

NCR Promotes RFID Cards to Give Customers the VIP Treatment

The company's Branch Portal system is designed to help banks and retailers improve service by identifying customers as they enter a branch office or store.

By Claire Swedberg

Oct. 13, 2006—Transaction and data warehousing solutions provider [NCR](#) is promoting a system it developed to assist banks and retailers in utilizing radio frequency identification to improve service and cater to VIP clients as they pass through a building's doors.

Although other RFID vendors have tested systems that would immediately allow a bank or retailer to identify a customer entering a branch office or store by reading the RFID tag embedded in a card carried on that person, privacy concerns have kept such solutions from achieving commercial release. In a recent article published in *RFID Journal*, Mark Greene, vice president of strategy for [IBM](#)'s financial services division, said his company had been involved in pilot programs for RFID-enabled bank cards at three banks in the United States and Europe, but that there are no plans for wider implementation because the banks were concerned about ensuring customer privacy (see [Cashing In on RFID's Benefits](#)).

NCR, however, says banks and retailers would offer such cards to their customers on a strictly voluntary basis. According to Mark Grossi, chief technology officer for the company's financial services division, each customer would be given the choice of owning a card embedded with an RFID tag, or one without the technology.

RFID-enabled cards offer consumers the convenience of letting bank or store employees identify them upon entrance. For example, since a store's RFID system would recognize consumers who shop there often, details such as the sizes they wear, or what they most recently purchased, would be available as soon as they entered the store, allowing an employee to cater to their particular tastes more easily. The RFID tag could be embedded in a retail credit card.

At a bank, the system would provide a teller with a client's account information even before that person reached the teller's window. Bank staff could then offer promotional services specific to the way each client has done business with the bank. For example, if a particular client had taken out a home-equity loan in previous years, the teller might choose to offer a special rate on another loan. On the other hand, if this person recently refinanced a mortgage, the bank would not bother providing promotional offers for similar options.

The NCR RFID Branch Portal interrogates cards embedded with a passive UHF Gen 2 RFID tag sporting a read range of 3 to 4 feet. The tag's unique ID number, which can be encrypted for additional security, would be read by two antennas, one on each side of the entrance door. The number would be sent via Ethernet to a teller station, the branch manager's PC or a personal digital assistant (PDA), linked to the customer and his data, initiating prompt, personalized service.

NCR is using prototypical software to demonstrate the concept, says Dan White, a technical consultant for NCR's retail solutions division. The prototype software displays a customer's account information on a branch manager's PC or PDA. "Any real software would need to be incorporated within the bank's applications structure," he notes.

"We built this application six months ago," says Grossi. "It's all about providing more personalized service."

Retailers, White explains, "would love to know the consumers [and their purchasing habits] when they come in." With such data, for example, they could determine what a customer bought last week and recommend an item to go with it. Such a system would also make it easier for a husband or wife to purchase a birthday gift since the previous purchase history would show the sizes the spouse wears, as well as any other items they may have purchased at that specific store.

NCR is testing the system in its lab to make sure it works, according to Grossi, and is talking with several banks in Europe and Canada. "We regularly bring customers to our research facilities," says White, "as it gives them an opportunity to test-drive some of the latest technology innovations for banking, as well as retail."

The goal of this application, White explains, is "to pilot and eventually roll out this type of RFID portal application within an actual customer environment—for example, a bank branch." Retail companies, he adds, have also begun discussing the system with NCR, though no specific date has yet been set for pilots with any banks or retailers.

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