

French Jean Boutique Adopts RFID to Boost Loyalty

To attract young shoppers to its stores, Gedenim is issuing RFID-enabled loyalty cards and deploying kiosks and sales terminals designed to provide personalized information and offers to cardholders.

By Claire Swedberg

July 11, 2007—[Gedenim](#), a French clothing retail chain specializing in jeans, is employing RFID loyalty cards to attract young shoppers to its stores. The system went live in 10 of its 15 Paris-area stores in May 2007. [Airtag](#), a contactless solutions supplier located in France, provided the loyalty-card system, known as GSPOT. Gedenim intends to continue deploying the system in all 15 of its stores over the next 12 months.

The contactless loyalty card contains an embedded passive 13.56 MHz RFID chip, compatible with the ISO 15693 and 14443B standards. Each of the 10 stores has been equipped with Airkiosks, interactive RFID-enabled kiosks that provide personalized promotional information to cardholders. The retail sites also have RFID interrogators at the point of sale (POS) for faster checkout, as well as disseminating promotional offers.

Airtag developed the entire solution for Gedenim, says Jérémie Leroyer, Airtag's president and CEO, including the contactless platform, middleware, readers, kiosks and loyalty cards. Airtag's middleware integrates GSPOT device data with the cashiers' software and company information system.

From the onset, says Leroyer, Gedenim was looking for a solution that would attract young consumers. "They needed a loyalty program adapted to their target: 15- to 25-year-old customers. We proposed to implement an interactive point-of-sales relationship program based on the contactless technology." That program involved the loyalty card, which allows cashiers to determine a customer's identity at the time of checkout, and to provide more personalized service, such as promotional and sales offers specific to that customer's spending history.

In September 2006, Airtag and Gedenim began testing the system in a three-month pilot. During the trial, Leroyer says, the two companies "learned how to connect to the information system and POS infrastructure."

Since then, Gedenim installed Airkiosks within the 10 stores, and Airtag RFID interrogators at the retail locations' cashier desks. The Airtag middleware manages all interaction between tags and readers, as well as the host system—which, in this case, is Gedenim's cashier software.

An Airkiosk reads the tag ID number of a loyalty card placed within 10 centimeters of its built-in RFID interrogator, and links that number with the customer's information via an Ethernet connection. The kiosk's screen can then display video, pictures and text personalized for that particular shopper.

The program will be compatible with near-field communications (NFC) mobile handsets, says Leroyer, to be

launched by mobile carriers in France by early 2008. Once these NFC mobile handsets are released, the phones' owners may use them as an alternative to the loyalty cards, at both the kiosks and points of sale.

RELATED_ARTICLES Thus far, Leroyer states, customers have responded well to the system. "We already have an important member base," he says, though he does not specify how many loyalty-card members have signed on. Gedenim is happy with the results, he adds, but it is too early to measure the return on investment.

In June, Airtag received €2,000,000 (\$2,750,000) in funding from venture capital investor Seventure Partners. "This new funding will support the rollout of our contactless loyalty and payment offer," Leroyer explains, "and speed up the development of our next-generation NFC platform." That platform will be available to mobile carriers, he notes, which are expected to release RFID-enabled phones for the consumer market in the coming year.

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