

# The State of RFID in 2026: Trends and Market Momentum

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# RFID Market Size and Growth

**\$16.25B**

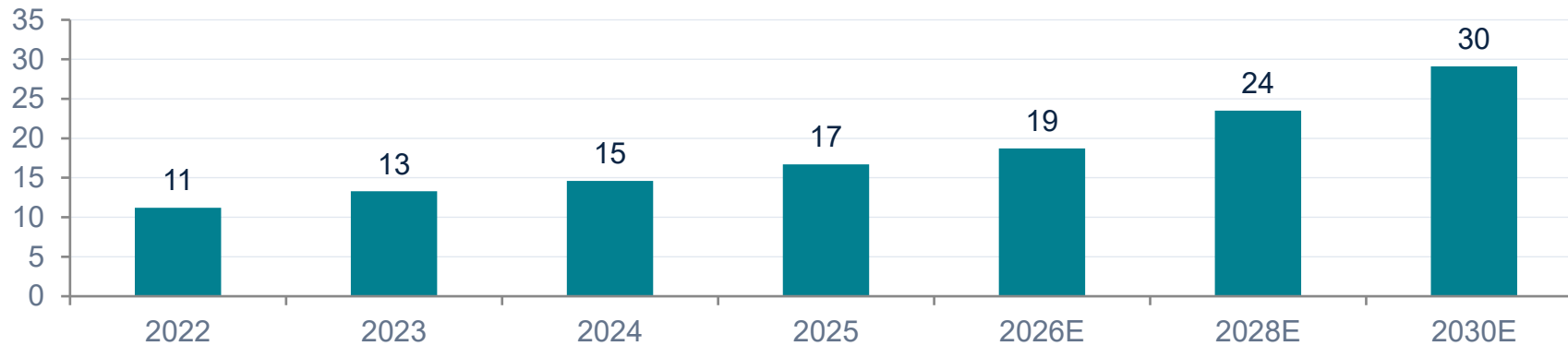
Global Market  
Value (2025)

**10.7%**

Projected  
CAGR 2025–2031

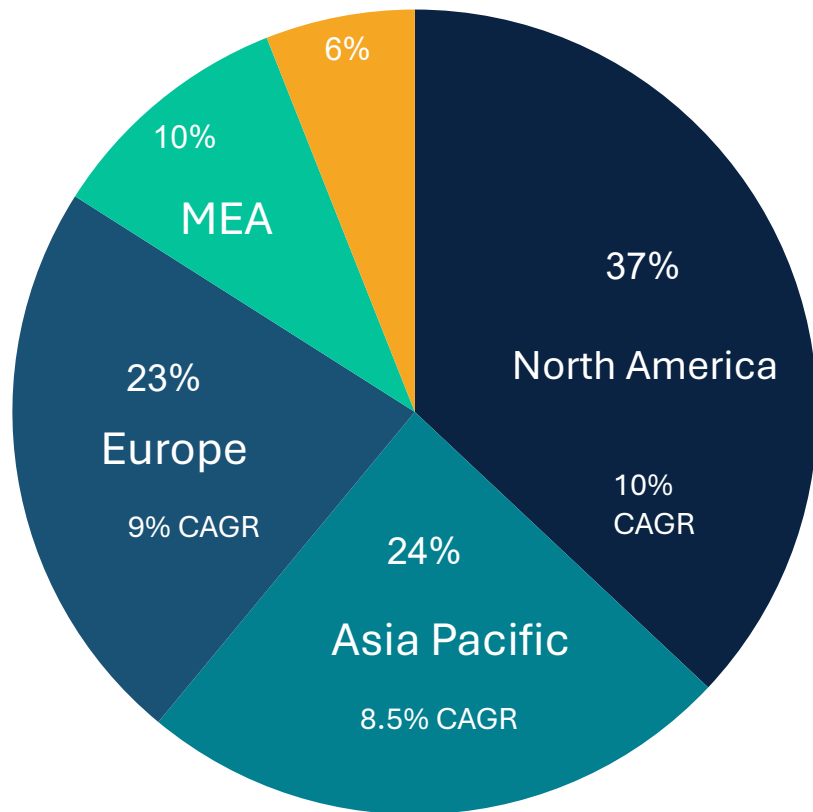
**\$30–37B**

Projected Market  
by 2030–2031



Source: Average of Major Market Research Firms

# RFID Market Share by Region in 2025



■ North America ■ Asia Pacific ■ Europe  
■ Middle East & Africa ■ Latin America

## North America — 37%

Led by FDA DSCSA pharma mandates and aggressive retail adoption, the US alone is projected to hit \$4.9B this year.

## Asia Pacific — 24%

This is the fastest-growing at 12–13% CAGR. India's FASTag toll program added 60M+ tags in 18 months.

## Europe — 23%

The EU's Falsified Medicines Directive and Digital Product Passport regulation are driving growth despite privacy headwinds.

## MEA & LatAm — 16%

Early-stage but accelerating via government identity, toll, and logistics infrastructure projects.

Source: Fortune Business Intelligence

## RFID Market Share/Growth by Product Category

In US dollars (billions)

Sales	2025	2026	2027	2028	2029	2030
Passive tags	\$8.41	\$8.31	\$8.25	\$8.18	\$8.02	\$7.88
Passive interrogators	\$3.03	\$3.23	\$3.31	\$3.36	\$3.47	\$3.56
Services and software	\$3.80	\$4.10	\$4.50	\$4.85	\$5.34	\$5.87
Active RFID/RTLS	\$0.37	\$0.39	\$0.40	\$0.47	\$0.53	\$0.58
Total	\$15.6	\$16.0	\$16.5	\$16.9	\$17.3	\$17.8

Source: IDTechEx

## 2025 Sales by Industry

Industry	Value	Percent of Total
Financial / Security	\$2.7 billion	31%
Retail	\$2 billion	23%
Logistics	\$623 million	7%
Animals/Farming	\$484 million	6%
Healthcare/Medical	\$150 million	2%
Manufacturing	\$154 million	2%
Consumer electronics	\$50 million	1%
Leisure/Sports	\$32 million	<1%
Airlines/Airports	\$26.08 million	<1%
Other	\$69 million	1%

Source: IDTechEx

# KEY APPLICATIONS

<b>Retail &amp; Apparel</b>	Item-level tagging drives inventory accuracy to 95%+ at leading retailers. Walmart, Decathlon, and fast fashion brands standardizing RFID across all SKUs. Enables real-time omnichannel fulfillment.
<b>Healthcare</b>	RFID in healthcare projected to reach \$14.7B by 2030 (17.8% CAGR). 40% of hospitals now use RFID. Outcomes: 72% fewer expired drugs, 82% better asset tracking accuracy.
<b>Logistics &amp; Supply Chain</b>	Real-time shipment visibility, automated dock-door reads, and AI-optimized routing.
<b>Manufacturing &amp; Industry 4.0</b>	RFID embedded in MES systems for WIP tracking, quality control, and compliance. Active RFID / RTLS growth of 12.5% CAGR driven by data centers and factory floor use cases.

Source: Grandview Research

# Technology Trends: What will drive the next wave of RFID Innovation

## AI + RFID Convergence

AI transforms raw tag reads into predictive maintenance, automated restocking, and intelligent anomaly detection.

## IoT Integration

RFID as the sensing backbone of IoT ecosystems — from cold-chain monitoring to smart factories. Real-time location systems (RTLS) growing at 12.5% CAGR.

## UHF Gen2v3 Advancement

UHF holds 41% of market revenue. Gen2v3 protocol improvements boost read accuracy in dense, mixed-material environments. Sub- $\$0.04$  inlay pricing unlocks mass adoption.

## Blockchain + RFID

Blockchain authentication combats counterfeiting. Encrypted tags with digital ledger verification provide end-to-end supply chain transparency.

## Sustainable RFID

Recyclable PET inlays (Avery Dennison AD Pure), paper-based tags, and eco-packaging solutions gaining traction as ESG mandates intensify across retail and CPG.

## Cloud & Edge Analytics

Cloud platforms convert tag data into executive-ready insights. Edge computing brings analytics closer to read points, reducing latency in time-critical logistics.

## Some Major News Stories

### UPS Rolls Out \$100 Million RFID Solution

In April, UPS announced it is rolling out RFID package tracking across its U.S. small package network, embedding the technology in delivery vehicles, facilities and labels, including shipments from more than 5,500 The UPS Store locations.

### Walmart Rolls Out RFID to Fresh Categories

One of the pioneers of using passive UHF RFID in the supply chain has teamed with Avery Dennison to track fresh items in its grocery areas. This is a market that has been promising for years and is now becoming a reality.

### Michelin Embeds Tags in Passenger Car Tires

Michelin had been embedding tags in commercial truck tires since 2017. It started embedding transponders in passenger car tires in 2023 and now is doing so in all tires.

### Qualcomm Adds UHF to Smartphone Chips

Last August, the chipmaker announced that it is integrating passive UHF RFID in its Qualcomm Dragonwing Q-6690 chip, which means the technology will soon be available in smartphones, opening many new applications.

## Some Headwinds That Could Slow Adoption

### Cost

While tag prices have come down, the cost of an RFID system still represents a significant investment for companies.

### Complexity

RFID remains a complicated technology to deploy, involving equipment installed in locations, tagging of goods, the fickleness of radio waves and the fact that companies still buy tags, readers and software from separate vendors.

### Competition

Companies are expected to invest \$540 billion in AI this year, and \$1.6 trillion by 2030. Will there be any money available for other technology projects?

### Content

There is no major convention and exhibition to showcase RFID deployments and no major news outlet informing the public about RFID deployments and solutions.

## Outlook: The Road Ahead

2026

Regulatory tailwinds accelerate. FDA DSCSA enforcement and EU Digital Product Passport mandates drive pharma and consumer goods deployments at scale.

2027

AI-native RFID platforms become standard. Predictive reorder, real-time loss prevention, and autonomous inventory robots move from pilot to mainstream.

2028

Asia Pacific overtakes North America in volume share. China and India dominate tag manufacturing, driving global inlay costs below \$0.03.

2030

RFID fused with 5G & IoT creates hyper-connected supply chains. Smart fabrics, biometric-RFID wearables, and autonomous fulfillment centers become reality.

## Contact info



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