

WATCHES

How eBay pulled off becoming one of the largest luxury watch marketplaces in the world

February 26, 2020

Top 5 Most Expensive Watches	
\$535,499.99 Patek Philippe Grand Complications Watch	
\$148,000 Richard Mille RM11 Flyback Chronograph Rose Gold Titanium Watch	\$145,000 Audemars Piguet Millenary MC12 Tourbillon Platinum Watch
\$139,500 Patek Philippe Grand Complications Manual Gold Watch	\$100,001 Rolex 18k Rose Gold Masterpiece Pearlmaster Pave

eBay.com/LuxuryWatches

Search based on global sales data from 2018-2019. As the marketplace only displays listings for 90 days, select featured images are the images and not original listing photos.

Top 5 most expensive pre-owned watches sold on ecommerce platform eBay. Image credit: eBay

By **Meaghan Corzine**

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The pre-owned luxury market is expected to grow at an annual rate of 10.8 percent and is touted to be worth a whopping \$45 billion by 2023, according to a report by **KDMarketinsights**.

While second-hand luxury items offer a solution for shoppers looking for lower prices, one-of-a-kind pieces and more eco-friendly practices, not everyone has been lucky enough to crack the market.

With watches selling for up to a half-million dollars in the second-hand market, many of those pining to own luxury pieces have concerns over authenticity and quality.

EBay makes a mark in luxury

Ecommerce platform eBay recently released its **Luxury Watch Report for 2020**, highlighting the latest trends, best-selling models and most expensive sales.

Luxury Society spoke with eBay verticals vice president and general manager Sam Bright to find out just how eBay has successfully infiltrated the market in a sea of competitors trying to make a name for themselves.

"EBay has one of the world's largest selections of luxury goods, from rare and designer handbags to fine wristwatches, and the value and selection available to buyers can't be found anywhere else," Mr. Bright said.

The most impressive eBay luxury watch sales of the past year include a Patek Philippe Grand Complications watch for \$535,499.99 and a Richard Mille RM11 Flyback Chronograph Rose Gold Titanium Watch for \$148,000.



EBay has become a serious marketplace for pre-owned luxury watches. Image credit: eBay

So how does an online platform such as eBay, where you can find virtually anything from an autographed poster from your favorite celebrity to kitchen supplies, pull off selling a watch for a half-million dollars?

"We know that our community wants an added layer of confidence when buying in these categories, and to further establish eBay as a trusted shopping destination, we introduced eBay Authenticate," Mr. Bright said.

"The program ensures that the luxury items shoppers browse on eBay are verified by third party authentication experts and sourced through select, top-rated eBay sellers," he said. "The authentication program currently includes watches, jewelry and handbags."

On top of that, eBay also boasts a money back guarantee, adding yet another layer of protection for buyers.

"Both offerings have bolstered consumer confidence in the marketplace and have been instrumental in setting the standard of excellence industry-wide," Mr. Bright said.

Playing the field

With the secondary watch market booming at an estimated \$15 billion, other mega-corporations are eager to jump on the bandwagon. Among them, Amazon, which has experienced a bit more criticism when it comes to its luxury portal.

While Amazon may tote mid-level designers such as Michael Kors and kate spade, top luxury groups such as LVMH do not have plans to collaborate any time soon, citing concerns of counterfeit and even terrorism.

"We've been asked several times to participate in these businesses, and I've always said no," **Bernard Arnault said** during the luxury conglomerate's annual results event.

"They use their database to connect customers to sellers and they take a percentage, which leads them to sell counterfeit products and therefore in a certain way to be linked to organized crime, because the sites that sell counterfeit products are financed by organized crime or even by terrorism," he said.



Sam Bright is vice president and general manager of verticals at eBay

So how does eBay stand out?

With more than 2 million watches sold on eBay in 2019, and as one of the largest online luxury watch marketplaces in the world, eBay has made a name for itself by protecting sellers and buyers at all costs.

"We invest millions of dollars annually to help ensure a safer buying and selling experience for our customers," Mr. Bright said.

"We have a long history of partnering with rights owners, industry groups and law enforcement to collaborate in the fight against counterfeit goods," he said.

"Launched in 1998, VeRO allows brand owners to quickly and easily report possible counterfeits or other infringing goods.

"We promptly investigate each VeRO notification and take appropriate action on reported listings.

"More than 40,000 rights owners, ranging from Global 500 companies to industry trade associations to small businesses, participate in the VeRO program."

With a watch sold every five seconds, where does all this inventory come from?

eBay revealed that occasional and casual consumer sellers account for 39 percent of transactions on the platform, while small-to-medium business defined as between \$30,000 and \$1 million and large merchants above \$1 million annually make up 34 percent and 27 percent, respectively.

"We offer a wide selection of inventory in partnership with our sellers," Mr. Bright said.

"The marketplace is comprised of a variety of sellers, from large retailers including Watchbox, Govberg Jewelers, BeckerTime, ShopWorn, Hess Fine Auctions and Chronostore, to smaller sellers like Luxury Bazaar and Pure Watches," he said.

It seems eBay's success boils down to three main factors in today's complex pre-owned ecommerce landscape: value, selection and buyer trust.

While eBay is unable to share specific numbers on just how much watches account for on its luxury portal, it claims that the watch category represents a "robust and growing" part of its luxury sector.

"Conversion on authenticated inventory is twice that of similar non-authenticated inventory, which highlights the importance buyers place on trust for high value purchases," Mr. Bright said.

"Looking at Rolex as an example, the brand accounts for 25 percent of eBay's marketplace sales, which indicates that enthusiasts and collectors know they can find exactly what they want at the price they want to pay on eBay," he said.

AS FOR WHAT the future holds?

In recent years, the female watch buyer segment has seen an uptick in buyers of nearly 30 percent and that number is growing.

Women's watches are on the rise and eBay has seen stronger interest among female shoppers in luxury brands, with Cartier up 22 percent, Rolex up 11 percent and Tag Heuer up 6 percent year over year, according to the company.

By the numbers

- A watch is sold every 5 seconds on eBay
- There are, on average, more than 150,000 daily live listings for luxury watches
- eBay sold more than 2 million watches in 2019, with nearly 8 million watches sold over the past three years





pieces of 2020.



2

Reinventing Retro

Luxury watchmakers are serving elevated vintage styles inspired by the '40s, '70s and even the '90s.



3

Rose Gold Resurgence

Rose gold is holding its own against a range of other gold hues on the market.



4

Pops of Color

From emerald green dials to salmon faces to blue bands, eye-catching watches are in.

5

All in the Details

Brands are experimenting with new materials and updated constructions.

Style Guide: Iconic Watches



Rolex rules resale

25%

of the marketplace's luxury watch sales, eBay's most popular watch brand with stainless steel models like the Submariner and GMT-Master dominating.

Ultimate Classic: Omega Speedmaster Moonwatch

The first watch ever worn on the moon in 1969 and preferred by race car drivers of the '50s, the Speedmaster stands the test of space travel, the tarmac and time.



Sophisticated Elegance: Patek Philippe Nautilus

Influenced by nautical motifs and among the world's finest watch styles, as well as one of the most worn celebrity watches.

Most recently Drake sported a custom Nautilus Ref. 5726 timepiece designed by Virgil Abloh, almost completely encrusted in green emeralds.

Icon: Cartier Tank Watch

Inspired by armored WWI tanks, the timepiece is an understated, sophisticated staple.

The style has been a favorite among movie stars like Rami Malek, First Ladies like Michelle Obama and even Princess Diana.



Top 20 Brands to Watch Across the Globe

ROLEX
OMEGA
BREITLING
TAG HEUER
PATEK PHILIPPE

CARTIER
SEIKO
AUDEMARS PIGUET
PANERAI
HUBLOT

TUDOR
IWC
JAEGER-LECOULTRE
ORIS
LONGINES

ULYSSE NARDIN
HAMILTON
ZENITH
ZENITH ELECTRONICS LLC
CHOPARD



Top 10 Watch Styles on eBay Globally

1 Rolex Daytona 116520 Watch



2 Rolex Datejust 1601 Stainless Steel Automatic Watch



3 Rolex Submariner 16610 Analog Stainless Steel Sport Watch



4 Champagne Face Rolex 36mm Datejust 18k 8 SS Diamond Dial Jubilee Watch



5 Rolex Submariner 116610 Date 40mm Oystersteel Watch



6 Rolex Submariner 16613 40mm Stainless Steel and Yellow Gold Watch



7 Rolex Submariner 114060 Auto 40mm Steel Oyster Watch



8 Rolex Sea-Dweller 116660 44mm Stainless Steel Watch



9 Rolex GMT-Master 16710 Watch



10 Rolex GMT-Master II 126710BRO Pepsi 40mm Watch





EBay 2020 Top trends in luxury watch resale. Image credit: eBay

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