



Jordy Cobelens (above) and the TW Steel Canteen Two Tone Steel Bracelet Watch (upper right)

Affordable Luxury



An Interview with
Jordy Cobelens, Chief Executive Officer, TW Steel

Do you have to educate your customers since you offer a high level of quality and technology at your price point?

It's not something we specifically highlight. We use certain materials and finishes so the watch looks expensive. It's difficult to explain because with all the detail that goes into the production, it's hard for people to understand. This is partially because of the amount of time we put into the details of the design.

The finishings, such as the different types and colors of leather, are investigated for as long as is necessary to get them to perfection.

Will your growth from a product perspective be focused on additions to what you already have or will you bring in new collections?

Over the past few years, we have introduced several new collections. We started with the Canteen and then the Goliath and the Diver, so we have introduced a number of new families.

This year, we had a huge relaunch of the Canteen style with a big push on Canteen bracelets, which we've never done at that level before.

For next year, we have a very few new additions based on existing lines, as well as adding new families to the range. We're excited about this because that opens up new markets for us.

This year, our new push with the bracelets has excited our existing customers because it offers them something new. Next year, it will still appeal to our existing customers but it will also open up a new market, which is what we try to do every time.

You have also built strong collaborations around your product. What do you look for in that partner when you're collaborating?

There are individual partnerships, like the brand ambassadors we have, and other partnerships with brands like Formula 1 or Yamaha Racing. Of course, they need to represent the same values that TW Steel has. They need to be operating at the highest level and respect our knowledge about watch craftsmanship, while also having an eye for design. We've had some discussions with some very big corporations around the world that would seem to be very interesting, but they have different philosophies of what the watch should look like.

We need to be clear about the ideas on how to put it into market, what kind of product

we want, and what we want the price point to be. We have only had a few experiences where we decided something wasn't for us, although it was an interesting opportunity.

In general, we try to create product that reflects what the partnership is about.

What is your focus on distribution going forward?

We can see that the independent jewelers are struggling and they are a very important part of our business. However, there are stores that are developing themselves and working hard to get people in the doors rather than just waiting for them to walk in, which makes a big difference. This isn't the way it was 10 years ago; the business has really changed.

Department stores keep on growing. From a global perspective, we see that department stores are getting more business because people have less time. Everyone is always rushing, so they want to shop and get out. At a department store or mall, they get everything they need.

We see those active independents still progressing and they will survive in the future.

Is online still a revenue source for your market?

There is definitely a lot of growth opportunity there. We have our own online store so we are able to offer TW Steel directly from the brand itself but, of course, we allow our partners and retailers to sell online as well.

We have a good presence online with a lot of shops and they do well. We can't ever compete with our retailers so, in the end, we will always follow the recommended retail price in each country where we have a retailer. We don't allow discounting by official TW Steel resellers, but we try to offer the same experience in the store as we do online. In either case, customers can buy the watch, try it, and return it if they're not satisfied.

The future is going to be more about online retail because people feel more comfortable making a purchase online.

Is it difficult to still find creative time when you're dealing with building the brand?

I have to deal with a few operational issues, but I definitely try to not get caught up in that.

I have a great team that manages operations so my main job is to focus on selling and promoting the brand. ●

EDITORS' NOTE Born and raised in Amsterdam, Jordy Cobelens' father, Ton, forged his son's interest in timepieces as a watch distributor in the Netherlands. When Ton started his own watch brand, Jordy honed his entrepreneurial skills at school by selling watches to the fathers and relatives of his friends. During this time, as an accomplished DJ, he also founded his own record company, JC Records. In 2005, he entered the watch business full-time, seizing on the opportunity to head up TW Steel and front its development. Cobelens was named Ernst & Young's Emerging Entrepreneur of the Year for 2011 in The Netherlands.

COMPANY BRIEF TW Steel (twsteel.com), the name meaning "The Watch in Steel," concentrates exclusively on developing and leading the affordable oversized watch market established with the introduction of its first collection in 2005 in Amsterdam. With over 200 models in the collection, TW Steel is available in over 100 countries with leading sales in key areas such as Europe, North and South America, and Asia.

With your expanding product line and quality, what is your customer sweet spot?

We have always defined ourselves as affordable luxury. There are a lot of different terms people use, but there are fashion watches for the fashion brands, and then there are the real watch brands. When we started TW Steel, we wanted to create a very high-end looking product at affordable price points, which is why the product has been such a success. Even with no brand recognition when we started, it immediately sold very well because of the strength of the design. This has happened with every new launch we have done. The product sells well without any promotion, so when we start to promote it, sales only increase.