HOW BREEZE THRU MARKETS TURNED TWO SQUARE FEET INTO 'FREE MONEY'

By replacing two square feet of space in its convenient stores – the space that previously sold newspapers – Breeze Thru Markets has found a guaranteed monthly revenue stream, plus new foot traffic.

Founded by veterans of major convenience store chains, Breeze Thru Markets currently operates almost two-dozen locations spread around North Carolina. Breeze Thru considers itself a startup in the convenience store industry, and it aimed to create a nimble company that wasn't hindered by the typical structure of major, nationwide chain stores.

That agility is important to Mark Smith, Vice President of Breeze Thru Markets,



because as the marketplace started to change, he recognized Breeze Thru needed to change.

"As fuel margins were getting tighter and consumers were growing more diverse, we started looking for opportunities," Smith explained. "Being nimble, we can really focus on and do things that others can't do. If I want to put RockItCoin in a chain of 545 stores, that might take six months to a year. But here at Breeze Thru, it happened in an afternoon."

The Path to RockItCoin

Innovation has been a buzzword in business for several years now, and every industry is looking for ways to evolve. Convenience stores are no exception.

"We look at our data constantly and we identified that the center of the convenience store in this market no longer sells the way it did 10 years ago," Smith pointed out. "So, if you could eliminate 16 feet of what you currently carry, what other items will you carry in that space?"

Looking for ways to separate itself from the competition, Smith said Breeze Thru started investigating trends in overall retail, not just c-stores.

"I stumbled across bitcoin machines," he said. "We've all heard of bitcoin. I don't understand it — it's not anything I would do, but other people do it. And in my world, if people are willing to do it, and it's a way to get people into my store, I'm willing to look at it."

Smith and his team did some research and found only three bitcoin ATMs in its market. Next, he posed the question, "Why can't we do that in our stores?"

Smith investigated and discovered RockltCoin, a company that places bitcoin kiosks (bitcoin ATMs) into host locations. Together they discussed options, and after seeing little downside risk, Breeze Thru decided to try something new.





A Big Return from Low Expectations

"My personal opinion was this wasn't going to work, but OK let's try it," Smith admitted. "Then, as I started pulling data, it was amazing what we saw. It really was amazing. It worked out so well that we then started the process to expand it to all our stores."

What was equally impressive to Smith was the cross section of traffic the kiosks were driving. He had expected some usage near college campuses and in younger, hipper neighborhoods, but he was surprised to see high usage from stores where he didn't expect it, such as those in low-income areas, racially diverse areas and locations characterized by older generations.

"Trying to find something new – something that was cool that millennials and teenagers and Gen Z might be interested in – we learned that it's really folks my age (Smith is a Baby Boomer) using the machines," he said.

'Free Money' and Other Benefits

Placing the RockltCoin kiosks into its stores benefits Breeze Thru in two important ways.

"We take a placement fee," Smith explained.
"We give up two square feet of space in the store for a rental fee. That rental fee is just free money to me."

The area in which Breeze Thru placed the bitcoin kiosks was previously where it sold newspapers (which are no longer sold at its locations).



The other primary benefit of the RockltCoin ATMs is the increased foot traffic, of course.

"My desire is that the RockItCoin customers who come into the store spend money on something else, and we think that happens," Smith said.

While it's hard to put empirical data behind it, Smith has no doubts the RockltCoin kiosk users are sticking around to spend additional money in his stores.

'Don't be Surprised'

The profits of guaranteed monthly income for the placement fee, plus the benefit of lucrative foot traffic, are reasons enough for Smith to feel confident about his decision to take a chance on the bitcoin kiosks. But he also has been encouraged by his experience – namely how smooth it has been.

"They promised, and they delivered what they promised," Smith said about RockItCoin. "To me, that means the world. They pay on time every month without question. That's worth being dedicated to RockItCoin even if there are other options."

Smith also appreciates the hands-off nature for his employees, noting that RockltCoin actively promotes and provides great customer service – encouraging users to deal with RockltCoin itself instead of Breeze Thru staffers.

"They want customers to call their support. They don't want us to be the experts," he said.

Smith recognizes that Breeze Thru likely won't have a corner on the market of convenience store bitcoin kiosks forever but isn't worried about competitors adding them. He hopes his users will show similar affinity to many beer customers, who commonly shop at their preferred stores. In fact, he'll tell anyone who asks that making space for the RockltCoin kiosks is worth it.

"I tell people, 'If you don't think it will work, don't be surprised when it does.' We put these machines in stores and I didn't think they'd get any activity. And they did. So, don't be shy about it. If you think you're interested, I would do it."

