

RESEARCH

Global haute horlogerie interest climbs 12 pc: report

January 22, 2014



By JEN KING

Swiss watchmaker Patek Philippe is at the forefront of brands in the haute horlogerie category, according to a preview of the Digital Luxury Group's tenth annual World Watch Report 2014.

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The World Watch Report's Haute Horlogerie preview was released to coincide with the Salon International de la Haute Horlogerie held in Geneva as the world's premier watchmakers jockey for attention from international watch collectors. Releasing figures pertaining to watch manufacturers at the event may drive interest among horologists, while helping watchmakers pinpoint emerging and recovering markets.

"Haute Horlogerie brands are communicating more than ever before and are increasingly more active across all channels," said Laetitia Hirschy, international intelligence and communications manager at [Digital Luxury Group](#), Geneva, Switzerland.

"Geographic search origin for Haute Horlogerie is largely dependent on fast-growing markets such as China, up 58 percent, 34 percent of global search market share, and the rest of the BRICS, Brazil, up 7 percent, Russia, up 15 percent and India, up 20 percent," she said.

The Haute Horlogerie category included A. Lange & Söhne, Audemars Piguet, Blancpain, Bovet, Breguet, De Bethune, Franck Muller, Girard-Perregaux, Glashütte Original, Greubel Forsey, Jaeger-LeCoultre, Jaquet Droz, Parmigiani, Patek Philippe, Richard Mille, Roger Dubuis, Ulysse Nardin and Vacheron Constantin.

Digital Luxury Group's full **World Watch Report** will focus on more than 60 brands such as Cartier, IWC and Piaget, not included in the Haute Horlogerie category, in 20 international marketplaces including China and the United States. The full findings will be revealed in March at Baselworld.

Always on time

The Digital Luxury Group's report discovered that watch collectors are still interested in the 18 brands found in the Haute Horlogerie category. This category of watches saw a double-digit growth of 12 percent.

According to statement by David Sadigh, founder/CEO of Digital Luxury Group, the report marks the fourth year that World Watch Report has observed this increase, which has shown the strength of the Haute Horlogerie category within the overall market.

Within the category, Patek Philippe maintains its leadership position with 28.1 percent of brand interest. The Swiss watchmaker has seen a growth of 21.4 percent over the year-to-date, further positioning the brand as a leader among its competitors.



Patek Philippe's 5004T

Other haute horlogerie brands Vacheron Constantin and Audemars Piguet ranked second and third in the category with a market share of 13.4 and 13.0 percent, respectively. Swatch Group's Glashütte Original saw the most growth with an increase of 40.2 percent.

While other watch manufacturers grew, others slowed down such as Richard Mille. The watchmaker saw a 61 percent increase in 2012 but during 2013 saw a decrease of nearly 3 percent.



Richard Mille's Skull Nano

Digital Luxury Group's report also looked at international marketplaces to aid watchmakers in determining areas worthy of investment.

The report revealed that Chinese consumers have a strong interest in haute horlogerie with a 57.9 increase from the year-ago period. The interest of Chinese consumers accounts for 30 percent of total interest worldwide.

In a statement, Mr. Sadigh noted that "despite lower reported sales in the mainland, Chinese consumers' interest for haute horlogerie watches continues to grow."

Alongside China's steady interest in fine watchmakers, the report also showed signs of recovery in the United States and British markets. Britain had Europe's strongest increase with 7.7 percent growth over last year's decrease of 8.5 percent while the U.S. market has shown signs of stabilizing.

Success rate

The jewelry and watch industry leads the luxury sector each year as a marker of wealth and status. Brands that leverage technology have seen better sales and more in-depth interaction with affluent consumers.

For example, Tiffany & Co., Swarovski and Cartier muscled their way to the top of L2's "2013 Digital IQ Index: Jewelry and Watches," but an era of increased digital receptivity is emerging as 28 percent of brands ranked as gifted or genius.

While improvements such as digital concierge services have been made over the past year, global ecommerce options, tablet Web sites and untamed social media pages still pose problems. Other brands such as Jaeger LeCoultre, Chopard, David Yurman and Piaget round out this year's top ten ([see story](#)).

To achieve its status as leader in the Haute Horlogerie category, Patek Philippe used various tactics that benefited the brand in vital marketplaces.

"Patek Philippe has benefited from long-term brand heritage, selective product offering, distribution and iconic status," Ms. Hirschy said.

"The brand has strengthened the bond with its historical clientele while maximizing its brand exposure toward aspirational clients in key markets such as the U.S. and China," she said.

Final Take

Jen King, editorial assistant on Luxury Daily, New York

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