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Luxury requires a balancing act between authenticity and relevancy: Baume & Mercier exec

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Baume & Mercier #CelebrateDad

By SARAH JONES

NEW YORK – Technology is going to remain a major disruptor to the luxury market, but the sector needs to remain consistent in the face of change, according to an executive from Baume & Mercier North America at Luxury FirstLook: Strategy 2015 Jan. 13.

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Smartwatches in particular are poised to change the watch category, but luxury brands are better off retaining their positioning than trying to compete. While a smartwatch may become obsolete in two years, luxury watches have a feeling of timelessness that allows for more of an emotional connection with consumers.

"When I use the word consistency, I mean being authentic and true to your brand heritage," said Michelle Peranteau, director of marketing and communications, [Baume & Mercier](#) North America.

"It's very important to look forward, but if you don't use your history to influence your future, you might miss something along the way," she said.

Luxury FirstLook: Strategy 2015 was organized by Luxury Daily.

Keep steady

Luxury timepieces hold a special emotional appeal for consumers. Central to Baume & Mercier's branding and communications is the element of celebration.

Ms. Peranteau said that whenever she tells people that she works for the watchmaker, they tell her that they received one of its watches as a gift for a wedding or other life event.

Switzerland's Baume & Mercier is promoting an identity as a watchmaker that celebrates life moments with a new advertising campaign.



Baume & Mercier Moments campaign

The watchmaker's first effort since 2011 aims to keep Baume & Mercier relevant in the eyes of today's affluent consumers without tarnishing its DNA by staying true to its mantra of "Life is about moments." Instead of reinventing itself, Baume & Mercier is relying on timeless imagery that is understood across generations ([see story](#)).

Baume & Mercier takes its position in life's moments very seriously, and is keeping that messaging central as it launches its Promesse collection. The first line for women in 10 years, the brand is focusing on self-celebration, as women reward themselves for promotions or deals achieved.

As it builds new collections, Baume & Mercier keeps in mind its heritage of a classic watch brand without elaborate complications. From collection creation to ad campaigns, the brand retains this positioning.

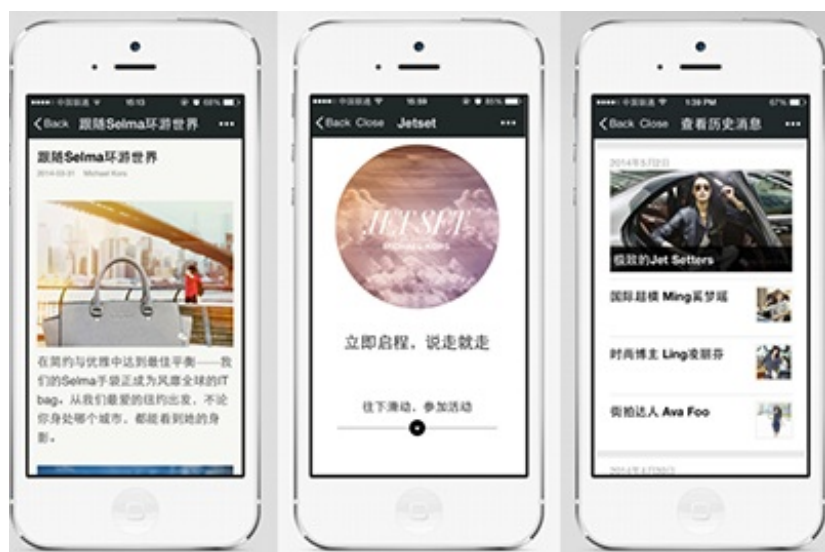
Nadia Tuma, vice president and deputy director of [McCann Truth Central](#) agreed, saying that luxury timepieces exude timelessness, leading consumers to engage with a particular brand. Instead of creating a smartwatch, she suggests finding a partner for a product that would appeal more to the luxury consumer, by analyzing their habits closely.

Technology can also help brands connect with consumers and make them more aware, especially in markets that are more mobile-centric, including China.

Ginger Xiang, strategy director at [Team One](#), said that luxury brands can communicate

and inspire consumers who are actively seeking information.

A recent report by Boston Consulting Group explores the online shopping tendencies of Chinese consumers such as a widely-held penchant for researching products at length.



Michael Kors Jet Set Shanghai campaign

"The Chinese Digital Consumer in a Multichannel World" report explains that the number of Chinese online shoppers is expected to reach 380 million by 2016, which presents brands with huge swaths of potential customers. Any giddiness marketers feel at such a prospect should be tempered by the fact that only .5 percent of online activity is conducted on brand or company Web sites ([see story](#)).

The sector should adapt, but within the confines of its heritage.

"Luxury brands represent absolute certainty in a world of uncertainty and the challenge is to move into technology, move into art, move into social media all of these different pocket of categories that have been merged together over the last few years," Ms. Tuma said.

"It's not about the flavor of the month," she said. "It's more about not being swept up in the torrent of what's going on, but rather staying true and doing it in the way that is uniquely yours."

Changing competition

For luxury brands, their biggest competition is the various ways consumers could be spending their money, including home improvement, travel plans or experiences.

Affluent consumers have recovered from the recession, but their willingness to spend is reserved, according to a new report from Unity Marketing.

Bragging rights have changed from the designer to the bargain, and affluent consumers are not necessarily looking for the best brand or design, but what they can receive for their money. This change in attitude often spearheads from the younger generations that are growing up into the target consumers for many brands, therefore it is a notion that holds high importance for many luxury marketers ([see story](#)).

McCann's Ms. Tuma said that there has been a major cultural shift and return to normal, as they embrace the natural. There is also the rise of the sharing economy, such as Airbnb.

It is becoming less simple to separate consumers by region. Instead, Team One's Ms. Xiang said, brands need to look at their audience on a global level, since they all share similar traits.

"I think it's no longer true that you can separate consumers by regions," Ms. Xiang said. "The reality is when we're talking about the wealthy and the ultra-wealthy, they are global citizens. They're highly mobile, they have second and third homes everywhere, they travel to every other week.

"There is no isolated incident that happens in Paris that is not felt elsewhere," she said.

Final Take

Sarah Jones, editorial assistant on Luxury Daily, New York

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