to make an informed decision about the cannabis products on offer. This is evident in participant 4's comment "Simply wonderful! Staff are extremely helpful and have an amazing knowledge of their products" (black, male, Durban North, eThekwini Municipality, participant 4). The participants have also expressed their appreciation for the good relationship between cannabis suppliers and store managers which results in the customers receiving premium product quality. The findings also show that participants are happy about their safety due to the environment in which the eThekwini cannabis legal stores are situated. Participant 6 asserts that his favourite cannabis store is located in a "Good clean and very safe environment" (white, male, Umhlanga, eThekwini municipality).

4.3 Findings on the perceptions of cannabis customers on the product price

This section presents findings of cannabis customers' perception of the product price. Thus, it is important to understand customers' perceptions concerning cannabis product prices.

Data confirms that legal cannabis stores in eThekwini municipality have a range of products perceived to be well-priced by the customers. Such perception is demonstrated in participant 7's comment that posits that the prices are "fair" (Female, white, Westville, eThekwini municipality). Participant 8 agrees and asserts "Can't get any better, wide range and great prices for bud, edibles and vape pens as well as accessories!" White, male, Umhlanga resident, eThekwini municipality). The reviews of participants 7 and 8 show that customers are satisfied with the product's price and are happy to purchase and thereby guaranteeing the sustainability of the industry in the eThekwini region.

4.4 Findings on the perceptions of cannabis customers on product value

Participant 8 also argues that the price is not only fair but that it is "Great value for money". While the participants largely agree that they are getting value for money, the demographics cited above shed light on the challenges in sustaining the cannabis industry outside the suburbs where the majority of

South African reside. The demographics presented above show that 35% of the reviewers cited in this study are whites (35%) and the Indians (29%) and only 17% of the reviewers are identified as blacks. The cited demographics show that currently, the cannabis industry is largely sustainable in white-rich areas and less so in black dominant areas. This finding makes it hard to understand if blacks in poor areas would equally see product prices and product value for money in the same way the white, Indians and blacks in rich suburbs perceive it. Thus, there is a need for the government and entrepreneurs to understand what may counter the cannabis stigma if they seek a wider cannabis industry sustainability beyond the suburbs. The findings on the racial groups above provide a window into the ability of those groups to appreciate the tangible and intangible aspects of product quality, product price and product value. The black majorities outside suburbs might not see the product value in the same way that the rich living in suburbs do and hence government and entrepreneurs' strategies to understand that to ensure the sustainability of cannabis SMMEs outside rich suburbs. What comes next is the discussion of the findings.

5. *Discussion of the Findings*

The discussion of the findings is in line with this article's aim to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability. The findings present captured customer reviews and ratings to determine customers' perception of cannabis stores' product quality, price and value in the greater area of eThekwini Municipality.

Consumer behaviour theory and Institutional Theory assist in understanding customers' perspectives with the view to understanding the cannabis industry's sustainability. Consumer behaviour theory assists in understanding customers' perspectives on product quality, price and value to them while Institutional Theory assists us to understand what makes a conducive environment for cannabis customers and cannabis SMMEs inside racially diverse suburbs and outside areas that are black community dominated. A regulative aspect of institutional Theory assists in understanding rules, laws and regulations that assist in a conducive environment while Socio cognitive element assists in understanding the collaborative path to informing the majority of blacks whose communities are still highly stigmatised concerning the cannabis industry. First to be discussed is the customers' perceptions of cannabis product prices.

5.1 Perceptions of eThekwini cannabis customers concerning product quality and its implications on cannabis SMME sustainability

The findings show that eThekwini Municipality has an average google rating of 4.6/5. This rating shows that customers rate the stores in eThekwini Municipality highly on average. This is on par with Fataar, et al (2021) findings stating that consumers of cannabis products generally reported positive perceptions of the legal cannabis market and greater positive perceptions in US states with more 'mature' legal markets.

Both articles of Ahmed et al. (2023) and Toivonen (2011) posit that the quality of the product is important in terms of how the customers will rate it and make a purchasing decision. Toivonen (2011) points out that product quality is made up of tangible and intangible product components and their quality is interconnected from a customer's perspective (see figure 1). A participant customer confidently wrote in the comments section for customers concerning the cannabis tangible product quality on sale "Can't get any better, wide range". The findings show that eThekwini cannabis customers are equally satisfied with the intangible aspects of the cannabis product quality also. Thus, the participants' perceptions of both tangible and intangible aspects of the product quality of eThekwini legal stores are overwhelmingly positive.

The findings on tangible and intangible aspects of product quality show that the eThekwini stores' customers are satisfied with the product quality and therefore will continue to support those businesses by making purchases there. Such financial support is key to business sustainability and by extension to job creation and local economic growth (Gwala, 2023 and Farisani, 2023). Nevertheless, Consumer behaviour theory makes us understand that product quality is one aspect and that product price is another crucial aspect that equally determines the perception of the customers and ultimately their purchasing decision and sustainability of SMMEs.

5.2 Perceptions of cannabis customers concerning product price and its implications on cannabis SMME sustainability

South Africa, like any other nation in the world, has consumers that have recently become more price sensitive due to the adverse effect of the Covid-19 pandemic (Farisani 2022a; Afshan, Shahid & Tunio 2021; Djaelani & Darmawan 2021). Ahmed et al. (2023) corroborate and point out that the product price is crucial in terms of how the customers will perceive a product and make a purchasing decision. As already pointed out above, customers purchasing decisions give a window into the sustainability of the products on sale. The findings show that legal cannabis stores in eThekwini municipality have a range of products perceived to be well-priced by the customers. Such perception is demonstrated in participant 7's comment that posits that the prices are "fair".

The findings reveal that the reviews of other participants also show that customers are satisfied with the product's price and are happy to purchase and thereby guaranteeing the sustainability of the industry in the eThekwini region. However, the findings also show that different racial groups support eThekwini SMMEs to differing degrees. What is more concerning is that cannabis customer demographics show low support for the cannabis trade from blacks (see figure 2). Blacks are the majority of citizens in South Africa and the racial group that are mostly unemployed and living in poor rural areas (Farisani, 2023; Farisani, 2022b). Hence the need to understand the value that these different racial groups attach to these products' prices when making that crucial purchasing decision. Such an understanding will assist the South African government which has already shown interest to use the cannabis trade as a tool to create jobs and grow the economy.

The approach that seek**s** to understand the value that these different racial groups attach to these products' prices with the view to adjust relevant policy is consistent with the Institutional theory's regulative and cultural cognitive element. The regulative element assists in understanding regulators/government's approach and customers' perspectives on cannabis-related rules, policies and laws while the cultural cognitive element assists in understanding the value that customers and entrepreneurs attach to cannabis products.

5.3 Discussion of the findings on the perceptions of cannabis customers concerning product value

According to the model and literature review presented so far, the value of the product relies heavily on both product price and the product's quality. Thus, the perceptions of legal cannabis customers are influenced by the combination of both product price and quality. The demographics (see figure 2) presented above show that 35% of the reviewers cited in this study are whites (35%) and the Indians (29%) and only 17% of the reviewers are identified as blacks. The cited demographics show that currently, the cannabis industry is largely sustainable in white-rich areas and less likely in black dominant areas (see figure 3). Such findings tell us that the majority of white and to a certain degree the Indians are mostly satisfied with the product value as compared with blacks i.e the minority racial groups in eThekwini see more or fair product value when considering both product quality and price. Such analysis is consistent with both the Consumer behaviour theory and the cultural cognitive element of the Institutional Theory as already explained above.

While the findings are positive to the sustainability of the cannabis industry in minority racial groups, such findings are a concern to both Government and entrepreneurs willing to establish cannabis

SMMEs outside white and Indian dominant areas. They are concerned because most blacks are struggling to see the product value due to stigmatisation. The findings are consistent with those of Grant (2023) who cites the "stigmatisation" of the cannabis industry in South Africa Such finding is also consistent with both Institutional Theory and Consumer behaviour theory. Institutional theory's both regulative and cultural cognitive elements provide more insight here. The regulative element assists to explain the perceptions (stigma towards cannabis) of cannabis customers as affected by the long-existing views that citizens had due to the illegality of cannabis products over a long period in the country. The cultural cognitive element asserts that value is derived by customers based on their beliefs and therefore, in the absence of new enlightening information, old beliefs impact the value attached to legal cannabis. Thus, unless the black majorities acquire new information concerning the medical, recreational or economic benefits to them, they won't see any value as the whites and Indians do. Farisani (2022b) and others (Luthuli, 2009; Matjie, 2018) point out that whites and Indians are better educated than blacks, especially those in South African rural areas.

The findings on demographics and stigmatisation are also consistent with Consumer theory behaviour in that the consumer behaviour theory point to consumer background, past experiences, demographics and situational analysis (see figure 1) as determinants of consumer behaviour and perceptions. Poor educational background and lack of strategy by regulators or the government to inform black majorities do not assist the blacks to change their perceptions about cannabis products. There is a need for the regulators or government (both local and national) to assist cannabis consumers to understand the legality and benefits of cannabis products so that they see the product value of cannabis. So that they understand the product value of cannabis beyond what they understand based on existing perceptions of product quality and price. Below is the suggested model (figure 5) that draws from both the Consumer behaviour theory and Institutional theory's two elements discussed above.
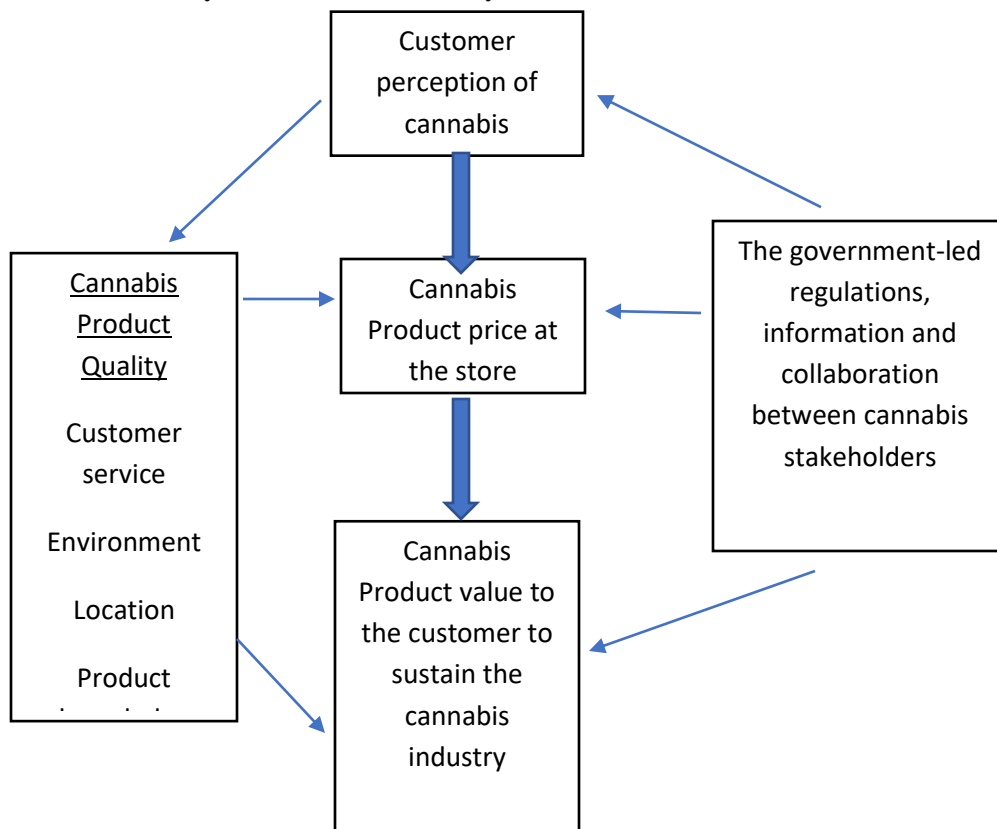

Figure 5: Adapted model to sustain the cannabis industry beyond minority suburbs of eThekwini municipality.

The model above serves all cannabis stakeholders (Government representatives/institutions, customers from all races, SMME/store owners and aspiring cannabis entrepreneurs) in that it guides the government/regulators on how to give the relevant information to most citizens and assist in the sustainability of the cannabis industry. The local government will need to work with the national government and relevant stakeholders to organize information sessions known in South Africa as Imbizos to disseminate knowledge on the benefits of cannabis in targeted areas. Such knowledge sharing Imbizos will need to also offer citizens the opportunity to ask any legality questions or negative perceptions. Negative perceptions towards cannabis products' quality (customer service, environment, location, product knowledge), price and ultimately its value to them as individual customers and their local and national economy. Such collaborative imbizos will enable the government to lead in its cannabis initiative. Their initiative is to create jobs and grow the economy through sustainable cannabis SMMEs in all racial groups in eThekwini and possibly South Africa. Thus, the proposed collaborative process will enable government policymakers to formulate well-informed policies while imparting knowledge to enable cannabis customers to value the sustainable cannabis industry.

Conclusions

The purpose of this study was to understand the impact of cannabis customer perceptions towards the legal cannabis SMMEs situated in South Africa's eThekwini municipality with the view to contribute to its sustainability. The contribution of this article is in its use of Institutional Theory and Consumer behaviour theory to view the eThekwini cannabis customers 'perceptions and suggest long-term sustainability measures.

The findings reveal positive cannabis perceptions from areas with racially diverse customers and signs of stigmatisation in black communities and thereby threatening the sustainability of the cannabis industry. For the industry to be sustainable beyond minority groups in suburbs, it is recommended to government policymakers at both national and local levels to engage collaboratively with all racial groups in suburbs, townships and rural areas. The model (see figure 5) is suggested to ensure collaborative feedback between all racial groups with the view to impart cannabis-related knowledge to discount stigmatisation and get full participation. Full participation in new cannabis policies that address challenges and create a sustainable environment where cannabis SMMEs may thrive and create local jobs while growing the local and national economy.

There is a need for more research on the collaboration (including but not limited to relevant communication technologies) between eThekwini cannabis local stores and regulators to enhance the experience of cannabis customers in other parts of the district not covered by this study. Especially in townships and rural areas. The limitation of the study is in the poor presentation of the online quantitative data alongside qualitative data due to online data extraction challenges.

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