The Global Language of Business



# Implementing Radio-Frequency Identification (RFID)

A standards-based approach

The growing demand for RFID technology in today's supply chain is increasing at an unprecedented rate. Due to the complexities of global supply, many companies are actively adopting a standards-based approach for RFID implementation to stay at the forefront in this digital world.

## With a well thought out RFID implementation plan, the benefits speak for themselves;

- Raise inventory accuracy from an average of 63% to 95+%
- Increase inventory count rates from 200 to 12,000+ items per hour
- Cut Out of Stocks at retail point of sale by up to 50%
- Increase item availability from 2% to 20%
- Improve inventory productivity by 96%
- Reduce cycle count time by 96%

Other benefits include increased sales, decreased online buffer stock, improved customer satisfaction, improved cash flow and more.

#### The GS1 System

GS1's RFID standards are developed by industry, for industry. Coupled with standards for barcodes, EDI, EPCIS (event visibility) and master data, companies are able to:

- Track products from source to store through item-level radio frequency
- · Meet customer and regulatory requirements
- Cost effectively reduce go-to market and ongoing operational costs



"Implementing barcodeenabled RFID technology has been one of the most significant technological steps Macy's has taken toward improving our supply chain performance, and ultimately our customer service, in the last 20 years. It is one of the keys to our omni-channel success, and because we've already seen solid results, we plan to expand its use, as our business growth and consumer loyalty depend on it."

**Peter Longo** President of Logistics & Operations Macy's

#### Is RFID right for you?

Before committing to an RFID program you should assess the suitability of RFID technology for your company and whether the technology will work as required. To assist you GS1 Australia offers the following services.

#### **RFID Rapid Assessment**

To determine whether RFID technology is the most appropriate approach for your business to overcome your specific supply chain challenges, a GS1 consultant will spend one day onsite to review your current processes, discuss your current supply chain issues and focus on identifying opportunities where implementing automatic data capture technology and processes would provide the most business benefits (with a focus on RFID technologies).

The scope of the assessment covers the following functional areas:

- Inward and Outward Goods
- Production
- Distribution and Sell Side
- Buy Side Business Transactions

At the end of the assessment you will receive a detailed report including a high-level implementation overview and assessment of whether RFID is the most appropriate data capture technology for your business. The report will also include recommendations on alternative data capture technologies that may be more appropriate and cost effective.

#### **RFID Technical Assessment**

Once you have determined that RFID is the most appropriate data capture technology, it is critical to determine if RFID will work in your specific physical environment.

The RFID Technical Assessment takes into account all factors that would impact your RFID implementation including the product and packaging, physical environment, and tag types.

The assessment is carried out on-site with a full day allocated to testing different scenarios and configurations.

The key deliverable is a report advising the suitability of RFID and test results for all scenarios/use cases including hardware used, tag usage, and any other factors (distance, reader location etc.).



#### **Need assistance?**

Regardless of your company's size or model you can take advantage of GS1 Australia's Consulting team who offer extensive experience, expert guidance and independent advice to help you achieve improvements in your supply chain operations.

### Contact us

To find out more about RFID Rapid Assessment or RFID Technical Assessment contact the GS1 Australia Consulting Team at **consulting@gs1au.org** or visit **www.gs1au.org/our-services/consult/** 

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