

Building trust

As stolen watch databases and authentication services grow increasingly sophisticated, Ruth Faulkner explores why provenance is becoming just as important as authenticity in the luxury watch market

For years, the pre-owned luxury watch industry was focused on one fundamental question: is it genuine?

As the pre-owned market has grown from a niche collector segment into a mainstream channel for luxury purchases, authentication has become a cornerstone of the buying process. Retailers, marketplaces, brands and consumers alike have invested heavily in verification services designed to protect buyers from increasingly sophisticated counterfeit products. Yet as the sector continues to evolve, another question is rapidly gaining prominence: where has the watch been?

That shift was brought into focus in May, when global marketplace and resale platform Ebay announced the integration of Enquirus, the world's largest free database of lost and stolen luxury watches and jewellery, owned by Richemont, into its Authenticity Guarantee programme across the UK, US and Germany. Going forward, every luxury watch authenticated through the service will be checked against the Enquirus database before being sent to buyers. The move reflects a broader change taking place across the luxury watch sector. Increasingly, authenticity alone is no longer enough.

"Trust has become central to purchasing decisions in the pre-owned luxury watch market," explains Kirsty Keoghan, general manager of fashion and luxury for Europe at Ebay. "Buyers today are highly informed and move quickly when rare or desirable models become available, but they also expect transparency and security. Authenticity, condition and a documented history are now expected as part of the buying experience."

It is a significant evolution for a market that has experienced extraordinary growth over the past decade. As values have risen and collectors have become increasingly comfortable purchasing high-ticket items online, the



secondary watch market has matured considerably. Alongside that growth, however, has come greater scrutiny.

According to Keoghan, consumers are now looking beyond simple authentication certificates and seeking reassurance about every aspect of a watch's history. "When we launched Authenticity Guarantee, many buyers were still cautious about purchasing expensive items online," she says. "Today, expert authentication and independent verification have helped make online resale far more mainstream."

The challenge facing the industry is that provenance can often be far more difficult to establish than authenticity. A watch may be genuine, complete with original components and supporting documentation, yet still have a problematic history. It could have been reported stolen, involved in insurance fraud or passed through multiple channels without sufficient traceability.

For Sarah Dixon, project director at Enquirus, addressing that gap was the driving force behind the creation of the platform. "Watch and jewellery theft is a recognised global challenge," she says. "Luxury watches are highly valuable, portable and easily traded

Ebay's Authenticity Guarantee aims to increase customers' confidence in buying luxury watches online

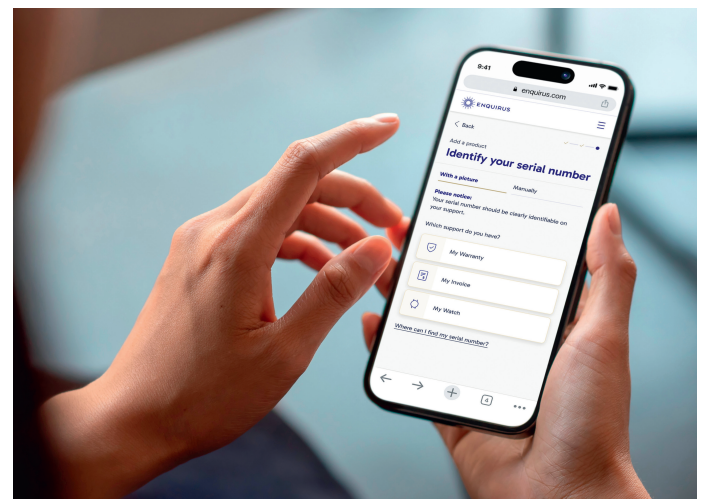
"Expert authentication and independent verification have helped make online resale far more mainstream"

Kirsty Keoghan
Ebay

internationally, making them attractive targets for organised criminal networks."

At the same time, she notes, the pre-owned luxury watch market is expected to become as large as the primary market within the next decade. "Until now, the industry lacked a centralised, industry-backed, reliable solution for registering, reporting and searching for lost or stolen watches and jewellery," she says. "Everyone was trying to address the issue in different ways, but the fragmentation made it difficult for retailers, insurers, marketplaces and consumers to identify stolen products within the secondary market."

Founded as a collaborative industry initiative, Enquirus aims to provide a single point of reference for brands,



EBAY AND ENQUIRUS

◀ retailers, insurers, law enforcement agencies and consumers. The database now contains more than 40,000 reported lost or stolen items, covers 172 countries and includes in excess of 200 watch brands.

The scale of the issue has become increasingly difficult for the industry to ignore. High-profile thefts have made headlines around the world, while organised criminal networks have become more sophisticated in moving stolen luxury goods across international borders.

For Dixon, tackling that challenge requires unprecedented levels of cooperation. "International cooperation is absolutely essential," she says. "Criminal networks involved in luxury watch theft operate across borders, so fragmented national approaches are no longer sufficient."

That collaborative approach extends beyond brands and retailers. Enquirus now works with police forces in more than 30 countries, alongside insurers, marketplaces and international organisations including Interpol and Empact, the European Union's flagship security initiative for combating organised crime.

Technology is playing an increasingly important role in enabling that cooperation. From serial number verification and advanced search capabilities to artificial intelligence-powered image recognition, digital tools are helping create a more connected luxury ecosystem.

Enquirus has also developed a secure digital vault, allowing consumers to store invoices, warranties and certificates, helping build a more comprehensive ownership history over time. "Consumers increasingly want reassurance not only that a watch is authentic, but also that it has a legitimate and transparent history," says Dixon. "The serial number is key to establishing a watch's history and identity, which is why educating clients on where to locate it, how to interpret it and why it matters is so important."

Consumer education may ultimately prove just as important as technological innovation. Historically, many buyers focused almost exclusively on whether a watch was genuine. Today, industry leaders are increasingly encouraging consumers to think more broadly about provenance, documentation and ownership history. "Many buyers still focus solely on authenticity, but provenance is equally important,"



Dixon explains. "A watch may be genuine, but that doesn't necessarily mean it has a legitimate history."

The growing importance of provenance is also influencing expectations across the wider resale sector. Keoghan believes initiatives such as the Enquirus partnership have the potential to reshape industry standards beyond Ebay itself. "When an online marketplace the size of Ebay raises its standards, it tends to shift expectations across the market," she says. "If buyers come to expect provenance checks on Ebay, they'll start asking for the same level of assurance elsewhere."

That trend is unlikely to be confined to online marketplaces. Independent watch retailers, jewellers and specialist pre-owned dealers are all operating within a marketplace where consumers are becoming more informed and increasingly expect transparency.

For many retailers, this presents both a challenge and an opportunity. While enhanced authentication and provenance checks may require additional investment and processes, they also offer a powerful means of building trust with customers. In an environment where consumers have more choice than ever before, confidence can be a significant differentiator.

The direction of travel appears clear. What was once considered



Ebay's Authenticity Guarantee provides independent authentication for luxury watches



"A watch may be genuine, but that doesn't necessarily mean it has a legitimate history"

Sarah Dixon
Enquirus

an added-value service is rapidly becoming an expected part of the luxury buying journey.

"Absolutely," says Keoghan when asked whether authentication and provenance services will become standard practice across the luxury resale market. "As the market grows and values continue to rise, buyers will increasingly expect independent verification as standard. What was once considered a premium service is quickly becoming a baseline expectation."

Dixon shares a similar view, arguing that the industry's long-term success will depend on greater collaboration, stronger digital infrastructure and wider adoption of shared standards. "We would like to see broader adoption of our shared database, deeper collaboration between brands, insurers, retailers, marketplaces and law enforcement agencies, and clearer standards around transparency and disclosure," she says.

As the luxury watch market continues to expand, trust remains its most valuable currency. But increasingly, trust is no longer built solely on proving that a watch is authentic. It is also built on proving where it came from, who owned it and whether its journey through the market is as legitimate as the timepiece itself.

Going forward, provenance may prove to be just as important as precision for the watch industry. ●