

Search for:

- [Subscribe](#)
- [Search](#)

- [Subscribe](#)
- [Search](#)

- [News](#)
- [Insights](#)
 - [Editor's Notes](#)
 - [Expert View](#)
 - [Trends](#)
 - [White Papers](#)
 - [Ask The Experts](#)
- [Industries/Topics](#)
- [Events & Resources](#)
 - [Events](#)
 - [Event Recordings & Videos](#)
 - [Get Started](#)
 - [RFID Journal Glossary](#)
 - [RFID Journal Awards](#)
 - [Magazine Archive](#)
 - [FAQs](#)

Select Page

What's in Store for 2011

In my previous column, I described 2010 as the year in which organizations really began to deploy radio frequency identification systems that deliver value (see [The Year of Value-Driven RFID Deployments](#)). My prediction for 2011: more of the same.

It's clear that the global economy is slowly recovering from

the Great Recession. Some companies have managed to return to profitability through cost-cutting methods, and they probably have little fat left to trim internally. That means they'll consider new technologies to achieve further efficiencies, or to grow revenue.



I expect 2011 to be a year of steady growth for the RFID industry, as end users across all sectors deploy various types of RFID technologies. The most growth will likely occur in apparel retail and health care, because those industries are where the return on investment is most obvious.

Several apparel retailers have rolled out RFID systems to better manage inventory and improve on-shelf availability. Wal-Mart Stores is one of the few that has spoken to the press about its deployment (see [Wal-Mart Relaunches EPC RFID Effort, Starting With Men's Jeans and Basics](#)). Now, many other apparel retailers are examining what RFID can do for their bottom line.

It's difficult to predict how quickly adoption in the apparel retail sector will ramp up. It depends on the number of retailers that go public with their deployment plans. Followers of Geoffrey Moore know that there needs to be a critical mass of early adopters before the entire industry adopts a new technology (see [The \(RFID\) World According to Moore](#), [Moore Has Spoken—Were RFID Vendors Listening?](#), [Geoffrey Moore Discusses RFID Adoption Strategies and More Musings on Moore](#)). I think such a development is still two years away at this point, but given the compelling ROI involved, the

technology's adoption could accelerate rapidly this year, and it could also spread to sporting goods, shoes and related retail categories.

The health-care sector is also catching on quickly to the benefits of RFID-based real-time location systems (RTLS). Only about 5 percent of all hospitals have deployed an RFID system, but as the many case studies we've written about show, RFID can reduce equipment-rental costs, as well as capital expenditures on new equipment. And these systems greatly reduce the amount of time staff members spend searching for equipment.

Health care will see strong growth in 2011, but the technology will not achieve mass adoption in hospitals and clinics for several more years. One reason is that there is no consensus regarding which type of RFID technology is best suited for tracking hospital equipment. The industry is using Dash7 and other types of active RFID, as well as ultra-wideband (UWB), Wi-Fi and ZigBee. According to Moore, an industry can not adopt a new technology *en masse* until there is a de facto standard. Still, I believe it will be a good year for RFID vendors in this market.

Manufacturers are also adopting passive and/or active RFID systems to track assets, tools, returnable transport items, work-in-process and finished goods. I think we will continue to see many deployments that reduce costs and increase efficiencies. But I don't see a lot of evidence that manufacturers are following Airbus and adopting RFID as a data-capture and analysis infrastructure, in order to improve efficiencies across all aspects of their operations.

All of this is good news for the RFID industry. Vendors are beginning to make profits, and are continuing to invest in improving their products. End users, meanwhile, are continuing to better understand how to use the technology to deliver value, which means that deployments will expand, thereby leading to greater sales and increased investment in new

products. In terms of Gartner's Hype Cycle, we are clearly on the Slope of Enlightenment and moving steadily toward the Plateau of Productivity. Nice to see—finally.

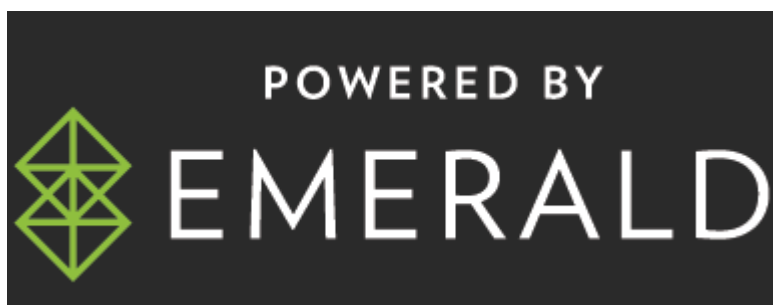
Mark Roberti is the founder and editor of RFID Journal. If you would like to comment on this article, click on the link below. To read more of Mark's opinions, visit the RFID Journal Blog or the Editor's Note archive.



- [ABOUT](#)
- [ADVERTISE](#)
- [CONTACT](#)

FOLLOW US ON

- [Follow](#)
- [Follow](#)
- [Follow](#)
- [Follow](#)



© 2024 Emerald X, LLC. All Rights Reserved
[ABOUT](#) [CAREERS](#) [AUTHORIZED SERVICE PROVIDERS](#) [Your Privacy Choices](#) [TERMS OF USE](#) [PRIVACY POLICY](#)