

Mitsukoshi and Shiseido Test Tagged Cosmetics

The trial involves the RFID-tagging of individual products so customers can obtain details about each product and try on virtual makeup. It also provides statistics on how often items are sampled.

By Claire Swedberg

Jan. 31, 2007—Japanese department store chain Mitsukoshi is undertaking a pilot embedding RFID tags on Shiseido cosmetics to create what the companies call the "department store of the future." The project began on Jan. 26 and will end on Feb. 12, and involves the tagging of a limited number of cosmetic products. During the pilot, customers will be able to discern details about products by holding them up to an interactive screen with an RFID reader. The in-store RFID trial is intended to test whether the system can provide an "electronic concierge" enabling customers to find information about a product without asking a sales clerk. If the system works, it will allow faster service for customers and offer the store and Shiseido greater information about how customers sample products.

The Ministry of Economy, Trade and Industry of Japan (METI) is sponsoring the project, which METI's Japan Department Stores Association is overseeing as part of its 2007 Field Trial for Improving Distribution and Logistics Efficiency Through the Use of Electronic Tags. This is not a first for Mitsukoshi, however, which has undertaken other item-level RFID trials at its stores.

"Since two years ago, Mitsukoshi and the Department Stores Association were already doing this type of field trial, and they decided to bring this to the cosmetic floor," says Mari Hayashi, Shiseido's public relations representative. "Then they asked us to collaborate on this."

Designed by Fujitsu, the system is being tested at two locations: the Shiseido cosmetics counter at the Ginza shopping district store in Tokyo, and the Skakae branch in downtown Nagoya. Fujitsu is also providing hardware for the project, including touch-screen terminals, kiosks and integration services.

Shiseido is affixing 13.56 MHz RFID tags provided by Toppan Printing, with NXP Semiconductors' Icode SLI Label IC chips, to seven of its skincare product samples. If a customer wishes to sample or learn more about a product, she removes the item from the display and waves it near an RFID reader, explains Amy Ishida, Fujitsu's Tokyo director of public and investor relations.

The touch-screen terminal is equipped with an RFID reader that captures the unique ID number of the product's tag. That number is linked to product information displayed on the screen. The content—including product features, instructions on using the product, and a link to reserve a consultation appointment with a store employee—is displayed on the screen, provided by iStyle Inc. The trial also includes a kiosk with a camera, display and RFID tag reader so a customer can view herself on the display and sample "virtual real-time makeup" to see how a specific lipstick, eye shadow or other cosmetic product would look on her face.

Shiseido has attached RFID tags to lipstick, mascara and other makeup products in stands holding tester

containers. The tester stands, provided by Central Engineering Co., are embedded with RFID readers designed to capture a read every time a customer tests a makeup item, thereby counting how often the product is sampled. That information can then be used for marketing purposes.

Sales staff at each cosmetic counter will use tablet PCs embedded with tag readers to track that counter's customer history. The tablet PC contains the profiles and purchasing history information of registered customers, Ishida says. "Displaying the purchasing history on the screen will enable the customer and salesperson to see details regarding which products the customer purchased, and when, without needing to rely on memory," says Ishida. Fifty customers are participating in the trial.

RELATED_ARTICLES In a separate portion of the trial, Shiseido is attaching RFID tags to products at its distribution centers in Fukaya City and Saitama Prefecture, near Tokyo, for in-store inventory. The firm is also testing RFID tags for use in customers' homes. Shiseido has created several virtual home environments for the trial—a laboratory setting designed like a consumer's home—with PCs and tag readers installed. "In the future, some customers who do not have time to view product information in-store may prefer to view such information at home," Ishida says. "Yes, it is anticipated that some customers may wish to have a tag reader at home." Those readers could be purchased or rented, Ishida adds, though details have not yet been determined.

In the future, Mitsukoshi and Shiseido may decide to undertake other trials to evaluate the use of RFID tags in the supply chain management of cosmetics, as well as the impact on purchase intent when customers themselves handle RFID-tagged products, and the effect on purchasing related products.

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