

WATCHES

## Breitling's Antonio Carrero: "The brand is still in transformation"

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*Antonio Carrero is chief digital and technology officer of Breitling*

By [Lydianne Yap](#)

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In late 2017, top Richemont executive Georges Kern sent waves throughout the watchmaking industry when he took the reins of independent Swiss watchmaker Breitling.

While renowned for its aviation timepieces, the brand was slowly losing relevance with the current generation of millennial shoppers, prompting the former CEO of IWC Schaffhausen to embark on a complete revamp of its identity and positioning in the market.

Nearly three years on, Breitling is in a completely different place.

Besides an overhaul of the message it was sending to clients, the brand also adapted modern communication methods and embraced digital channels to engage with today's younger generation of consumers.

But while it may be on top of its digital game now, Breitling is far from resting on its laurels, as the man behind its digital transformation, chief digital and technology officer Antonio Carrero, shares with Luxury Society.

"The brand is still in transformation, and when you are in transformation mode, you never stop," he said. "You just continue transforming, and building."

Here is the interview with Mr. Carrero:

As part of its overall repositioning and branding, we've seen Breitling really ramp up its digital efforts the last few years. What are some key factors that have contributed to its successful ecommerce efforts globally?

I would say that Breitling is blessed with very strong brand awareness. This really helped when we started adding ecommerce on top of the classic retail and wholesale channels.

Also, thanks to the brand's transformation and repositioning, it moved from being a niche brand to a more inclusive brand with stronger action and purpose, appealing to a new clientele. And this new clientele is very keen to engage with the brand through digital channels, and to buy online.

The combination of these two factors have been important drivers of our success. And, then of course, there is the consistency in investment.

We didn't hesitate when it came to expanding our digital efforts we really accelerated. And this was supported by the entire organization, from marketing to sales and operations, so that the company would be able to support the new channel efficiently.

For China, I would say that the element of success has a lot to do with our deep understanding of the China digital ecosystem from WeChat to Tmall and how to leverage those platforms to engage with our digitally savvy clientele. And we have been very good at it.

What we also found to be a very critical factor in helping us succeed was the choice of TP (Tmall Partner) and a local partner agency.

We actually switched TPs after a while, and could really see the difference in terms of traction generated. This is when we really started to excel in our ecommerce efforts in China.

"Lofoten is a magical place... But there is also a very harsh beauty here, you're putting yourself in a very uncomfortable situation". [#breitling](#) [#squadonamission](#) [#superocean](#) [#superoceanheritage](#) [#avenger](#) [#lofoten](#) [pic.twitter.com/KA6XGw00WM](https://pic.twitter.com/KA6XGw00WM)

Breitling (@Breitling) January 29, 2020

Breitling's own ecommerce platform has been evolving over time. What are some of the key changes or improvements that have really helped drive its growth?

An ecommerce platform or Web site is always on the move: measuring, testing and changing. And then you repeat that process again. This is how we embrace all our digital properties, and we rely on data and analytics to continuously learn and change, putting the customer first. And this goes far beyond the blind utilization of best practices.

For example, on top of the standard payment capabilities, we started offering new payment options on our Web site. We are now working with a partner, Affirm, that provides financing when you buy online.

We also give customers the option to pre-order a watch with a partial down payment this lets customers lock down and reserve pieces they are really interested in, and also allows us to better forecast product sales.

Then there is also the online trade-in program that we have in collaboration with Crown & Caliber. Here, customers can trade-in their old watches from Breitling or any other brand, really for a voucher towards a new Breitling purchase.

It is kind of a circular approach that not only generates additional revenue, but allows Breitling to better understand its clientele's interests and profiles.

It is a fantastic, modern, CRM opportunity.

By adding new payment options, we are able to reach an even larger audience, especially in markets where these purchasing behaviors are commonplace.

And then, of course, then all there is the overall improvement of the Web site's technical infrastructure.

According to Google Analytics, [Breitling.com](#) is actually the fastest Web site in the luxury industry.

The concept of a circular economy has been talked about a lot in the luxury fashion industry these days, but less so in the luxury watch industry. Do you see that changing?

Yes. Absolutely. Platforms offering CPO Certified Pre-Owned watches are extremely successful. And this is not only related to vintage watches.

It is a brand's responsibility to provide solutions to its existing and new clientele.

Do you see this approach as something that would work in China as well?

Not yet, but it will happen faster than we expect.

Compared to Western markets, we are still working a lot on brand awareness and visibility in China.

I don't think it is the right time to be activating and starting a trade-in program for the Chinese market right now. Probably in a couple of years, yes.

But first, we have to reach a certain level of awareness and visibility that is strong enough to support this kind of program.

How does Breitling's global Web site fit into the omnichannel consumer journey and how is this different in China?

On our global Web site, we offer the standard omnichannel capabilities including click and collect, stock visibility, boutique appointment features that most luxury retailers are also providing.

But we go one step further when it comes to personalizing the interaction.

Using simple ML (machine learning) algorithms, we combine and crunch the data we collect online with the data from our CRM. This gives us a better overall understanding of our users' behaviors and expectations.

With that, we have automated the activation of specific users' online programs across all our digital and physical touch points.

When it comes to China, the playground for customer or prospect data collection is WeChat.

We built an entire ecosystem around WeChat to bring all that information together, online and in stores.

We have also empowered and augmented the sales staff with tools within WeChat to help with consumer engagement.

So, we have a 360 view of our customer and prospect engagement through online and in-store capabilities.



*The Breitling Co-Pilot Ref. 765 AV, a re-issue of the 1953 classic. Image credit: Breitling*

Breitling is also on Tmall in China. Historically, hard luxury brands have always had reservations about retailing on marketplaces. Was this a concern for Breitling?

I think it is a question of balance.

As a brand we have our own retail network in China. Our Tmall store is helping us in further increasing our visibility as a modern and inclusive brand, capable of targeting a new demographic of customers, while being in line with the evolution of customer habits in acquiring luxury products.

A customer does not differentiate between channels. So, it is up to the brand to be able to engage with the customer, where the customer is.

The more we extend our retail network, the more we are going to be successful on Tmall, and vice versa. It's not one or the other we are going to grow the brand in a consistent way across various channels.

Of course, it is not always easy understanding the China digital landscape and platforms like Tmall from abroad. But I think this is a question of progressive learning.

Over time, people will understand the real value of being on a platform like Tmall.

Beyond selling, it is also a fantastic place to raise brand awareness in a consistent way. It allows brands to target a new demographic that will also shop in physical stores eventually, both locally and abroad.

It is a game of data. And the sooner you start, the better it is.

So, I think if you look at it this way, Tmall could be another layer of a brand's strategy and not something that will have a negative impact on its efforts in China. Not at all.

What was the biggest challenge for Breitling getting on ecommerce in China, then?

We had to build capabilities from scratch which meant recruiting a full team, building the relationship with Alibaba, and selecting the right partners.

Luckily, I have been focusing on China and its digital ecosystem for the past seven years, so I could leverage my large network of local partners and expertise. But it has still been a real operational challenge.

Concurrently, the brand was accelerating globally so there were a lot of things going on at the same time.

We had to be efficient and focused: we really wanted to see results and prove that our approach was the right one. Thankfully, local management has been very supportive and was very ready to jump on this on this new venture.

Cartier recently debuted on Tmall as well. How do you think this will change attitudes towards e commerce marketplaces in China?

It sends a very strong signal indeed, when prominent watch and jewelry maisons are moving in. This sets a new standard in terms of customer engagement, and triggers some thinking throughout the industry.

What does it mean for brands not on Tmall? Some brands will still decide not to be on such platforms. Or they might think twice because in any case, their consumers are on these platforms.

Cartier is a fantastic and iconic maison. It is an anchor that triggers foot traffic and visitors in a department store or a mall.

So other brands tend to set up shop close to these iconic brands in malls, just to benefit from the attraction that it is garnering.

It is probably not exactly the same, and there are other factors to consider when comparing online and offline stores, but there is still this attraction this anchor effect and my guess is that most of the brands will also start moving towards Chinese ecommerce platforms to be able to gain the same kind of visibility and attract consumers.

Breitling seems to be expanding on many digital fronts. What can we expect for the year ahead?

We are working hard on closing the loop around our customer engagement and digital activation efforts; connecting the dots between touch points with coherent content and call-to-actions to elevate the relationship between Breitling and its clientele.

We will also continue to develop our ecommerce footprint by adding more countries in terms coverage, and continuously improving our platform capabilities.

Building a Web site with ecommerce capabilities is like giving birth it is nine months of effort, and then a never-ending exercise of growing the capabilities and adapting to the changing customer environment.

The first step is sometimes very difficult to take because there is a lot to do in terms of preparations. And when you go live, it is just the beginning.

Around end-March, we will present our innovative blockchain solution. It will allow Breitling to add new online services ranging from advanced clienteling to a revolutionary care program.

We will also be introducing our new digital warranty this summer, which is an evolution of our current system and will be a major transformation for the company, network, distributors and retailers.

The new digital warranty will be integrated within the Breitling blockchain and will play a major role in its customer engagement strategy, presenting a new standard for the industry, built on digital capabilities.



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