

## **What's This RFID Business All About? Or Is RFID Just Old Wine in a New Bottle?**

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Many manufacturers, retailers and other services have recently begun to invest in RFID applications, but the return on those investments is still unclear. Where will the business value of RFID flow? More generally, how should we understand the business value of embedded ITs like RFID? Are RFID's impacts substantial so far? And what will prevent companies from achieving acceptable returns on this technology investment? Observations to date of some of the highly visible RFID leaders in retailing, including WalMart and Metro Group, has revealed inconclusive pilot tests, few demonstrably successful operational initiatives, and some interesting differences between European and U.S. companies' efforts. Many factors may be impeding the diffusion of RFID beyond the pallet level, including the political hue and cry raised over privacy concerns, slower-than-expected declines in RFID tag prices, slow progress in standard-setting, and difficulties in establishing complementary business processes.

For IS researchers, there are other concerns: Is RFID really a new technology? Or is it just an extension of other B2B technologies such as EDI? Must we examine this B2B technology in the context of existing theories? They might include such perspectives as the diffusion of innovations, structuration theory, the economics of process-based value, incomplete contracts and joint investments across firm boundaries, or the value of ubiquitous information. Do we know enough about RFID applications to conduct positivist studies? Or is it more appropriate at this time to do exploratory and/or interpretive work? Have IS researchers given sufficient consideration to the IT artifacts that underlie RFID system capabilities? How about in terms of RFID tags, reader designs, and systems integration issues?

This panel discussion will take a look at the small number of existing published RFID studies, as well as some of the trade-press reports to provide a report card on the extent of business value attained from RFID thus far. We'll address also some of the controversies this seemingly neutral technology has engendered. For example, is the e-business value greater at the pallet level, the box level or the item level? Who's winning the RFID race? Are Europeans, Asians or Americans

farther along in their exploration of RFID value? How can privacy concerns be addressed and under what circumstances? What are appropriate governance models, as the Internet based on data and people gives way to what the United Nations and the International Telecommunications Union have called the 'Internet of Things'?

In addition to discussing the various theoretical perspectives on IT value that seem appropriate in the RFID context, our interactive session will share and solicit suggestions for conducting interesting and useful studies on RFID by IS researchers. We look forward to interesting discussion and debate.