

ADVERTISING

## Influx of smart watches unlikely to halt traditional horology

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By JEN KING

As wearable technologies advance and become more popular among consumers, should traditional watch manufacturers embrace this growing trend?

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**Luxury Daily**

Although joining forces with a smart watch manufacturer such as Apple, Google or Microsoft would undoubtedly increase exposure for traditional watchmakers, the allure and value of their traditional craftsmanship would be pushed aside when producing a smart watch. With interest in horology at a high, watchmakers must step up their game to maintain relevance in a changing market space where more consumers gravitate toward all things digital.

“Smart watches won’t harm traditional watches, but will force traditional manufacturers to remain even more focused and innovative in their craftsmanship,” said Sophie Terrisse, CEO of [STC Associates](#), New York. “It also forces the definition and differentiation between smart and complex.

“For hundreds of years, traditional watchmakers have crafted highly-complicated mechanisms and designs, spanning from chronograph to world time to jumping hours,” she said.

“That level of craftsmanship is beyond smart. It is eternal.”

The definition of smart

Affluent consumers are attracted to the innovative craftsmanship and artistry associated with fine watchmaking. The interest in these facets has driven activity in the watchmaking industry and can be taken as proof that wearables will not have an immediate effect.

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.

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 jockeyed for attention from international watch collectors.

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 ([see story](#)).



*Patek Phillippe for Only Watch*

In most cases, watch manufacturers have been slow to adopt the appropriate digital tactics to increase exposure for both products and brand DNA. To compete with smart watches,

watchmakers must increase visibility and transparency through the use of digital touch points including social media, mobile applications and ecommerce.

According to L2 Think Tank's "2013 Digital IQ Index: Jewelry and Watches," improvements such as digital concierge services have been made over the past year, while global ecommerce options, tablet Web sites and untamed social media pages still pose problems. The brands with the most impressive gains from the year-ago period include Chopard, Baume & Mercier and Vacheron Constantin.



*Vacheron Constantin's "Sound of Time" mobile app*

In 2011, 6 percent of brands qualified as either gifted or genius, while 28 percent of brands rank in the top tiers today. However, 29 percent of brands including Breguet, Blancpain, Richard Mille and Ulysse Nardin qualified as feeble ([see story](#)).

Better to avoid altogether

The growing popularity of smart watches is certain. According to [Mashable](#), an estimated 45 million smart watches are expected to ship by 2017, but does this show that traditional chronographs are a dying breed?

Experts say no, citing that above all else, consumers will covet the heritage and craft involved in making a traditional watch.

Instead of changing direction, heritage watch brands should stick to the familiar and continue developing innovative, aesthetically pleasing wristwatches.

“Heritage brands should stay away from the smart watch appeal and remain focused on building watches with a legacy factor,” Ms. Terrisse said. “Patek Philippe’s motto best embodies the value of traditional watchmaking: ‘You never actually own a Patek Philippe. You merely take care of it for the next generation.’”

“Smart is at the opposite spectrum of traditional watchmaking: disposable and ever-evolving versus eternal and ever-perfected,” she said.

Disposable vs. irreplaceable

The growing critique of smart watches seems to hinge on aesthetics, since they are not as attractive as a fine-crafted timepiece. Like all things mobile, the smart watch is designed to be replaced as new technologies are developed.

Although innovative in their own right, smart watches lack the heritage and fine craftsmanship associated with constructing the mechanisms and movements found in a timepiece.

More than a tool to tell time, wristwatches are a status symbol among ultra-net-worth individuals, a signifier that would likely be diminished with wearable technology.



*Apple is rumored to be working on a developing an iWatch smart watch*

At a fraction of the price, most smart watches have a price tag of approximately \$150-\$375, wearable technology does not have the staying power associated with a top-tier timepieces.

Due to the disposable nature of the smart watch, heritage brands are in a better position to show off their most groundbreaking design as pieces of art that can stand the test of time.

“I absolutely believe that smart watches will help preserve the art of watchmaking,” Ms. Terrisse said. “Watchmakers are completely crystallizing how valuable, eternal and rich the art of watchmaking truly is.”

“Consumers make a statement with their iPhones, latest tablets or smart watches, but more than a statement, they build their patrimony and legacy with the traditional watches they choose and keep,” she said.

“Its staying power among discerning luxury consumers proves that traditional watches are more valuable than they’ve ever been, where smart watches remain disposable, obsolete as buying cycles pass.”

Final Take

*Jen King, editorial assistant on Luxury Daily, New York*

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