

## Building a Brand for Men

An Interview with **Eveline H. Jones, President, North America, IWC (International Watch Co.), Schaffhausen, Switzerland**

**EDITORS' NOTE** Before joining IWC in 2002, Eveline Jones worked for Cartier in North America for 15 years, for the last 3 as vice president of its commercial division. Before that, she was an assistant vice president of purchasing at the First National Bank of Commerce (now Bank One) in New Orleans.



**COMPANY BRIEF** Founded in 1868 in Schaffhausen, Switzerland (north of Zurich), by a Boston watchmaker, IWC (International Watch Co.) has been at the forefront of horological technology, creativity, invention, and expertise since its inception. Each of its luxury timepieces is still made completely by hand and includes hundreds of precision-balanced, mechanical parts. The company is owned by Geneva-headquartered Compagnie Financière Richemont SA.

### How has the economic downturn affected IWC's business?

To the surprise of many, the luxury-goods business actually experienced a rare downturn following 9/11. But in the two years that I've been with IWC, this company has been growing tremendously. I think this is due in part to the fact that we're a relatively new brand in America, so we still have lots of opportunities. Also, consumers today, more so than before 9/11, look for value and tradition in a product. They're willing to spend money, but they want something back. That's why some of the newer brands are having more problems than the well-established watchmakers, which have been around for at least 100 years.

Now, the U.S. economy is on an upswing; we hear that all the time from retailers. They're much more confident that high-ticket items will do well. That, of course, also bodes well for brands like IWC.

### Is your target market only the very top tier of consumers?

It is the top tier, although all our watches aren't above \$50,000. We also offer products for \$2,500, and we're start-

ing to reach out to broader markets. But we're still not a household name. A brand takes time to build, which we're in the process of doing.

### Do you manufacture more for men than women?

Unashamedly yes. We have probably a 95:5 percent split. IWC is a men's line and will remain so going forward, at least over the short term.

### Are you pleased with your present North American distribution?

Over the past two years, we've changed a third of our distribution. We're now in fewer stores, but I generally feel that they're the right stores. However, we need to expand a bit. For example, we have no distribution in the Midwest. So, there are major opportunities, but we'll go after them very, very slowly. We're not going to double our distribution network in one year.

### Will you open IWC boutiques?

No, we have no plans to open our own stores. We want to build our business through our authorized retailers, and develop strong relationships with them.

### How do you educate your retailers' salespeople about the brand?

That's a major challenge because the salesperson behind the counter is your first line of offense. That person has a major influence on what the consumer buys, so it's very important for us to supply information and training. Our field sales managers do in-store trainings. We also hold what we call "market schools," whereby we provide more focused training in a hotel, where there are no interruptions.

Training is key. Salespeople must understand our brand, so they can really explain the uniqueness of IWC, along with all the technical functions. Also, IWC's American heritage, history, and traditions must be communicated.

### What are some of your newer models?

We just launched the diverse Aquatimer collection. We've actually had an Aquatimer before – our first professional diver's watch – in 1967, but we've revived

the whole theme with heretofore unavailable technical innovations. These diving watches – in titanium and steel with rotating inner bezels – are magnificent testimonials to the know-how and engineering skills of IWC. A second launch – the Portuguese collection with seven-day power reserve – is scheduled for October. It has a more classic look and is designed to appeal to the consumer who's fascinated by the inner workings of a watch. These two new product lines are our two major launches for this year.

### Will you continue to make watches exclusively, or might you try product extension?

That's a decision to be made at headquarters. Our role here, as a subsidiary, is to keep our ear to the ground, listen to what the retailers have to say, and communicate back to Switzerland. At least in North America, I think it's a bit too early to introduce new products. Our goal right now is to fine-tune the brand and increase consumer awareness. On the other hand, IWC is pretty strong in Europe, so there might be an opportunity for pens, for example, down the road. Then again, there are so many pens on the market already, why introduce another?

### Does the Internet drive sales?

I think it drives sales, although we don't sell over the Internet. Our Web site [www.iwc.ch] is one of the best. It's very interactive, and it's a way for us to communicate with end consumers, particularly the many collectors we have. They're the true supporters of IWC. We even have a collectors' forum on the site, moderated by a watch expert who's very well respected in the industry.

### You've been with IWC for two years. Is it what you expected?

I'm originally from Schaffhausen, where our factory is, so I grew up with IWC. And coming from Cartier, which is a much bigger brand and much more departmentalized, I find it very exciting to be able to control all aspects of our North American business. Sales have been very good, and I've been very happy. ●

*The recently revived Aquatimer*