

Consumer Awareness of RFID Grows

A new report by BIGresearch says more than a quarter of the U.S. population knows what RFID is and has a balanced view of its potential benefits and privacy risks.

By Mark Roberti

Oct. 22, 2004—Although widespread adoption of RFID on consumer goods is still years away, many consumers are aware of the technology and have a balanced view of its potential benefits and privacy risks. That's the conclusion of a new survey launched by [BIGresearch](#), a Columbus, Ohio-based market intelligence company that focuses on consumer issues.

The [RFID Consumer Buzz](#) survey of more than 7,000 people found that 28.2 percent of consumers are aware of RFID and can describe the technology accurately to others. The report says more men (39.7 percent) are aware of the technology than are women (17.6 percent).

The report says that RFID-aware consumers believe that RFID is generally a "good thing." Yet they harbor concerns about potential privacy abuses. Nearly two thirds of RFID-aware adults are "very concerned" or "somewhat concerned" about such abuses. The biggest concern is that retailers might track their shopping habits and share information with other businesses and government agencies.

Most people get their information about RFID from the Internet, the survey found. The researchers say this unusual. Most consumers get their information from mass media. But RFID has been covered in far more depth on the Internet than in newspapers and on television.

The survey, conducted from Sept. 7 to 15, is the first of series of similar surveys that the company plans to hold every three months for the next several years. BIGresearch decided to launch the quarterly survey because it was clear that RFID is going to have an impact on consumers. "Because we do a lot of work in the retail sector, we knew RFID was going to be an issue," says Phil Rist, VP of strategy at BIGresearch. "The train was beginning to roll down the track, in terms of implementation, and we thought executives needed to be aware of consumer issues. That way, rather than ignore privacy concerns and hope they don't come up, they can build consumer education into their rollout strategy."

BIGresearch's quantitative research—its survey of more than 7,000 people—can be projected across the entire U.S. population. But the company also worked with [Artafact](#), a Fremont, Calif.-based company that runs online focus groups to get more depth about customer attitudes toward RFID. Artafact did focus groups with more than 20 people who had responded to the survey.

"People are not only aware of RFID, but they can accurately describe what it is," says Linda Stegeman, president of Artafact. "They knew it is being used to track products in the supply chain, and they made the leap and figured out that someone else could potentially track their behavior and purchasing decisions."

Stegeman says that during the focus groups, Artafact explained what some of RFID's positive applications, including tracking pets, paying for tolls without stopping, ensuring that people take the proper doses of their medicine and so on. It also explained the potential for tracking purchases.

"The people that were aware of RFID were more practical about balancing the positives and the negatives," says Stegeman. "Those who were not aware seemed to be surprised to learn about the technology, and they gravitated more toward the potential negative impacts of RFID. We concluded from that that it's better to inform people about the positive applications than to wait for them to discover the technology on their own."

The quarterly survey will track how the number of people aware of RFID grows, and it will track whether more or fewer people develop a negative view of the technology. It will also track how people learn about RFID and what messages they receive about the technology.

An annual subscription to the quarterly survey is \$9,500. The subscription includes a quarterly profile of consumers who are aware of RFID and information on how they became aware (sources/media influences) as well as their attitudes and opinions (both positive and negative) about the affect of RFID on their lives, safety and privacy.

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