

# New World Stability

## Shifting trends amidst the super brands

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With last year's Basel and Geneva trade fairs taking place under the twin shadows of the Iraq war and the SARS outbreak, the concept of stability would have seemed fit only for derision or hope. Nevertheless, consumer tastes really seem to have established a settled pattern following the shifts and changes of the last few years. *QP* examines how the 'super brands' are likely to assert themselves at this year's exhibition halls.

You might not believe it, but the luxury and prestige watch industry might actually be heading for a period of stability – at least according to one of the conclusions reached by the Trend Report commissioned from the market research institute, IPSOS France. IPSOS looked at how the market has changed over the last three decades and combined this with analysis of contemporary consumer trends and questioning of a sample of industry players from companies such as Bvlgari, Patek Philippe, Ebel and Chaumet.

One of the report's findings that will be visible on the ground, particularly at the BASEL-WORLD 2004 exhibition is the increasing dominance of the 'super brands'. As competition within the luxury sector intensifies, brands are looking to assert their individuality – hence the recent obsession with establishing the 'brand DNA'. The conservative drive to stay ahead

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of fashion often takes second place to this individuality, which – more often than not – works in favour of watch brand.

Such trends are particularly driven by a shift in consumer preferences towards security and future value as determining qualities. Again, this should be visible through the brands' concentration on core collections; a process that can be likened to brands looking to build the brand capital where they had previously traded on their capital to capture new market segments.

#### A question of identity

Another visible reflection of the move to reassert brand values is in the new watches and collections to be launched at Basel and Geneva this year, some of which are pictured here. The IPSOS report confirms what many of the Swiss companies had already seen, which is that watch buyers judge brands on the actual product far more than with other luxury goods. The result is the almost total absence of cross-industry trends in terms of design. The criteria – as can be seen from some of the watches shown here – is whether a new watch is 'of the brand'. Patek Philippe's pre-Basel press release places great emphasis on the 'smaller-scale refinements' of the manufacturer's new models being showcased at the fair, perhaps wary of how important it is to reaffirm brand identity.

While super brands are expected to do well, it is still possible for newcomers to break through – but they have to offer something unique and worthwhile to gain notice. ●

(A) Patek Philippe will launch this, its new reference 5135 at BASELWORLD - a small-scale refinement of various existing components, featuring the new calibre 324. Interestingly, this is the first Patek watch to display date, day and month in three separate apertures. (B) Bell & Ross' offering at BASELWORLD 2004 is the automatic Mystery Diamond, for ladies. This model's steel bezel is set with a row of 40 diamonds (£5,300). (C) Bvlgari's new Diagono Professional GMT Fly-back, equipped with a three-time-zones GMT movement (£3,650). (D) Frédérique Constant has been working on the Heart Beat Manufacture calibre for the last two and a half years. The calibre, which will be unveiled at Baselworld 2004, is a completely new movement with a number of specific patented features and variations are already in development. (E) The SIHH fair in Geneva will see the launch of this, Lange & Söhne's Double Spilt - the first wristwatch double rattrapante (€82,500). Both the seconds and minutes hands can be stopped and, along with the chronograph hands, are flyback. (F) Cartier will be launching its strikingly shaped Libre watch at the SIHH. Its white-gold case is set with round diamonds.