

Paper Suggests RFID Is A Double Edged Sword

Submitted by: Steinkrug Publications Ltd

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14th April 2004. Cambridge, UK: Most of the controversy surrounding the deployment of RFID is centred on the technology's impact on personal privacy. However, according to a paper published this week by Wireless Healthcare, RFID also represents a threat to retailers deploying the technology in customer facing applications. The Cambridge based consultancy has identified a number of healthcare related services, such as dietary guidance and food allergy alerts, that could use RFID tags. These services, which would employ mobile devices fitted with RFID scanners to provide information relating products on sale in stores, could be run over conventional mobile networks.

Wireless Healthcare believes that while the retailer may not want third parties overlaying alternative databases over its business, RFID technology will open up a store's operation to a range of on-line organisations. Some of the services provided by these organisations might be relatively benign but others, such as ethical shopping services and Kelkoo type price comparators, could prove disruptive to the retailer's business model.

The paper suggests that while, today, consumer groups are voicing concerns over the deployment of RFID, attitudes will change if shoppers discover they can use RFID to access useful product data - especially if this access is via relatively low cost mobile devices.

The paper concludes that retailers will be faced with three choices:-

They could abandon deployment of RFID technology in customer facing applications and deactivate tags when products are placed in their stores.

They could use blocking tags, such as those recently demonstrated by RSA, to prevent third parties accessing RFID data. However, this could prove controversial if those third parties were providing dietary information and allergy alert services.

Stores could build their own information services by migrating existing, barcode scanning based, automated shopping applications to a RFID platform. Once in place, these services could be enhanced by adding healthcare related features and giving the customer access to these features via a conventional mobile handset or wireless PDA.

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Wireless Healthcare is a UK based consultancy specialising in mobile healthcare and ehealth.

The paper, "RFID - A Double Edged Sword" can be downloaded from www.wirelesshealthcare.co.uk

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