

RFID-Enabled Smart Shelves and Cart System

Pradnya Bormane^{1,*}, Ashwin Dalvi², Aryan Dudhale², Shrutika Gaikwad²

Abstract

With the fast-paced development of Radio Frequency Identification (RFID) technology, the retail sector is seeing a revolutionary change to improve stock management, cut operational costs, and improve consumer satisfaction. The comparative advantages of RFID-smart shelves and carts over conventional stock management practices, such as barcode scanning and manual stock management, are investigated in this work. Compared to the other methods, in terms of accuracy, efficiency, cost-effectiveness, and scalability, RFID smart shelves provide an incredible 99% inventory accuracy, 30% labour saving, and 50% reduction in the number of out-of-stocks. Automated monitoring of stock, efficient invoicing, and prevention of shoplifting are some of the ways through which the RFID and barcode-based smart shelf and cart system revolutionizes the retail experience. Compared with the time and labour-intensive practices typical of the traditional retail sector, the system facilitates real-time feedback as products move from shelves to carts by using barcode readers and RFID scanners. The high-tech technology expedites checkouts, vastly improves inventory precision, and diminishes the need for human inputs. The capabilities of the system to surpass the conventional methods of real-time monitoring, automation, and scalability despite the challenges in implementation like interference of RFID tags and increased setup costs are envisaged, notwithstanding. Developments like AI predictive replenishment in the future also justify RFID smart shelves and carts as a practical and retail model option for current retail environments.

Keywords: Inventory management, radio frequency identification, RFID scanners, RFID tags, smart shelf

INTRODUCTION

A multitude of problems that retailers face today in the retailing business have a direct bearing on organizational effectiveness and consumer satisfaction. Some of them include providing excellent and error-free customer service, the ever-present threat of shrinkage, and the daunting task of maintaining up-to-date stock levels accurate. All these complicated tasks are largely outside the capability of legacy inventory control systems, which depend on point-of-sales stock counting and manual barcode scanning. These line-of-sight barcode scanning and manually captured data-based processes have a built-in weakness that degrades the quality of the entire shopping experience through lengthy wait times, excessive labour costs, and inaccurate inventory levels [1].

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This study delves into the radical potential of Radio Frequency Identification (RFID) technology, highlighting the central role that efficient inventory management has to maximize retail performance. With its capability for real-time tracking and automated data capture, RFID provides a viable replacement for existing systems that are time-consuming and unreliable as a result of their use of manual interventions. By providing no need for human counts and line-of-sight scanning, RFID technology hastens the check-out process, eliminates discrepancies, and enables effective inventory management. The current focuses on the application

of a smart shelf and cart management system utilizing both RFID and barcode technology, thus leveraging the strengths of both to transform the operations of retail. The combined solution seeks to surpass the inefficiencies of traditional approaches through the automation of restocking, improving theft prevention measures, and delivering real-time stock levels [2]. The aim of this study is to prove the viability and benefits of smart shelf and cart management systems in the future of retail, leveraging advanced technology to enable the experiences of consumers and traders alike while optimizing processes.

LITERATURE SURVEY

Retail performance is highly influenced by effective inventory management, which directly impacts customer satisfaction and operational efficiency. Traditional systems reliant on barcode scanning and manual methods are prone to inefficiencies and errors that detract from customer satisfaction and profitability for retailers. The inefficiencies of traditional practices have been brought to the forefront by the increasing need to automate operations and respond to increasing customer demands for seamless shopping experiences, resulting in stock discrepancies, out-of-stocks, and operational inefficiencies [3].

This paper discusses the installation of an RFID and barcode-facilitated intelligent shelf and cart management system that utilizes innovative technology to revolutionize retail operations to address prevailing challenges. With the ability to automatically identify items and track them in real-time without the need for line-of-sight, RFID technology offers a breakthrough solution. With smart shelf systems, it offers automatic restocking alerts, improves shoplifting prevention, and provides real-time inventory visibility [4]. The breakthrough potential of RFID to revolutionize retail operations is observed through the considerable inventory accuracy improvement that large retailers have achieved with the use of the technology, with the accuracy rate increasing from 65% to more than 95% [5].

In 2022, Jain *et al.* created an RFID and IoT-based smart shopping system [6]. It employs radio frequency identification tags on products and readers integrated into shopping carts to scan products automatically. It also speeds up the checkout process and improves inventory tracking. This technology is better than traditional barcode readers since it scans products more quickly and from a farther distance. It therefore makes an excellent option for modern retail facilities.

Tandel *et al.* suggest a smartphone-based system for inventory management and sales forecasting for small Indian shops [7]. The system aims to present an affordable solution for small shops without proprietary software access. It provides limited features like inventory management, barcode scanning, and multivariate-based sales forecasting. The application provides features like sales report generation, invoice generation, and adding, editing, and deleting product categories. The authors leverage the fast rate of smartphone adoption in India to support their mobile-based solution. By providing resources to small shops that are otherwise accessible only to large retail chains, this effort seeks to increase their competitiveness and profitability.

Laxmi *et al.* propose an RFID-based smart cart in retailing to solve the problems associated with barcode scanning in retailing [8]. The mechanism involves equipping an item with an RFID tag and a cart with an RFID reader for product scanning. For reducing the bill generation time, the prominent features are the ability to generate bills automatically on a screen which is mountable on the cart. Since the system is capable of providing real-time information about an item and altering the bill, it explores the use of IoT in retailing.

TECHNICAL ARCHITECTURE OF RFID SMART SHELVES

The architecture of RFID-enabled smart shelves is designed to deliver seamless integration between hardware and software components, ensuring high-performance inventory tracking and user engagement. In addition to the fundamental components discussed earlier: RFID tags, RFID readers, and the Central Management System, there are several supporting elements that enhance system functionality.

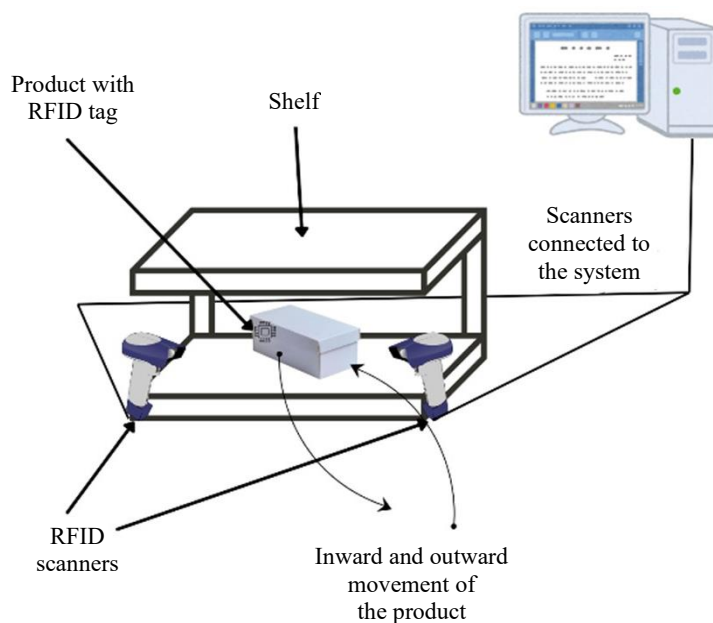


Figure 1. Architecture of the smart shelf.

These include middleware software, which processes raw RFID data and translates it into actionable insights. Middleware bridges the gap between hardware components and the centralized database, filtering out redundant reads, ensuring data consistency, and managing communication protocols. Another critical component is the database server, which stores historical and real-time inventory data. This allows for trend analysis, automatic restocking, and intelligent reporting.

To ensure system reliability and accuracy, anti-collision algorithms are employed, allowing multiple RFID tags to be read simultaneously without data loss. The architecture also supports IoT-based integrations, including temperature sensors or motion detectors, which can be embedded into the shelves to monitor sensitive goods or detect unusual movement patterns. Moreover, cloud connectivity facilitates remote access and synchronization of inventory data across different store branches, making the system scalable and adaptable to large retail chains.

Security is another key focus of the architecture. Encrypted communication protocols and user authentication mechanisms protect sensitive business information and prevent unauthorized access. Lastly, a user-friendly front-end dashboard accessible via desktop or mobile devices offers visual representations of shelf inventory, generates low-stock alerts, and provides operational analytics for management decisions.

The entire ecosystem operates on a modular framework, allowing retailers to implement RFID smart shelves in phases, depending on budget and operational readiness, ensuring flexibility and future expansion capability (Figure 1).

RFID-Enabled Smart Shelves and Cart System

The RFID-enabled smart shelves and cart system revolutionizes the retail experience by providing an automated, real-time tracking infrastructure that bridges the gap between physical shopping and digital intelligence. This integrated system is designed not only to streamline inventory management but also to enhance customer experience and operational efficiency.

Smart Shelves are embedded with RFID readers capable of detecting the presence, movement, and location of products equipped with RFID tags. These shelves automatically update inventory levels whenever a product is added, removed, or misplaced, eliminating the need for manual stock audits.

Retailers can receive real-time alerts when items are running low, misplaced, or stolen, helping to prevent both revenue loss and customer dissatisfaction.

On the other hand, the smart cart system transforms the conventional shopping cart into an intelligent companion. Each cart is fitted with an RFID scanner and a display screen. As customers place RFID-tagged items into the cart, the scanner reads the tags automatically and updates the virtual bill in real-time. This allows for a contactless checkout experience: shoppers can pay directly through the cart interface, skipping queues and reducing cashier dependency.

Moreover, the system supports personalized marketing and promotions. Based on customer profiles and items scanned, targeted offers or discounts can appear on the cart's screen, enhancing customer engagement and boosting sales. The system also logs consumer behavior data such as dwell times and purchase patterns, offering valuable insights for inventory planning and marketing strategies.

The combined functionality of smart shelves and carts not only boosts inventory accuracy and reduces labor costs but also supports predictive restocking, theft prevention, and seamless customer service. As the retail industry evolves, these intelligent systems serve as foundational pillars for the next generation of smart stores.

System Components

Three essential components work in concert to enable real-time inventory management in the RFID smart shelf system, which has been painstakingly built to do so:

- *RFID tags*: Microchips inserted into specified product products with each assigned a distinct identification code. They hold important product metadata such as price models, production dates, and Stock Keeping Units (SKUs), all aside from simple identification [6]. Each product can be traced and controlled more effectively through this embedded information.
- *RFID readers*: Placed strategically on the shelves, the antennas allow continuous monitoring of tagged items within a read range. The range is typically 1–3 m in passive RFID systems. The readers are the main sources of data, gathering information on product presence and movement in real time.
- *Central management system*: The Central Management System filters streams of data from the RFID readers through a cloud-based dashboard, the central command centre. It has real-time inventory information and alerts for major events, including low levels or lost items [8]. This process gives an end-to-end and real-time view of inventory status.

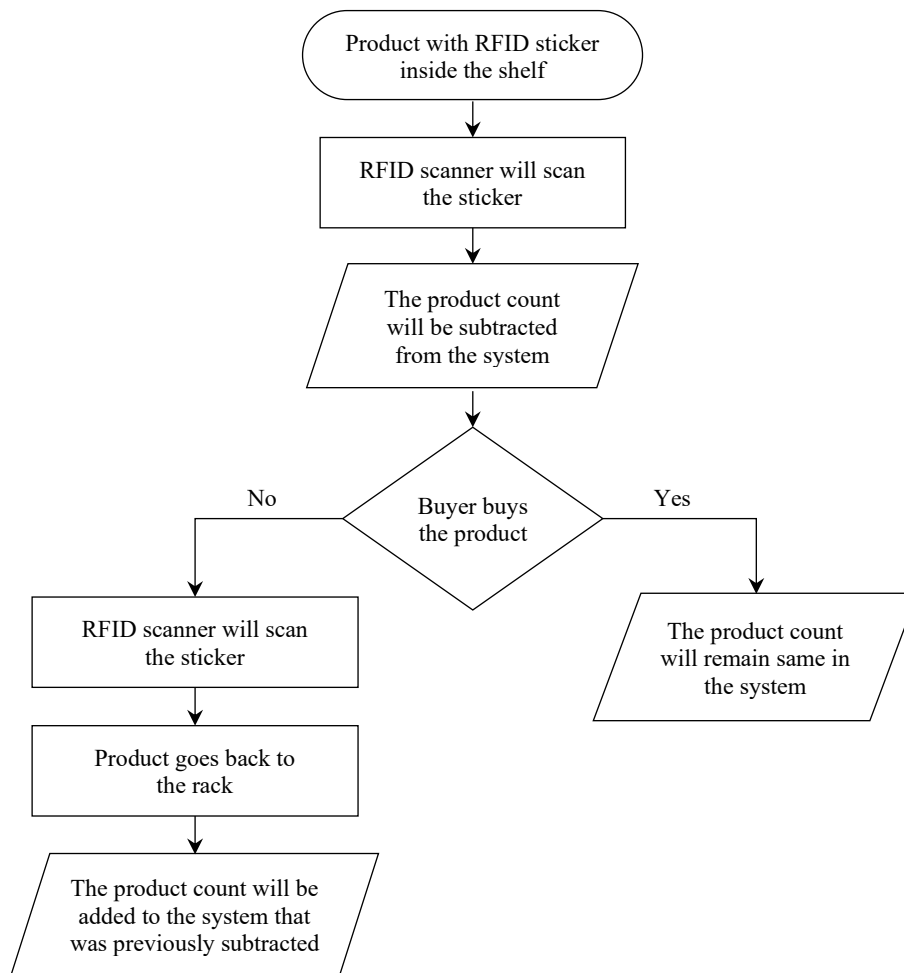
Operational Workflow

A systematic method, as shown in Figure 2, for precision and usability is utilized to achieve the working purpose of the RFID-enabled smart shelf system:

1. *Product integration*: Smart shelves have products, each one of which is tagged with an RFID.
2. *Continuous data acquisition*: The RFID readers mounted on the shelf continuously read the tags in their established read range, getting real-time data on product presence and movement.
3. *Data transmission with IoT connectivity*: with Internet of Things (IoT) connectivity, the data collected by the readers can be readily transmitted to the central management system.
4. *Real-time inventory updates and alert generation*: The master management system updates inventory levels in real time after processing the received data. The system also generates alarms in some situations:
 - i. A feasible buy transaction is implied by the items being taken off the shelf.
 - ii. Inventory levels fall below certain thresholds, necessitating restocking.
 - iii. Things disappear or are believed to have been stolen, enabling prompt action.

Data Analytics for Strategic Insights

The system produces analytical insights on demand trends, shelf life, and product movement, which are useful for strategic decision-making and inventory optimization.



RFID Technology used in smart shelf

Figure 2. Flowchart of the system.

RADIO FREQUENCY IDENTIFICATION

Radio-frequency identification is the process of extracting and storing data from tags attached to an item using radio waves. A tag can be read at a distance and does not have to be in the reader's direct line of understanding for tracking purposes. Radio-frequency identification is the process of collecting and interpreting data from a tag attached to an item using radio waves. As an added measure of tracking, it does not require the tag to be seen within the line of sight of the reader. Many feet away the tag may be read since RFID technology can recognize and track uniquely associated things with tags.

RFID System

An RFID system consists of two parts: A tag or sticker and a reader. RFID tags or stickers include both a transmitting element and a receiver. A microchip for data storage and analysis and an antenna that is used for data transmission and reception make up an RFID tag. The tag has the unique serial number of a specific item. An interrogator, also known as a reader, is a radio with transmitter-receiver that signals the tag and reads the data it contains using an antenna. The tag's storage system contains information that is necessary to react. The interrogator will send the read results to an RFID computer software. The data transmission is driven by a small battery housed which is powered by a battery RFID tag [3].

Metadata is included in each RFID system tag. Information that may be recorded in computerised binary form can be anything from just one digital bit to huge arrays of bits, such as an identifying code [9]. This sort of technology provides clients with the most current knowledge on what products are available, helps with managing inventory, and reduces the possibility that items may run out of order [4].

Table 1. Comparison of traditional system and the proposed system.

Feature	Traditional system	RFID and barcode-based system
Inventory tracking	Manual, periodic	Automated, real-time
Billing process	Manual scanning at checkout	Automatic scanning via smart cart
Theft prevention	Limited (CCTV, staff)	Continuous tracking at shelf and exit
Efficiency	Low	High
Customer experience	Time-consuming	Quick and seamless
Data accuracy	Prone to errors	Highly accurate

RFID TECHNOLOGY IN SHELVES

In order to improve the functionality of store shelves in a shop, we may make use of RFID technology. First things first, we need to attach the RFID tags to the products on the product. Information about the product, which will also be referred to as meta data about the product, will be included inside these tags. We will install RFID scanners at the beginning of the shelf, and these goods will be put within the shelf throughout the installation process [10]. The information pertaining to the product is saved in the dashboard, which is used for the purpose of inventory management. The RFID Scanner is linked to the dashboard since it is connected to the cloud.

In the case where we remove a product from the shelf, the tag that is attached to the product will be scanned by the scanner. The product will then be removed from the inventory. If the same tag is scanned again, the database will add the product once again. The system for managing inventory will be managed by this, and the count of goods will be maintained.

Through the use of this technology, people are able to see the items that are going to be finished. Additionally, it is able to determine which products have not been sold at all, as well as which products have failed to meet the expectations of the consumers and are being returned by customers (Table 1).

CONCLUSION

A game-changing innovation in retail operations is the integration of Radio Frequency Identification (RFID) technology in smart shelf and cart management systems. This proves that from the aspect of accuracy, efficiency, and scalability, RFID-based systems significantly outperform traditional inventory methods such as barcode scanning and manual stock maintenance. RFID intelligent shelves offer an efficient and expandable solution to modern retail environments by allowing instant tracking of products, reducing the cost of labour, preventing loss, and enhancing the overall consumer experience.

While barcode systems may still prove a less expensive option for small retail operations, RFID's established benefits, particularly in a large-scale environment, guarantee its implementation nearly as a certainty. For retailers wanting to make their operations more efficient and gain a competitive edge, the significant improvements in inventory accuracy, along with the potential for automation and real-time data analysis, are strong arguments.

The long-term advantages outweigh the problems of implementation, such as potential tag interference and initial costs. RFID smart shelves will become a common choice for modern retail operations as standardization improves and technology costs continue to fall. Future research should focus on how to reduce costs, how to embed advanced technology such as artificial intelligence (AI) for predictive analysis, how to develop hybrid tracking methods, and how to establish industry standards to promote broader usage. Such advancements will further solidify RFID as the industry standard for smart retail and unlock the potential for more efficient, customer-centric shopping experiences.

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