Wireless World: Aisle displays for shoppers

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Wireless retailing is growing beyond mere point-of-sale service and inventory management, as new displays are coming to market that interact directly with customers in the shopping aisles, experts tell UPI's Wireless World.

These systems, which integrate hardware interface technologies, application software and wireless infrastructure, are poised to play a direct role in the in-store shopping experience of consumers. These systems have the potential to improve store operational performance by influencing the purchasing behavior and buying habits of shoppers.

"The outcome will be a new generation of grocery shoppers with a transformed view of their supermarket shopping experience," said Mark Smith, an analyst with Applied Data Research, a technology consulting firm based in Amherst, N.H. "Despite the enormity of such a shift, the economics of the grocery industry and the logistics of deploying these powerful mobile shopping systems in an industry with tight margins have slowed adoption to a crawl as a few major players cautiously feel their way through this new customer paradigm."

The transition to in-store wireless shopping, he noted, will be evolutionary, but ultimately it will be driven by information-savvy consumers as repeated exposure and acceptance time produces a new level of expectations. "Early-adopters of the technology will be positioned to ride the learning curve and maintain a tactical advantage over the competition," said Smith.

The interest in wireless in the retail space was stimulated by Wal-Mart, which a few years ago commanded its supply-chain vendors to start using wireless tags to track inventory in real time, including companies like Serious Magic, maker of Ovation software, or Altec Lansing headphones. The so-called Radio Frequency Identification (RFID) tags -- which can be put on boxes of software, pallets of headphones, or other consumer goods -- are exciting the imagination of the industry and are now starting to take off globally, experts tell Wireless World.

Sales of RFID systems around the world will grow from $550 million this year to about $6.78 billion during the next 10 years, according to a report from the Cambridge, U.K.-based consulting firm, IDTechEx.

Growth in the market will be led by "disposable" RFID tags, like smart, active labels and real-time inventory location systems.

Tracking, locating and monitoring products and employees will be the single most significant driver for the growth in the wireless retail space, said the researchers.

"Growth factors include: increased competition in consumer goods, terrorism, threatened disease epidemics and consumers demanding better service and more information," according to the report.

What is more, the researchers said, RFID tags will become cheaper and smaller by 2016, which will help fuel growth.

Currently, healthcare and air industry markets are the most prolific consumers of RFID tags. "In both cases, the customers are prepared to pay for quality and readability, and prices are not in a free fall," said the report.

The researches said that G2 Microsystems, the Australian company that

designed the lowest power, lowest cost WiFi chip on the market, recently set up its headquarters in the United States. Many Israeli and European RFID suppliers are doing the same.

There are about 1,000 RFID vendors around the world "with an increasing number of mergers and acquisitions and continual growth," said the researchers at IDTechEx.

There are also about 10,000 projects with RFID deployment globally and about 60 new projects launching each month, IDTechEx said.

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