

RESEARCH

Over next 12 months, 60pc of watch labels likely to open new mono-brand store: Deloitte

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Swiss watchmaker Breitling has opened more than two dozen boutiques since 2021. Image credit: Breitling

By AMIRAH KEATON

An influx of luxury watch boutique openings supports a set of insightful report findings from industry experts.

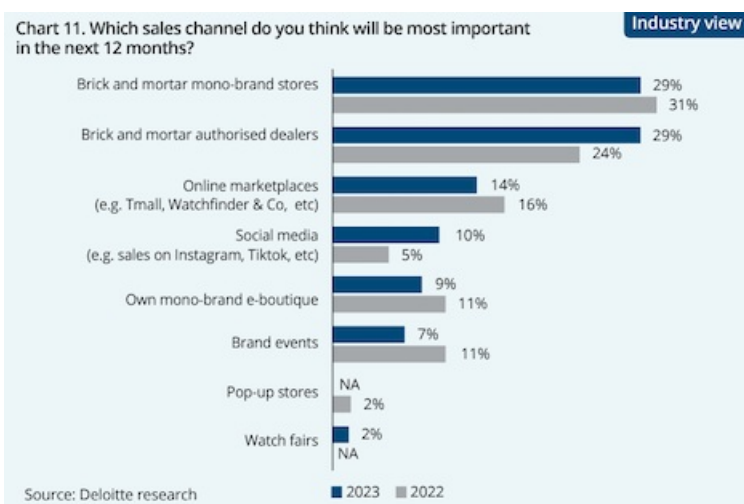
Global consulting firm Deloitte's [Swiss Watch Industry Study 2023](#) shares that 60 percent of the sector's companies are likely to open a new, mono-brand store in the next 12 months. Authors of the research exercise outline growing consumer preferences for enhanced in-person experiences; experts posit that demands for direct connection will surpass factors longstanding shopper priorities such as convenience, a factor that has traditionally driven fans of luxury toward online channels.

For the report, Deloitte surveyed 75 senior executives between August and September 2023, and facilitated interviews with industry experts. The firm also checked in with consumers during this period, collecting digital survey results from 6,045 consumers in the domestic Swiss market and top Swiss watch export markets including China, France, Germany, Hong Kong, Italy, Japan, Singapore, the United Arab Emirates, the United Kingdom and the United States, also choosing to survey consumers in India this year.

Offline outlets

Retail outlets, watch fairs and auctions are among the venues attracting luxury watch buyers craving face-to-face brand experiences.

While, bigger picture, a little under half of respondents 44 percent exactly are most likely to make a new watch purchase online, 54 percent would still buy in-store.



Retail outlets, watch fairs and auctions are among the venues attracting luxury watch buyers craving face-to-face brand experiences. Image credit: Deloitte

Consumers based in Japan top this list, with 68 percent wanting to stop by a boutique, with watch enthusiasts in Hong Kong next in line, at 63 percent, followed by citations of physical store preferences.

Offline channels are particularly crucial for the high-end price segment, which Deloitte counts units costing more than 15,000 Swiss Francs, or approximately \$16,500 at current exchange.

Nearly three-quarters of respondents in this category foresee one-on-one sales sessions maintaining the most value, at 73 percent.



Number one across all age categories, the ability to test and try, touch and feel products is the main force pushing audiences in-store. Image credit: Deloitte

Number one across all age categories, the ability to test and try, or touch and feel products, is the main force motivating audiences to make bricks-and-mortar moves, resonating with 52 percent of respondents.

Tactically, the report touches on the effectiveness of in-store exclusive SKUs, which work to drive traffic.

Otherwise, the creation of personalized, memorable experiences with unique brand touchpoints appears to be fueling the retail purchases of luxury timepieces.

Retail wave to watch

Deloitte analysts expect the industry to continue investing in and expanding owned retail networks, citing the occurrence of “a boom in mono-brand boutique openings for Swiss brands around the world” over the past 12 months.

In Shanghai, the report references newly-established floor plans from the likes of Chopard, H. Moser & Cie. and IWC Schaffhausen, identifying square footage expansions from Jacob & Co. and Zenith in Riyadh, and Panerai and TAG Heuer in New York.

Swiss watchmaker Breitling has opened more than two dozen lifestyle-led boutiques since 2021, enticing visitors with promises

of exclusivity through, for instance, a top-level barista and coffee station, and basement bar at installations in New York City ([see story](#)), or at affiliated eateries throughout the world.



The brand is inviting visitors to step into its world, its identity expressed through both retail and hospitality elements found throughout the store. Image courtesy of Breitling

"AP House" from Swiss watchmaker Audemars Piguet provides yet another example, the cultural center inaugurating a base in Los Angeles ([see story](#)).

Market conversations are, of course, incomplete without mention of Swiss watchmaker Rolex's August 2023 acquisition of European watch and jewelry retailer Bucherer ([see story](#)).

Speculation surrounding the future of authorized dealers and digital channels swirled alongside the news.



In California, a collection of vinyl records is on display at the immersive retail experience. Image courtesy of Audemars Piguet

The upswing seems not to have disincentivized players such as Bucherer, which reopened its Las Vegas flagship in June 2023 ([see story](#)).

Interestingly, however, the group's consultants shared that 29 percent of brands and retailers see bricks-and-mortar authorized dealers as just as important as owned channels, as increasing affinities for luxury watch stores of varying formats proves promising.