

Discovering a New Generation of Vintage Luxury Watch Consumers

Luxury Watches | Brands

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ebay's plans to move into the luxury watch space suggests potential for younger, digitally focused consumers. In this article we explore this audience and the opportunities for Luxury Watch brands.

Vintage is an established part of the fashion landscape in 2018. From websites like Vestiaire Collective selling pre-owned designer wares to bricks and mortar thrift stores, most consumers have been exposed to second-hand clothing in some form. In fact, one in three US women shopped this way in 2017, according to resale site [ThredUP](#).

Navigating this market, however, is tricky. A handful of retailers have introduced curated vintage picks to their offerings – [Farfetch](#) being one of the best examples – but most growth has happened among e-commerce marketplaces, where small businesses can sell items without costly overheads. While these sites might typically be considered places to find bargains, it's the high end of the market that's really booming. Bain & Company estimates that luxury resale will reach \$6 billion globally in 2018, as consumers hit retailers including The RealReal and 1stdibs in search of competitively priced and unique designer pieces.

Now eBay, the original e-commerce marketplace, is eyeing this lucrative space. In November, the company announced plans to invest in services for second-hand luxury watch sellers, encouraged by 2018 sales projected to exceed \$1 billion on eBay alone.

A Transitional Period

This move comes at a challenging time for the luxury watch industry. Swiss watch exports fell for three consecutive years between 2015 to 2017, with a sharp drop of 10% causing particular concern in 2016. But while sales of new watches are sinking, the vintage market is buoyant, helped by growing appeal among younger consumers. Speaking to the *Robb Report*, John Reardon, Head of Watches at Christie's International, [described](#) this demographic shift as “*unprecedented*”, highlighting the “*people in their late twenties, thirties, and forties [who] are diving into the deep end, spending hundreds of thousands on their first vintage watch*”.

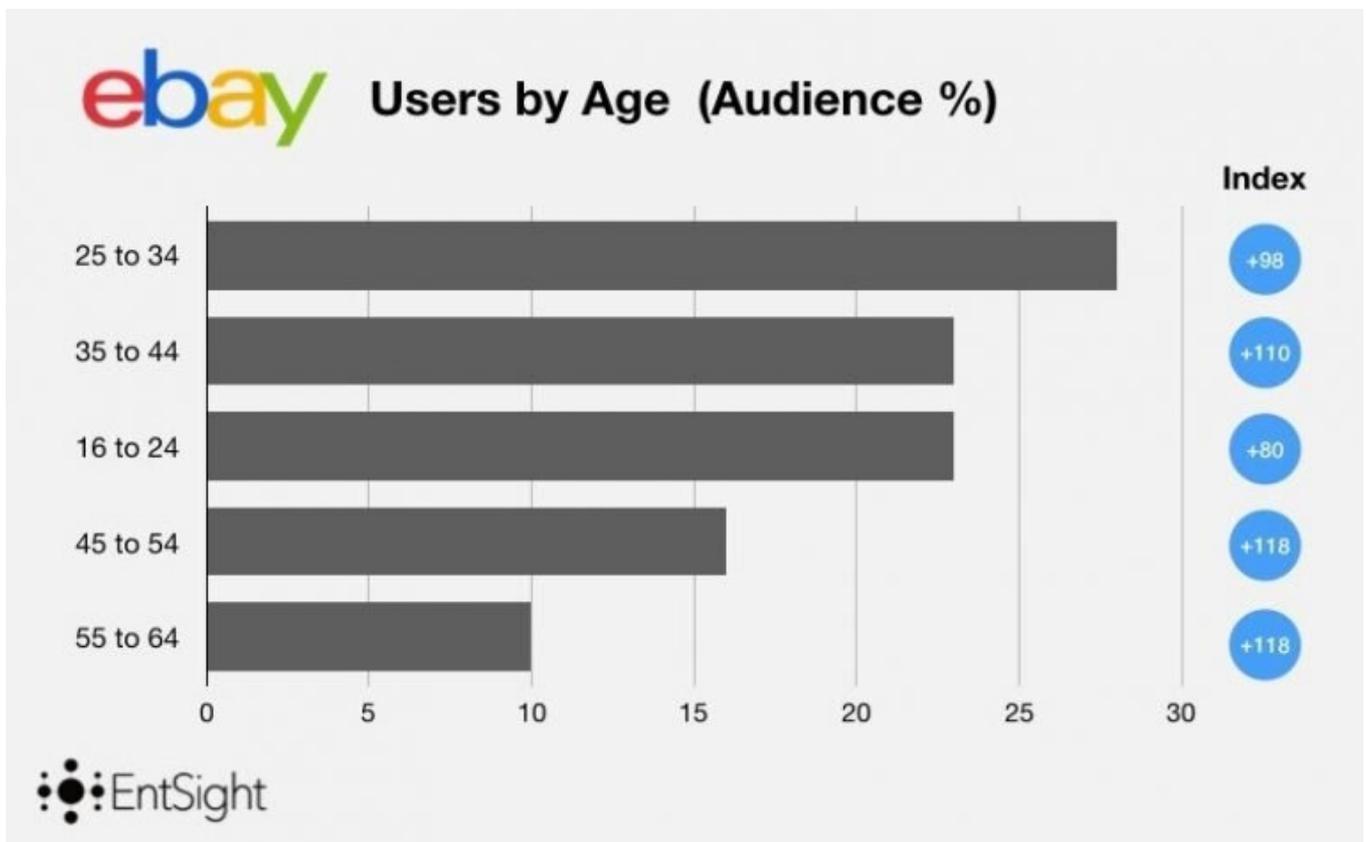
Social media audience data supports this trend and our analysis of the demographics of online audiences interested in vintage watches reveals that 61% are aged 18-34, with large communities in the US, UK, Canada and France. London in particular is a hub of vintage watch activity: nearly 10% of enthusiasts in the sample call the city home.

The internet has been instrumental in fuelling interest in vintage watches. Once a niche hobby among older connoisseurs, watch forums and blogs such as [Hodinkee](#) are democratising information about brands and rare timepieces.

The Role for Brands

Luxury fashion brands are frequently reticent to embrace second-hand and resale, fearing that it could devalue primary product lines. Attitudes, however, are beginning to soften: premium watchmaker Audemars Piguet announced plans to sell pre-owned watches at its stores, while Richemont, parent company of brands including IWC and Vacheron Constantin, went one step further and purchased Watchfinder, the largest online UK retailer of second-hand watches.

Ebay's new service also offers opportunities. The retailer is looking to partner with luxury watchmakers, which includes tackling one of the big issues when it comes to branded vintage items – authenticity – something brands themselves are best placed to advise on. Extending the eBay Authenticate programme to pre-owned watches can only benefit these partners as reducing the circulation of counterfeit goods helps keep a brand's wider reputation secure.



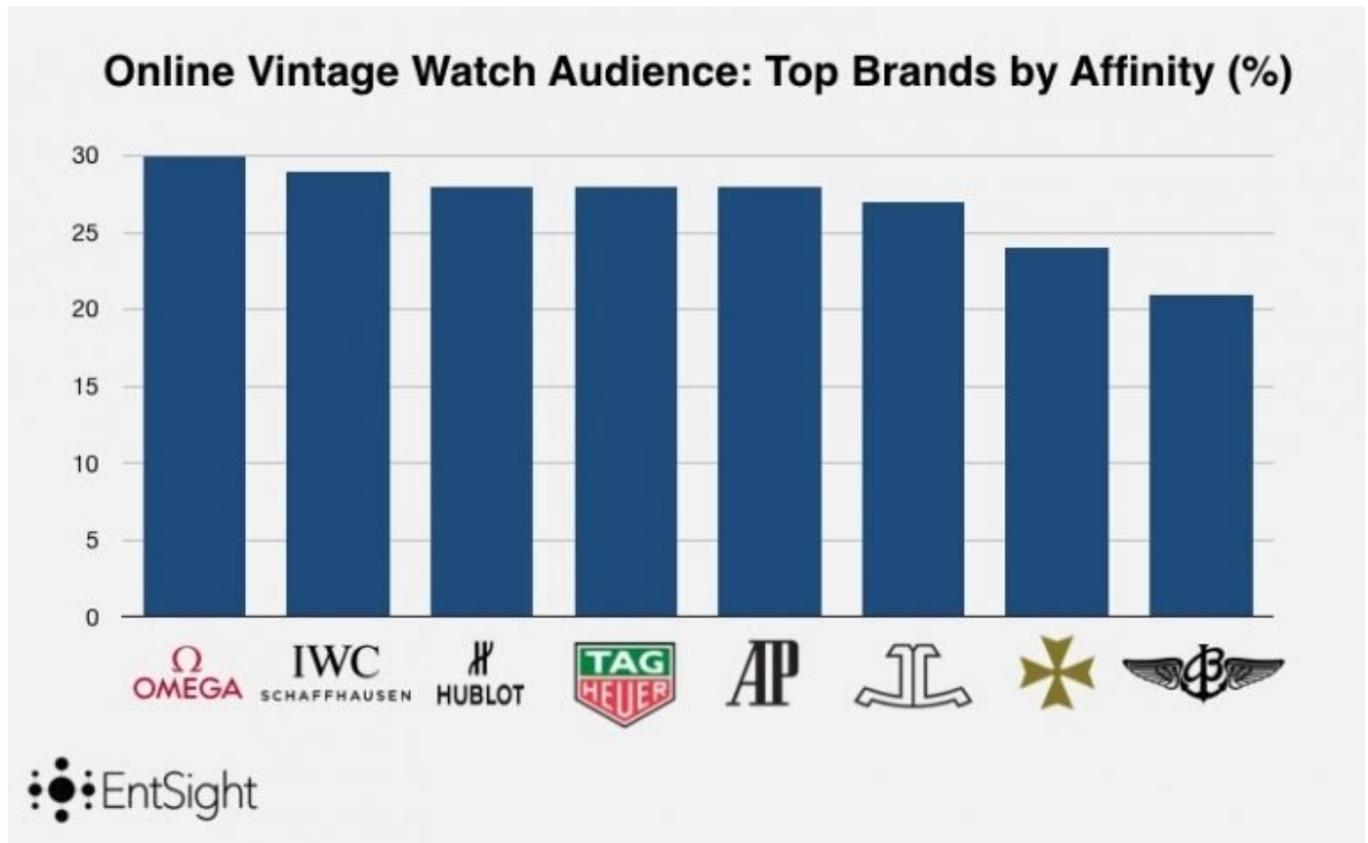
But is eBay the place for brands to court young blood in the watch market? According to data from [GlobalWebIndex](#), just over half of eBay users fall into the key 18-34 demographic, ten percentage points less than the online vintage watch audience we examined earlier.

Furthermore, the proportion of 25-34 year olds shopping on the site under-indexes slightly vs. the average consumer globally, increasing most among the over 45s. So, any partnership activity here is best supported by efforts elsewhere – for example, working with heritage-savvy watch influencers that also offer ecommerce solutions. *Hodinkee's* online store boasts more than 75K followers on [Instagram](#).

Keeping History Alive

Several watchmakers are already faring well when it comes to addressing pre-owned watches. Omega is a good example here, [celebrating](#) its heritage in a way that has benefitted both its primary and secondary markets.

In 2017, it marked the 60th anniversary of its 1957 Trilogy by releasing anniversary editions of its Seamaster 300, Railmaster and Speedmaster watches. This triggered a sharp uptick in the values of vintage Speedmasters, with Calibre 321 Speedmasters almost trebling in price from their value five years ago. 2019 could be another golden year with the 50th anniversary of the [Omega Moonwatch](#), worn during the 1969 Moon Landing.



Omega is already making waves with vintage watch audiences online and brand affinity data from [Audiense](#) indicates that almost a third of the group have an affinity for the brand. This is also the case for pre-owned watches: we saw back in March 2018 how [Omegas are the second most discussed vintage watches](#) on forums and social media, no doubt boosted by recent campaigns.

Interestingly, Rolex – which accounted for a significant chunk of the pre-owned watch conversation share – was not among brands the vintage watch audience had a strong affinity for. This could be down to its current social media messaging, which is almost entirely focused on sports sponsorship and the craftsmanship of its latest timepieces, to the detriment of the emerging second-hand audience.

One thing is certain: the emerging interest in vintage Luxury Watches provides vast commercial opportunity for brands in the space, and is likely to become an increasingly competitive area in 2019 and beyond, and now is the

time for them to act.

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Instagram, too, is playing a role in nurturing a community engaged with the craftsmanship and design heritage of vintage watches, clustering around the #watchesofinstagram, #watchfam and #wristporn hashtags. In fact, consumers planning to buy a luxury watch in general were 27 percentage points more likely to be active Instagram users than the average consumer globally, with those in Europe a huge 68 percentage points more likely. There's no doubt that Instagram is an essential tool for retailers looking to target this customer segment.