

The Expansion of a Niche Luxury Watchmaker: Sjöo Sandström in Europe

**Nikolai Ostapenko
University of the District of Columbia**

The global watch industry is growing and evolving by constantly responding to fluctuations in consumer demand for luxury purchases and growing competition from new wearable smart electronic gadgets, such as Apple watches. The latest industry challenge is a recently released golden smartwatch that immediately entered the price range traditionally reserved for Swiss timepieces. Global Swiss watch sales remain strong and sustainable thus far, especially in the BRICS (Russia, Brazil, India, China, and South Africa) markets. Other makers of expensive watches, including the manufacturers of many private luxury watch brands, are less securely positioned. Newcomers from other countries, such as the Swedish brand Sjöo Sandström, normally must adopt a niche positioning strategy within the industry, which the Swiss have historically dominated. This approach to marketing should be revised, because the company has enough rigor, style, and innovations to offer the world. The objective of this analysis is to formulate corporate marketing strategies for expansion beyond Sweden and to discover and discuss potential opportunities and risks that will affect the company's attempt to introduce its brand to European capitals. Sjöo Sandström's current competitive position will be analyzed in the context of the market for global luxury watches. The company's marketing mix will be evaluated in terms of the specific new markets chosen. A thorough analysis will yield recommendations to help the company overcome market challenges and place itself appropriately among the top luxury watchmakers.

INTRODUCTION

Sjöo Sandström is a young but prominent company. It has been steadily expanding since its inception in Stockholm in the late 1980s. The company's luxury watches are currently marketed successfully from Norway to Dubai and from China to North America. Its main objective remains to "combine the art of engineering with the Swedish heritage." This approach influences everything in the company's manufacturing process, from the selection of materials to the intricate craftsmanship apparent in every watch. Sjöo Sandström is in the process of turning a relatively small Swedish brand into one of the powerhouses of the industry.

Because Sjöo Sandström has a very limited workforce and substantial financial restraints and continuously faces ups and downs in the luxury market, every decision the company makes must be carefully considered to promote continuing success. Recently it began a new stage of global expansion into London and Berlin, very desirable locations with potential customers who have impressive purchasing power, but also fiercely competitive and finicky markets for luxury watches. This expansion is a bold move for the small company. It could be a critical stepping stone that will enable Sjöo Sandström

to raise itself to the very elite level of the watch crafters' hierarchy. If it fails, it may very well injure or even bankrupt this promising Swedish entrant into the luxury market.

Why is the company specifically targeting the London and Berlin markets? These cities are the capitals of the strongest European economies. They have significant numbers of wealthy residents and host business visitors and endless crowds of tourists from all over the world. Both cities have traditional cultural links with Sweden dating back over a thousand years to the Viking expeditions. The Scandinavian influence is especially evident in London, where numerous residents have some sort of Viking heritage or are interested in exploring Swedish connections. Shopping for fashionable timepieces, jewelry, and clothes is a longstanding tradition for Londoners and visitors to the British capital. In general, such customers can afford to buy expensive timepieces to indulge themselves and to present to others as gifts.

In comparison with other cultural centers such as New York, London, and Paris, Berlin is a relatively "cheap" city, where it is easier for up-and-coming young professionals to start their careers and ultimately raise their incomes. Berlin has a population of around 5,200 Swedes, 500 of whom work in the fields of culture and style. The cultural scene offers many possibilities and various options that are lacking in the Scandinavian countries, which are smaller in size and have a narrower range of entertainment offerings and less cultural diversity. Because of the close cultural relations between Sweden and Germany, it is very easy for Swedes to feel at home in Germany, particularly in multicultural Berlin, where non-Germans easily fit into the local lifestyle.

The cultural diversity of London and Berlin allows foreigners to retain parts of their own culture and at the same time actively participate in local traditions and help to shape the identity of these capitals. In both cities, social attributes and material symbols are significant and widely discussed and assessed. Shopping is deeply embedded in the lifestyle of those who constantly seek proof of their own social status, and a nice watch is definitely an accessory that serves this purpose. And these circumstances allow Sjö Sandström a rapid entry.

INDUSTRY RIVALRY

Global interest in *haute horlogerie* grew by 23% in 2014 in comparison with the previous year, especially in Brazil, China, France, Germany, Hong Kong, India, Italy, Japan, Mexico, Qatar, Russia, Saudi Arabia, Singapore, Spain, Switzerland, Thailand, Taiwan, the UK, the UAE, and the US (World Watch Report 2015). The industry is well represented by approximately 20 super-posh brands, including Rolex, Breitling, Omega, Tag Heuer, Cartier, Breitling, Patek Philippe, Longines, Audemars Piguet, Hublot, Jaeger-Lecoultré, Panerai, Rado, IWC, and Vacheron Constantin. According to the World Watch Report of 2015, three of the most recognizable brands in the price category of approximately US\$10,000 are Jaeger-Lecoultré's "Reverso," Audemars Piguet's "Royal Oak," and IWC's "Portuguese" chronographs (World Watch Report, 2015). These three brands account for approximately 21.6% of all internet searches for luxury watches. The other 78.4% consists of more than 100 various brands. The industry is an extremely competitive one in terms of the market power of brands (*ibid.*). In addition, most consumers within this segment have a good understanding of the mechanics of the fine watches as well as a clear idea of what they want to own, as a watch of this caliber is more than a timepiece accessory. It is a statement to others of who one is and what lifestyle one wants to pursue.

Sjö Sandström is a small player in this market ruled by the Swiss luxury giants. The company's total sales were roughly US\$1.5 million in 2013 (Sjö Sandström Annual Report, 2014), whereas Rolex, the world's largest watch company, had total revenue of approximately US\$5.5 billion. In terms of units, this means that Rolex sold 800,000 to 1 million watches during fiscal 2013. The company's most popular line, the Chronolink, has been sold to only around 4,000 customers since its introduction in the early 1990s (personal interview, Niklas Valfridsson, CEO, Stockholm, June 2010).

The company's main competition is not limited to big watch brands such as Rolex, Tag Heuer, Omega, and Breitling, which offer timepieces in the same price range as Sjö Sandström's products. One can easily believe that the main competition would come from a company such as Tag Heuer, because it

offers “sporty” watches of superior quality in the very same price range. However, a more likely competitor is the Swiss watch company IWC, even though its watches are in a higher price range. One should bear in mind that all the above-mentioned luxury brands are currently very well established in most of the world markets where the Swedish company also offers its products but has not yet gained much brand recognition (personal interview, Jarl Sandin, luxury store owner, Gothenburg, June 2010).

THREATS FROM NEW MARKET ENTRANTS

Any industry offers a challenge for entry, given threats such as high-volume conditions, wide product differentiation, special capital requirements, prohibitive switching costs, restricted distribution channels, and peculiar government policy. All these factors determine how high an international entry barrier will be for a given company.

Sjöo Sandström will have to face various countries’ entry barriers, which are yet to be harmonized in the EU regulations, as well as the reaction of established companies that have traditionally sold watches in Berlin and London. Competition hurdles appear in terms of brand recognition and customer loyalty, buyer/seller relationship, and brand awareness built through advertisement, after-sales services, and product differentiation, or simply based upon a company’s history that has allowed it to enjoy an early, first-mover advantage. The Swedish company’s main focus should be on reaching consumers and creating long-lasting relationships with them. Other factors that may be of concern are the cost of breaking into the Berlin and London luxury watch markets and the cost of sustaining a competitive advantage there. Sjöo Sandström has trouble taking advantage of the economy of scale because it employs only 10 highly qualified workers and also must distribute watches in unfamiliar and very competitive markets (personal interview, Niklas Valfridsson). This limitation could be overcome if the company manages to establish itself as very exclusive and to build a fan base within a short time.

SUBSTITUTES AND COUNTERFEITS

Michael Porter’s five-forces framework describes a given buyer’s propensity to substitute one product for another one, based on the ratio between price and performance. Other factors that come into play are the perceived level of product differentiation and the buyer’s switching costs, which in this case will be mainly psychological. Because the company’s watches are sold in the luxury market, where products come with a hefty price-tag, one can easily find far-cheaper substitutes. For example, any consumer can buy a perfectly functioning timepiece for just a few dollars. If one is looking for both style and affordability, a Swatch watch meets both criteria, and the entry-level price remains a fraction of what one would have to pay for a Sjöo Sandström product. There are plenty of direct substitutes for mechanical watches. The main ones are digital watches, including those built into mobile phones and other consumer electronics or cars; quartz watches; and, of course, the cheaper low-branded mechanical timepieces.

Replica watches or counterfeits are very common in the watch industry. Most luxury brands sooner or later encounter counterfeits or “fakes” that sell cheaply under a brand name but are of inferior quality and do not last long. Swiss watchmakers have suffered enormous losses through the years due to fakes, and distribution of Swiss watch replicas is now a very well-run global shadow business. According to Prendergast and Chuen, counterfeits have a damaging effect on a brand’s essence and ultimately cause a decline in authentic watch sales (Prendergast, et.al, 2002). Sjöo Sandström’s products, on the other hand, are not yet so well recognized that it would be profitable to sell them in “counterfeit versions.” However, the first, poorly crafted, replicas have recently appeared in the black market in Thailand (Brou, M, 2010). Even though knockoffs are potentially harmful, the company’s CEO humorously stated that “When they start to copy your work, that’s when you know you’ve made it!” (personal interview, Niklas Valfridsson).

BARGAINING POWER OF SUPPLIERS

Depending on how big a player you are in the luxury watch market, bargaining power belongs to either the customers or the suppliers of the company. Because most of the actual work is done by the watch companies, which assemble outsourced parts and make top-selling products, whereas suppliers are somewhat replaceable, the bargaining power of the latter is low. And because multibillion-dollar companies such as Breitling, Rolex, and Cartier sell massive amounts of watches each year, suppliers are much more dependent upon their contracts, in comparison with the Swedish company. An increase in the price of the materials used in the watches either lowers the profit margin or increases the retail price of the product. Because the *haute horlogerie* market is fairly price-insensitive, a higher price does not have an especially large impact on consumer demand. Further, the company is also exposed to fluctuations in currency exchange rates, because it orders the internal mechanism from Switzerland, while many of the precious metals and gems used in the manufacturing of the watch are imported from other countries. Further, the company takes great pride in the quality of steel used in its watches and is therefore highly dependent upon good-quality steel suppliers. One thus assumes that the suppliers' bargaining power is low to moderate.

BARGAINING POWER OF CONSUMERS

Because the products are not standardized and consumers do not buy luxury watches in bulk, the bargaining power of customers is not strong. Buyers in the luxury watch market expect distinctive, high-quality watches, they want the finest mechanisms and materials available, and they also expect to be offered the best service "experience" during the purchase and after-sale support. The focus is therefore not on the price of the product *per se*. Sjöo Sandström does not offer discounts, and a consumer does not think of waiting for a sale event or putting pressure on the company in that regard. Consumers generally tend to be much more price-sensitive when it comes to commoditized products. When the cost of a product or service is substantial, the price is expected to be high. However, when, as here, a consumer requires additional services such as expert advice, an interesting, fresh product selection, proper delivery, warranties, maintenance, invitations to events, and newsletters, a company tries constantly to refine and emphasize the service-oriented sales approach that pays company the back by steadily building a fan base and brand recognition. While expanding its production line with several new watch models and moving into a number of new markets, Sjöo Sandström showed signs of strength and resistance to the recent recession experienced by most of the world's luxury industries.

The analysis of Sjöo Sandström's position in the luxury watch industry reveals benefits, including niche-type market presence, the distinctive Swedish quality of manufacturing and styling, great customer service in stores, an excellent reputation among fans, and tight brand control, as well as some problems, such as limited opportunities for immediate expansion, a relatively slow pace of innovation, an inability to compete actively with the major luxury watch brands, the modest financial backing for global expansion, and agent-dependent distribution. In the following part, we will address these problems.

SJÖÖ SANDSTRÖM'S INTERNATIONAL MARKETING STRATEGIES

Products

Because the watch industry's major brands offer a broad variety of products and accessories, Sjöo Sandström has plans to expand its product line. But as a result of its small size, the company is experiencing many manufacturing limitations and implementation delays.

Customers can currently choose among 40 different models in the men's product line and 17 in the women's product line. The company has worked hard to position its products as well as the brand itself as "enigmatic and exclusive," well representing the Swedish heritage in design. As we mentioned above, the clockwork in the company's various upscale models comes from a manufacturer in Switzerland. Upon arrival, the mechanisms are refined in the company's workshop by its in-house watchmakers. The

materials used in the watches range from expensive precious metals and gems such as gold and diamonds to the Swedish steel used in cannon from the famous Bofors Works. Sjöo Sandström and the Swedish military, in a collaboration that clearly relates to the Swedish heritage, continuously work together to upgrade the digital technology used in some watch models for military personnel. This fact adds another element to the brand image and uniqueness of the Swedish brand image.

Generally, the company's design is sleek and exudes elaborate craftsmanship. The models offered for sale vary from modest metal watches with leather straps to many "attention seekers" in which the metal is replaced by gold and diamonds and the strap is made of alligator skin. Each product represents a timepiece of extremely high quality, handmade of the finest materials but with emphasis upon Swedish functionality and Nordic simplicity of styling. The company currently offers only wristwatches, but it is in the process of incorporating cufflinks and briefcase product lines (personal interview, Niklas Valfridsson). This development will add to the visibility of stores and brand.

A recently introduced new watch model – Royal Capital – has an interesting, unique innovation in the movement. It stems from the Swedish-Swiss collaboration and features a custom-designed micro-rotor technology. This rare configuration features a modified layout and distinctive bridges. The price ranges from US\$8,650 to US\$20,600, depending on the version. The unique mechanical construction of the movement created a positive buzz among brand fans and collectors worldwide (Kansa, P, 2014).

The smart-watch challenge was intensified by worldwide release of the Apple watch in early 2015. Some luxury Swiss watchmakers took the release very seriously and decided to create some even "smarter" watches (see Switzerland, 2015). On the opening day of Baselworld in March 2015, a press conference was held to announce a groundbreaking new partnership between TAG Heuer, Google, and Intel that is expected to result in the creation of a first Swiss version of the smart watch: an Android Wear timepiece powered by Intel technology. More Swiss smart-watch details are expected to be released in October 2015. This event should prompt the company to think along similar lines about the future smart watch-line now in development. A successful brand expansion relies upon positioning and differentiation strategies. Further, every model has a story that will be spread through the world to further reinforce the mystique and exclusivity that surround the company's brand image.

Pricing

Sjöo Sandström prices range from approximately US\$3,000 to US\$20,000 dollars per piece, depending on the model that a customer chooses. With respect to its main competitors, such as IWC, the Swedish company offers a cheaper alternative. IWC charges around US\$4,500 for its very basic models and goes well beyond US\$20,000 for its more sophisticated ones. Companies such as Tag Heuer, Rolex, and Breitling provide alternatives in the same price range as Sjöo Sandström but do not target the same consumers. Pricing in the luxury watch industry is not a "deal maker" in the sense that price is what actually would close a deal. The pertinent factors are brand recognition, features, style, history of the brand, and the lifestyle that the watch reflects (personal interview, Niklas Valfridsson). A distinct character and a story are much more "sellable" attributes for a watch. And the company understands this well but still bases very modest marketing decisions on these selling points.

Place

Sjöo Sandström currently offers its products in boutiques across China, Dubai, Oman, Iceland, United Kingdom, United States, Germany, Norway, a few Caribbean countries, Spain, Turkey, the Benelux countries, and Sweden. However, most of these countries are fairly new to the company's distribution network, and the entry strategy employed is export through dealers who decide which retailers will carry which models, and in which cities the company's products should be made available first. The company currently owns just one flagship specialty store in Stockholm, though it has other dealer-style distributors in Sweden. Sjöo Sandström also has a lavish promotional website that emphasizes the mystique and luxury of the brand. However, the website is not transactional and does not provide an option to buy a watch online directly from the company. As we suggested above, locational strategies for London and Berlin entry should be very selective because the stores there will reveal the ability to distribute directly.

Particular locations and appropriate incorporation into the local retail landscape should capitalize on the uniqueness of the brand in order to attract new crowds of admirers to enter the stores. Better management and proper use of the new direct distribution opportunities for the brand are challenging for a company that has never attempted an overseas expansion before. Local retail consultants must be employed and serious commercial real estate studies made beforehand.

The company should consider opening a store in the fashionable neighborhoods that attract multicultural, well-to-do, and sophisticated shoppers. For instance, by opening a boutique on Savile Row in Mayfair, in Central London, where famous men's clothing stores are located, the company can place its products in the very midst of the City crowd and demonstrate that one can select a custom watch in the same way that one buys a custom suit. At the same time, the company can keep the operating costs under control. By choosing a trendy address, the company can prove that Sjöo Sandström is focused on customer satisfaction and excellent personal service. A potential area for the company in Berlin would be the neighborhood around the new Mall of Berlin on Leipziger Platz, famous not only for its historical buildings but also for luxury jewelry shopping opportunities that comport with the Sjöo Sandström brand.

Another opportunity is to capture the attention of world travelers. Since the company's target customer group is educated businesspeople with an international background, it needs to sell its products at airports via existing World Duty Free (WDF) stores that specialize mainly in spirits, wine, champagne, fragrances, skincare, cosmetics, sunglasses, watches, jewelry, and handbags. The London and Berlin airports are the world's busiest (Airports, 2008). Both cities operate several airports filled with an international crowd of businessmen and tourists. Depending upon the size of a store, the company has an opportunity to offer its products for sale there. The absence of a VAT will be an additional and popular material incentive for customers traveling outside the EU to save money on a luxury watch purchase.

As previously mentioned, Sjöo Sandström does not offer its products on the company's website, and the only way to buy one of its watches is to find a nearby distributor. This is not a path the company should follow if it wants to succeed in London and Berlin as well as other world markets in the future. Internet sales will be of greater importance, because Sjöo Sandström is a young brand that positions itself as unique but has a limited physical distribution network. Watches are a type of merchandise that is easy to deliver. Warranty coverage is available, and cost-free shipping and maintenance are offered. An internet sales strategy is also fairly inexpensive because the only investment involves the development of a secure and attractive "web shop" in addition to the promotional website. A future strategy could also be the sale of products through other internet retailers such as Amazon.com and E-Bay.com through the creation of an online boutique presence.

PROMOTION STRATEGY

Sjöo Sandström engages in print, catalogue, store display, and event advertising. Radio and television commercials are not being employed anywhere so far. Because it is such a small company, Sjöo Sandström's marketing efforts are quite limited by its scarce resources in terms of both money and manpower.

Nonetheless, Sjöo Sandström has developed a unique mix of marketing strategies:

Glossy magazines and lifestyle newspapers: The company advertises its products in popular Swedish magazines such as *King*, *Connoisseur*, and *Café*. Advertisement in newspapers is available only when the company hosts exhibits and its representatives visit retailers throughout Sweden.

Internet advertisement: Internet sales and promotion of luxury goods is a controversial tool. Some European customers believe that a brand that is offering products for sale via internet is no longer a luxury brand. However, Sjöo Sandström advertises on retailers' websites. Therefore, the next step should be promotion through social media. This would

immensely help the company to position its brand for “generation Y” customers, young people who prefer to use computers and the internet to buy new products.

Brand ambassadors: There are public figures to whom watches have been presented as gifts in the belief that these individuals represent the values and character of the brand. Stefan Edberg, a former world tennis champion turned venture capitalist, and Rickard Rydell, a renowned racecar driver, are both considered “ambassadors.” Celebrity endorsements exuding *Swedishness* represent a cost of manufacturing just a few additional pieces.

Public events: Sjöo Sandström focuses its marketing efforts on events connected to the promotion of Swedish culture and history. The company chooses events such as the “Swedish Open,” a popular tennis tournament in Båstad, and the “Volvo Ocean Race,” an annual world sailing competition.

Cross-branding: Sjöo Sandström launched a campaign in Germany jointly with the local automotive company Volkswagen to give every car buyer a free watch (Volkswagen, 2010). This effort is supposed to target mainly males worldwide via additional exposure through the Volkswagen dealers.

Limited editions: Sjöo Sandström, like its Swiss competitor Audemar Piguet, uses specially made timepieces to attract attention to the company’s craftsmanship and its products. The company does not want to sell big lots of just a few popular models; it wants to sell small lots of different models and thus remain exclusive and refined (personal interview, Niklas Valfridsson). Sjöo Sandström has worked with individual distributors to develop certain watch styles that are available for sale at selected locations (Hagen, S, 2014).

The art of the sale: When a potential customer steps through the door of Sjöo Sandström’s retailer, salespeople will recount the story of the company and educate customers about the intricate workmanship and materials used in its watches. The company tries to train its retailers through workshops and constant internet updates about the new models. Further, the company is working hard to establish a deep personal relationship with its clients by offering the option to visit the Stockholm headquarters and to become familiar with the actual manufacturing process. It is a popular means of branding that yields very positive outcomes. Unfortunately, it is an expensive one.

FUTURE INTERNATIONAL STRATEGIES

Sjöo Sandström needs to position its brand and products abroad in the same way as it does in Sweden, but adapting its marketing strategies to particular local cultures. To act quickly, the company should concentrate not only on the expansion of online sales and advertising but also on other market promotional tools, such as public events, brand ambassadors, cross-branding, and a high standard of customer service.

Enhanced online presence: Sjöo Sandström should focus on promoting its products on websites, blogs, forums, etc. Emphasis should lie on giving a potential customer an authentic and lavish experience when visiting the corporate website and web boutique, dealing with customer service on the phone, downloading brochures, and using e-mail to communicate with the main company in Sweden. Further, a live feed from the actual workshop, where customers would see their watches being made, could be of interest.

Sjöo Sandström has no capacity to go head-to-head with the big players in the industry or even to copy Rolex's or Breitling's expansion and promotion strategies. The company needs to find its own way into foreign markets. Internet sales and advertising might be the "backdoor entrance" it is seeking for accessing the London and Berlin markets. The company should therefore continue to develop its newly constructed Facebook page and should create a Myspace page. It also should consider using Twitter and blogs to generate buzz about new products. Currently, Rolex is the watch brand with the most fans on Facebook – 4,173,114 in comparison with Sjöo Sandström's page, which has only 6,476 fans (Facebook, 2015). In other words, the company has a huge growth potential by actively incorporating online marketing strategies and an extensive promotion through social media. It has a chance to put a small Swedish brand in a position to "blitz" the competition and claim decent market shares in both cities.

Brand ambassadors: London and Berlin are multicultural cities with many up-and coming designers, artists, celebrity actors, performers, and athletes. By giving watches to designers, pop stars, and athletes such as the Swedish pop artist Robin or racecar driver Mattias Ekström, the company will further reinforce its brand positioning in the new markets. Ambassadors should also be "educated" about corporate history and values. Without offering its products for free to local and European public figures, the company might fail to achieve desirable brand recognition in the rest of Europe.

Public events: By sponsoring fashion shows, pop concerts, and other public events, Sjöo Sandström can demonstrate that the company is constantly looking for new ideas and that its watch is made for people who appreciate modern art, fine craftsmanship, technological innovation, and Nordic design. Release parties for musicians and presentations are another way to promote products and increase brand recognition. The company must continue to nurture personal relationships with its customers and should therefore host annual receptions and other events for existing as well as potential customers. Without combining social media with "hands-on" promotion, such as brand ambassadors and event sponsorships, the brand has little to no chance of establishing itself in either market.

Online customer engagement: Because the *haute horologie* market is very competitive, and many companies, including Cartier, Rolex, Breitling, and Hublot, do not offer their products online, Sjöo Sandström has a real chance to be the first luxury watch company to seize this opportunity and subsequently gain a first-mover advantage that will allow it to be perceived as a young, unique, and "e-gadget" watch company. Word-of-mouth is no longer restricted to real-life interactions, and therefore viral marketing should be adopted as a viable online sales tool. In addition, the company should put effort into "consumer experience management," enhanced by handwritten letters to customers, customer appreciation calls, and e-mails, in conjunction with an attractive way of conducting online sales.

CONCLUSION

As Sjöo Sandström seeks a long-term presence and success in London and Berlin, we strongly recommend implementation of the following strategies:

1. Establish a stylish and inviting Sjöo Sandström web boutique that lures customers' attention away from price toward the product's attributes and sophisticated brand image.
2. Promote the Sjöo Sandström brand and products through social media via blogs, forums, Facebook, Twitter, and the like.

3. Target the European airport crowd in duty-free boutiques by offering Sjöo Sandström's products in the watch/jewelry section.
4. Open specialty stores in London and Berlin's popular shopping areas, designed to show appreciation of the diversity, history, and cultural achievements of both cities.
5. In stores, focus on customer retention and appreciation, impeccable service, and technical support and offer promotional events and presentation parties.
6. Employ brand ambassadors who are famous people residing in London and Berlin with an obvious connection to Swedish heritage and the Sjöo Sandström brand.
7. Get involved in the development of the "connected watch" application or a new "smart watch" product line similar to TAG Heuer's recent effort through partnerships with high-tech giants.

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