RFID for Retail in 2016: 5 Trends

1. Retail applications are rapidly moving to the cloud.

WHY? BECAUSE THEY ARE MUCH MORE COST EFFECTIVE, FASTER AND EASIER TO DEPLOY. Retailers today know they have to move quickly. And with the cloud, instead of putting major capital investments into big data centers, they can spread out costs and tap computing power when needed.

2. Systems Integration is critical to deployment success.

IT’S ALL ABOUT THE (SENSOR) DATA, BUT WITHOUT INTEGRATION, THE INFORMATION ISN’T AS VALUABLE. Retailers are starting to tie together systems in the supply chain and in stores, such as ERP and WMS systems of record, and sensor touch points in back rooms, loading docks, in-store kiosks, at point-of-sale and point-of-exit. Doing so is allowing them to make better, faster decisions in response to customer demand such as what they order, when they reorder and how they get merchandise to customers via omni-channel fulfillment. With integration, the sum total is much more valuable than adding up individual silos of information.

3. More Supply Chain & Logistics processes are customer-facing

OMNI-CHANNEL HAS MOVED FROM CONCEPT TO REAL WORLD LOGISTICS. Beyond mobile apps and in-store kiosks, automating customer-facing operations is key to fulfilling orders and satisfying customers. Many retailers are using stores as mini distribution centers. As such, it becomes more difficult for full-time, part-time and especially seasonal workers to both fulfill orders and keep a focus on customer service. Thus, improving task management and process automation is becoming increasingly important, as well as implementing DC-based solutions that ensure stores start with the right inventory in the first place.

4. RFID has taken hold in apparel. But it isn’t just for apparel anymore.

OTHER RETAIL FORMATS ARE JOINING DEPARTMENT STORES IN ADOPTING RFID. While the initial focus for RFID was on-shelf replenishment for apparel, new use cases are emerging that weren’t previously possible because those merchandise categories were difficult to tag and track. But today, new deployments for health & beauty and fresh item management are emerging as improvements in labels and RFID software have come to market. For example, some retailers have already identified strong business cases and specific KPIs for RFID fresh item management in the areas of inventory availability, profitability, freshness and loss prevention.

RETAILERS ARE COLLECTING MASSIVE AMOUNTS OF DATA. But if that data ultimately doesn’t help create a successful conclusion to a shopper’s journey, then retailers are leaving a competitive advantage on the table. Retailers are starting to monetize data from each of those points by tapping into it, analyzing it and then using it to provide shoppers with a positive experience that drives purchases and ongoing loyalty.

Video:

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