

INSIDE NEON'S NFT ATM

The machine was built to show how easy it is to support digital artists by buying their NFTs

Words **Eric Berger**

Would vending machines make purchasing non-fungible tokens, or NFTs, seem easier?

That's the idea behind "the world's first NFT vending machine" or "NFT ATM." The startup behind the machine is NFT and digital collecting platform Neon.

For those who have not yet gotten up from their desk to visit the NFT vending machine, an NFT is "a unique digital identifier that cannot be copied, substituted or subdivided, that is recorded in a blockchain and that is used to certify authenticity and ownership (as of a specific digital asset and specific rights relating to it)," according to the Merriam-Webster dictionary.

Neon, founded in 2020, is a marketplace and gallery built on the Solana blockchain.

Neon wanted to provide a way for people to "support digital artists without having to buy cryptocurrency," said Jordan Birnholtz, Neon's cofounder and chief marketing officer.

"We realized there was no easier way to buy something than a vending machine," said Birnholtz. "We created the NFT ATM to show people how easy it is to support digital artists by buying their NFTs."

Once Birnholtz had the idea, he purchased a vending machine and found space for it in New York's Financial District.

"We thought that the Financial District really made a lot of sense because it's a combination of art and commerce, old and new, and the mismatch really appealed to us as a setting," said Curtis Sparrer, principal of Bospar.

The startup hired Buoyancy and We Make Pop to build the space around the machine. The team decided to build walls around the machine so it would only have enough room for a single person, Birnholtz said. Outside those walls, they showcased the merchandise that was available inside the machine.

The space looks like an art gallery with a vending machine at the center. It has neon lighting, a neon bar sign that reads "NFT ATM," depictions of NFT art on the walls and disco balls on the ground. A strip curtain hangs in the entrance.

"Building the enclosure around the vending machine, while still allowing the vending machine to be accessible and viable, was a really interesting challenge that [the agencies] did a great job with," said Birnholtz. "Using that space outside the enclosure to tell the story of our brand and to tell people about the kind of art that we had available for sale was a really great decision."

In December, they quietly opened the vending machine to work out any kinks before officially launching on February 23.



Campaign	Company	Agency partner	Duration
World's first NFT vending machine	Neon	Buoyancy and We Make Pop (creative and production) and Bospar (public relations).	February 23 – ongoing

To purchase an NFT, customers can use a credit or debit card or mobile payment. The machine then dispenses a box, which contains a card with a QR code that takes them to the Neon website. After creating a profile, they can access the NFT and transfer it to an external wallet.

To promote the machine, Bospar focused on education about the technology, Sparrer said.

"How do we make sure that journalists clearly understand what we are doing very quickly and that we are not explaining the field we are in but the actual campaign we are undertaking," Sparrer said of the agency's goal. "Next came the whole issue of contacting the right journalists, telling them the right story and staging it appropriately."

While the NFT industry has faced criticism because of the associated financial risk, security concerns and scams, Birnholtz said his startup is different because it allows people to purchase the art the way they would anything else, rather than only with cryptocurrency. He also does not describe its art as investments, he said.

"I think people should buy art because they love it and want to support the artist," he said.

More than 30,000 people have visited the machine, according to Birnholtz. Once the machine was announced in February, sales from the machine increased 300%.

The machine has also sold out more than a dozen times.

And in early April, the startup had a wait list of more than 100 artists interested in collaborating.

The campaign received coverage from the Associated Press; *Bloomberg*; *CoinTelegraph*; *Reuters*; *The Guardian*; *The Street*; *Cheddar*; *Time Out New York*; *Thrillist*; *USA Today*; *Yahoo* and a number of other news organizations.

The startup plans to open four more vending machines this summer in major cities, but they have not determined which ones, Birnholtz said.

The New York vending machine is temporarily closed for updates and maintenance, Birnholtz said, but the company plans to reopen it on April 19.