

MIDDLE EAST MOMENTUM

With a new fashion council, a revamped fashion week and a growing reputation as a launch pad for big brand events, Dubai is evolving into a fully-fledged fashion capital for the Middle East and North African market.

DUBAI, United Arab Emirates — When the Ibn Battuta Mall opened 10 years ago, it was one of Dubai's premier shopping attractions. Part of the mall's allure was its epic architectural narrative, told through a patchwork of larger-than-life styles that harked back to a 14th century expedition made by its famous namesake: Ibn Battuta was one of the Arab world's greatest explorers, traversing North Africa, Egypt, Persia, India and places far to the east of the Islamic realm, in an odyssey that surpassed Marco Polo's.

Today, the building dedicated to him seems almost bashful next to brazen giants like the Mall of the Emirates and the Dubai Mall, which have eclipsed it both in prestige and wow factor. It will appear even more humble when the city's gargantuan Mall of the World breaks ground on a site the size of 200 soccer pitches. Yet the Ibn Battuta Mall is a potent reminder of Dubai's long-standing ambition to become a centre for business across the 20 or so countries that make up the Middle East and North Africa (MENA) region, stretching from Morocco in the west to Iran in the east.

WHY NOW?

There is no doubt that Dubai's fashion scene has undergone several upgrades over the past decade. But one of the

most important developments is that industry leaders outside the MENA region have finally begun to get a better grasp of its unique dynamics. Brand executives and fashion insiders from Europe and the USA spent many of the early years misunderstanding the Khaleeji consumer in the Arabian Gulf and underestimating the diversity of taste from around the wider MENA region. Louise Nichol, editor-in-chief of Harper's Bazaar Arabia believes that some were "short sighted" when they entered, and that others have been "snobbish" in their approach since.

Although there is still a long way to go, international players are now — broadly at least — better armed with market intelligence and better prepared for the local business culture. Perhaps this goes some way towards explaining why there has been an upsurge in support from key international figures, such as Karl Lagerfeld and Vogue Italia's Franca Sozzani.

Sozzani's initiative, the Vogue Fashion Dubai Experience, provided a key rallying point when it bowed three years ago. Since then, Dubai has become an important showcase for global product launches and marketing events like Chanel's cruise show, Swarovski's couture exhibition and Marc Jacobs' international launch of his new scent, Decadence.

Such momentum has been important because an endorsement by

the global fashion fraternity lends credibility to Dubai's reputation beyond pure purchasing power — exactly what the city needs more of if it wants to provide an anchor for the MENA fashion region and get promoted from retail hub to fashion capital.

ALL EYES ON DUBAI

One way to see how Dubai is able to turn regional ambitions into reality is to examine the very fabric of its society. In the United Arab Emirates, where Dubai is located, only 15 percent of the country's 9 million inhabitants are native Emiratis and, although expatriates from Asia and Europe feature prominently in the city's workforce, it is the network of expat Arabs, Turks and Iranians working there who give Dubai the potential to access many of the 430 million consumers in the wider MENA market.

Dubai may have already earned the regional MENA crown for some business sectors, but it has had mixed success uniting the fragmented region under a single fashion banner. While there is a consensus that the regional centre of gravity has shifted to Dubai, it is far from a one-stop-shop for global fashion executives.

To make deals in Beirut, Casablanca or Cairo, you often quite naturally bypass Dubai altogether. Even in cities much closer, such as

Riyadh, Kuwait and Doha, there is a sense that Dubai has yet to add enough value to make it an integral part of the bigger business equation. Localisation is key to success in this diverse region but it is Dubai's potential to lead and consolidate local networks across the MENA market — much of which remains underserved — that presents the city with a lucrative opportunity.

In spite of low oil prices and the contagion of armed conflict across the region, the World Bank estimates that economic growth in the region will increase from 2.2 percent in 2015 to 3.8 percent in 2017. Apparel and footwear sales in the MENA region totalled around \$93 billion in 2015 and will skyrocket 49 percent to \$139 billion in just four years' time, according to data modelled by Euromonitor International. Jorge Martin, the firm's apparel and footwear manager, calls it "one of the most dynamic and promising in the world of fashion today."

While many of Dubai's achievements are nothing short of astounding, the city's fashion fortunes hinge on its ability to penetrate this much broader market by realising a grander vision without resorting to gimmicks.

Evidence of this can be seen in recent strategies of two of the city's leading retail executives, Patrick Chalhoub and Khalid Al Tayer. The unprecedented scale and breadth of Chalhoub's Level Shoe District

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has lured in shoppers from far and wide since opening two years ago. Meanwhile, Al Tayer's decision to extend the Macy's and Bloomingdale's franchise will help expand his firm's footprint all the way to a new retail cluster being developed around Yas Island and Al Maryah, a two-hour drive from Dubai in the neighbouring UAE emirate of Abu Dhabi.

Dubai's current status as a retail mecca was secured thanks to even bolder steps in the earlier, wilder years of the city's evolution. Retail property moguls like Mohamed Alabbar and Majid Al Futtaim helped turn the city's strategic location into a regional hub and a global crossroads for mall culture. But it takes much more than money and bravado for a shopping capital to blossom into a fashion capital.

Beyond the palpitations of Dubai's retail scene, the other essential organs that breathe life into a fully-functioning fashion industry – from design prowess, to trade platforms, to educational institutions – have been comparatively slow to evolve. Now, however, there is a sense among market observers that Dubai has reached a turning point.

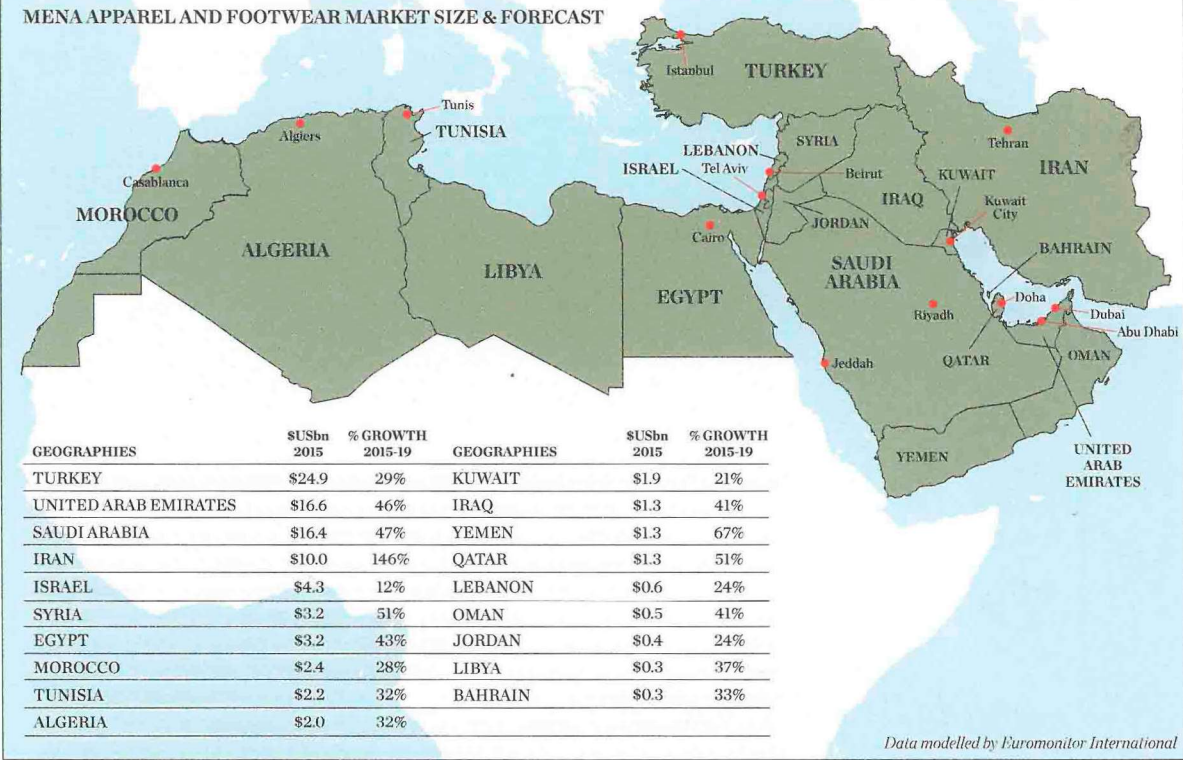
"Things are definitely improving as many people in the business have become aware of [Dubai's] shortcomings and are pushing hard to raise the bar," says Jamila Halfichi, fashion editor of Asharq Al-Awsat, a pan-Arab newspaper distributed across the Arabic-speaking world.

At the local government level, a more streamlined and unified strategy for the fashion industry is taking shape under a newly established Dubai Design & Fashion Council (DDFC) chaired by Dr. Amina Al Rustamani. Critically, behind the scenes, there are now plans in place to fix the fragmented nature of the city's designer showcase by re-launching Dubai Fashion Week – if not next year then soon after – which the DDFC believes will cut through the noise of the many fashion weeks and designer platforms that currently compete for attention.

According to Susan Sabet, the Egyptian founder of pan-Arab fashion magazine Pashion, some recent platforms like Fashion Forward and Vogue Fashion Dubai Experience have been beneficial, but others have been counterproductive. "There are some fashion platforms in Dubai that are purely for entertainment or they've been conceived only to turn a quick profit. It's just a matter of time before those vanish and the real B2B fashion platforms serving the industry dominate the scene," she says.

STRENGTH IN NUMBERS

Insiders familiar with the DDFC plan believe that the new consolidated fashion week structure could have sufficient power and influence to slow the exodus of talent from the region to Europe's fashion capitals.



While the next generation of young couturiers following Rabi'h Kayrouz from Lebanon or Rami Al Ali from Syria would probably continue on to cities like Paris, the hope is that Dubai will soon provide a meaningful stepping stone along the way and a permanent platform for other designers from across the MENA region.

"If we focus on collaboration within the region, we'll be able to contribute on a much larger scale to the global fashion scene and be recognised for our fashion standards, [and create] a ripple effect that benefits other countries across MENA," says Nez Gebreel, chief executive of the DDFC. "The feedback we're receiving from our counterparts in countries like Saudi and Kuwait is that the success we're having in Dubai is having a positive impact on these markets as well."

"We recognise that there are some major gaps in the market [though]. For example, Dubai doesn't currently have a higher education institution that would nurture up and coming designers [so] we're now putting a plan and strategy in place to establish the Dubai School of Design which will change that," she adds.

Relationships with regional garment manufacturing centres and textile industry leaders is another area where Dubai must raise its game. In order to strengthen the supply chain for a nascent MENA fashion industry, the city needs to better integrate factories in Turkey, Morocco, Jordan, Tunisia and Egypt into a sourcing network that can help the region compete globally.

"The key country for textiles in MENA is definitely Turkey, from upstream to downstream of the textile value chain; from weavers to trimmers, to huge factories and a leather

industry," says Guglielmo Olearo, the international exhibitions director at textiles fair Premiere Vision, which has a booming event in Istanbul.

"People often ask me why we don't do a separate show for Dubai. It's not substantial enough as the designers' ateliers are so small. From our point of view, it's still a bit like targeting designers from Qatar. They'll only want 10-20 metres maximum of very unique and elaborate fabrics. No, for us, growth in the MENA region is coming now from Lebanon and the key target for the future is Iran."

SENSE OF LEADERSHIP

Not all areas are so underdeveloped. The network of PR firms, showrooms, distributors and other fashion professionals in Dubai may be small but it is growing, and some important local players now exhibit a better sense of leadership, authority and corporate governance than they did in the past.

"Many of them are savvy business people who know their customer inside-out and have thriving businesses in the region. The lifestyle and culture in the Gulf dictates that tastes are very different to other regions, which is why designers that are successful here may not resonate elsewhere, but that doesn't mean that they're not relevant," says Harper's Bazaar Arabia's Louise Nichol.

The complex and varied interpretations of modesty in the MENA region and how they restrict publishing in some Gulf markets are two reasons for the limited number of quality high fashion glossies in the region. But according to sources familiar with the matter, Vogue Arabia will join Harper's Bazaar Arabia and Elle Oriental on the market within a couple of years. Although Condé Nast declined to

comment, industry insiders say that the publisher of Vogue is actively seeking talent in the MENA region to consider for top editorial positions.

There also appears to be greater consideration for the way that public investment is spent on projects that attract the private sector like Dubai Design District (D3), a neighbourhood where fashion firms and institutions can begin to put down roots – and not be quite so overshadowed by the brutal bottom line. "The notion of a creative community was previously unheard of in Dubai. It was a very individual affair," says Halfichi.

When it comes to urban planning, there is certainly no shortage of imagination among the rulers of the UAE. But whatever incentives or sweeteners are offered to designers willing to settle in dedicated districts, they face a fundamental challenge attracting some fashion creatives. Those used to Western standards of artistic expression have good reason to feel apprehensive about the country's punitive legal system and what critics characterise as a thin veneer of progress over an otherwise conservative society that outlaws homosexuality and poses challenges for the empowerment of women.

Nevertheless, in a part of the world marred by conflict and insecurity, the UAE trades on its stability and is hailed by many in the MENA region as a comparatively liberal place to base a creative business.

"Beirut and Cairo were once the fashion hubs of the Middle East but they've lost their dominance due to revolutions and wars. For the fashion industry to thrive you need a stable political picture and economy as well as a vision," says Sabet.

\$93 billion

Size of the MENA fashion market in 2015

\$139 billion

Projected size of the MENA fashion market in 2019

430 million

Number of consumers in the MENA region