

RFID Business Case Calculation

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Abstract

Radio Frequency Identification (RFID) is considered a key technology in terms of connecting object and information flow and optimizing processes in production and logistics. While the potential fields of application are comparatively obvious, a well-founded method to evaluate costs and benefits is often missing. This article shows what fields of application the major benefits of RFID typically are located in. Furthermore the problems of evaluating RFID systems are described and the RFID Business Case Calculation (RFID-BCC) as a tool for planning and evaluation of an individual RFID system is presented. This tool can be seen as an advancement of the “3-step approach” (cf. [1]). A sample calculation for the application of RFID in container management illustrates how the RFID-BCC creates a business case and delivers a decision memo.