

Watchmakers, Jewelers Join Rush to Web

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Posted Monday December 01, 2008

From [WWD Issue 12/01/2008](#)

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Photo By: Courtesy Photo

Tag Heuer will sell watches through its retailers' Web sites.

Watchmakers and jewelers are finding a new avenue to sell their wares — and it's not Madison.

Even before the financial crisis, brands began to cultivate online selling. De Beers, Bulgari and Boucheron are just some who have recently joined the game in selling their gem-laden jewelry and watches on their respective Web sites.

Last month, Harry Winston, known for its sensational diamond jewelry, launched an Online Salon at [harrywinston.com](#). The site offers a range of jewelry, from \$5,300 diamond Loop earrings to the \$135,000 diamond Sunflower necklace.

Now, watch firm Tag Heuer, owned by LVMH Moët Hennessy Louis Vuitton, has joined the trend with an outside-the-box concept. The company has partnered with its retailers, including Barmakian and Tourneau, to sell its watches through their Web sites.

Fine watches aren't typically sold through the Web, and most fine watches sold online in the U.S. are counterfeit, diverted or gray goods. Watch firms generally won't service a watch from an unauthorized dealer.

"It's unfortunate that there has been a cottage industry of selling through unauthorized dealers," said Ulrich Wohn, president and chief executive officer in North America of LVMH Watch & Jewelry. "We as a brand have not been serving our customers online. There's a market out there for people who shop online. We're trying to combine the trust the consumer has with the retailer and the brand."

The company has started an online advertising blitz featuring brand ambassadors such as Maria Sharapova and Tiger Woods, driving consumers to Web sites where they can buy Tag Heuer products. The company has created a trademarked hologram identifier to ensure that the site a consumer is buying from is authentic.

Everything from the women's Aquaracer watch in stainless steel at \$1,500 to the \$4,100 Grand Carrera Automatic Chronometer will be available online.

"We're the first [watch brand] to jump in this pool and we think others will follow," said Wohn, who anticipates the strategy will only bolster consumer confidence in the retailer and give them more opportunities to shop. "It's old fashioned to think people only shop one way."

Next-day delivery is an option. So far, the program is only available in the U.S. and Canada. Wohn could not offer sales projections.

Suzanne Hader, principal of 400twin luxury brand consulting, said there are advantages to selling watches and jewelry online.

"The benefits are instant reach and the ability to make the brand available to its best customers wherever they are," Hader said. "Especially with fine jewelry and watches, where items are limited edition or one of a kind, online is the perfect way to find the right buyer for each piece. For brands that don't have their own stores, it's also a channel that allows them to control every aspect of the purchase experience."

Hader said online selling and brick-and-mortar stores are used in different, sometimes interchangeable ways.

"Thinking about online as competition to brick and mortar is the kiss of death," she said. "Their clientele use both channels when making a purchase decision. Some people do all of their research online and make the purchase in store. Others browse in store to get a feel for merchandise and make a final decision and buy online later. Especially with watches where aficionados are collectors, online fuels their thirst for knowledge as often and as deeply as they want it fed."