

Popularity of Item-level Tagging Fuels Global Passive RFID Market

Frost & Sullivan

LONDON – The benefits of radio frequency identification (RFID), which include better inventory management, improved operational efficiency, reduced labour, enhanced supply chain visibility, information accuracy, higher sales and better customer service, have spurred the technology's adoption in various applications across verticals. The implementation of item-level tagging will further boost sale volumes and lend momentum to the global passive RFID market.

New analysis from [Frost & Sullivan](#) [1], Global Passive RFID Market, finds that the market earned revenues of more than \$2.98 billion in 2012 and estimates this to reach \$11.58 billion in 2018.

RFID vendors are investing in research and development to create innovative, robust, error-free, multi-functional and efficient solutions. These innovations, along with growing end-user awareness on the technology's returns, will drive the global RFID market.

"The implementation of item-level RFID, which will provide complete automation, ensure visibility of various supply chain processes, and enable the identification of counterfeit products, will encourage pilot projects, and thereby increase sales," said Frost & Sullivan Measurement and Instrumentation Senior Research Analyst Ram Ravi. "Item-level tagging will also heighten demand for tags and hardware and add to market revenues."

However, customers in industries that are still in the early stages of adoption are hesitant to bear the high costs associated with the commissioning and installation of an RFID system. The perception that the returns do not match RFID investments hinders market growth.

Nevertheless, mandates issued by large retailers and governments will continue to aid market development and result in a fall in RFID product prices.

"The retail industry is expected to be the largest revenue contributor, especially in Europe and North America, while Latin America and India offer huge potential for RFID growth across industries," noted Ravi. "The presence of several international brands in Asia-Pacific, particularly in Singapore, Hong Kong and Australia, will expand the market in the region."

If you are interested in more information on this research, please send an email to Julia Nikishkina, Corporate Communications, at julia.nikishkina@frost.com, with your full name, company name, job title, telephone number, company email address, company website, city, state and country.

Global Passive RFID Market is part of the Automatic Identification Growth Partnership Service program. Frost & Sullivan's related research services include: World RFID Health Care Market, RFID Market in the European Retail Industry, and RFID in the Data Centre Market. All research services included in subscriptions provide detailed market opportunities and industry trends evaluated following extensive interviews with market participants.

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[1] <http://www.autoid.frost.com>