LUXURY
IN THE GULF:
A SUSTAINABLE FUTURE?
INTRODUCTION

Intimate knowledge of the Middle East and its people is at the forefront of the Chalhoub Group’s business practices. The Group’s third white paper sets out to explore the region within and beyond the luxury industry to unveil an understanding of Gulf business, people and culture in the light of sustainability – crucial to all those partnering with the region and its future.

Sustainability in the Gulf – a paradox?

Thanks to rapid economic advancement, the Gulf region now boasts among the highest GDP per capita in the world. Nonetheless, the region suffers from the highest youth unemployment rate.

The Gulf is no longer solely one of the world’s largest energy suppliers but is also now one of the world’s largest energy consumers. Yet masterplans of environmentally–friendly living, such as the first low–carbon sustainable city in the world, have found a home in the region.

Gulf shoppers have once again taken the top spot in terms of highest international spenders. At the same time, countries of the region rank amongst the top ten nations of foreign aid by volume in the world. These three paradigms – economic, environmental and social – are at the heart of the region’s polarized, often paradoxical, approach towards sustainability.

Luxury and sustainability – conflicting values?

Deeply rooted inside luxury consumption, by nature non–essential, lie extremely strong sustainability values. A sustainable cycle of consumption is inherent to luxury since it is usually passed on to next generations. In its very essence luxury promotes and safeguards heritage, craftsmanship and resources of quality. It serves to create products of durability and timelessness against the cycles of fast fashion and wasteful overconsumption.

But is sustainability a deciding factor in the purchasing decision or an added value promoted by luxury companies?

According to research conducted by HEC, 65% of global affluent consumers surveyed claim that sustainability is not a part of their decision–making agenda when it comes to luxury purchases. Instead, luxury consumers expect luxury companies to serve as pioneers in sustainability. These consumers expect luxury brands to return to sustainable business practices that are inherent to basic luxury principles, such as craftsmanship and quality.
Sustainability today is no longer reserved for a few intellectuals, utopists or green-washing marketers. It has become a crucial image-shaping factor and a necessary business priority, anchoring current activities and opening doors for new business models.

“Puig, as a third generation family business, is committed to supporting a better legacy for future generations. For us, sustainability is part of our present and definitely a key part of our ambitious future. Since 1914, we made the art of perfuming our true savoir-faire, our métier. We, as a company, are focused on cultivating this métier in a sustainable and responsible way, while being faithful to the tradition of perfumery. Our 2020 sustainable plan has set high standards for our company that we are committed to achieve. As long-term partners we embrace and support the Chalhoub Group in their vision of making the Gulf region sustainable and business worthy.”
Marc Puig – Chairman & CEO Puig

So what is the story of sustainability and business in the Gulf? Can luxury business in the Gulf be sustainable? Is there even a story to tell, and what role can sustainability play in shaping the future of the region?

I. A MATTER OF INHERENT SOCIAL VALUES

“A nation without a past is a country without a present or a future.”
His Highness Sheikh Zayed Al Nahyan – Founder and first President of the United Arab Emirates

Ancient tribal structures have shaped the culture of the modern Gulf region – trust, generosity, giving, caring for the community, hospitality and social responsibility are integral to the region’s inherent social values which still feature prominently today.

• Community, solidarity and most importantly, trust are deep-rooted values in the society which stem from a Bedouin culture anchored in strong inter personal bonds forged for survival purposes. In the Arabian Peninsula, a sense of identity and belonging is derived from a line of ancestral patrilineal formations such as family, clans and tribes. To this day, a handshake often signifies more than the written word.

• Traditional regional customs include caring for the community through caring for the environment, the economic roots of pastoral nomadic societies. The traditional conservation model, Al Hima (الحِمْـى), sees pasture areas set aside for regeneration purposes. The ancient Bedouin resource management regulates the use of the land and protects it from economic exploitation. This sustainable approach has experienced a recent revival in the region through government initiatives.

• Traditional architecture created harmonious environments for harsh climates through sustainable designs. Wind towers offered a natural cooling system, alleyways were narrow with tall walls to make the best use of shade and walls were thick for natural isolation. This architectural heritage has seen a recent rebirth in the region, with projects such as Murraq city in Bahrain and Mshereb in Doha.

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• Generosity towards the community is also a pillar of Islamic tradition. The tradition of Zakat (زكاة) guarantees support through a fixed contribution for the community and in particular for those less fortunate. During the time of Ramadan (رمضان) sharing and giving to those in need are part of the month-long period of reflection. The Chalhoub Group’s consumer research on corporate social responsibility in the United Arab Emirates shows that overall residents donate over US$1,000 per year and are particularly driven towards underprivileged families and children (36%) and health and special needs (33%).

• In response to the harsh desert environment, hospitality (ضيافة) is an integral part of tribal generosity and follows a strict code of honour. This traditional support system emphasizes generous hospitality towards others, including strangers or even enemies. Custom dictates that food, drink, shelter and protection must be granted to the guest, which traditionally extends to three days of open unconditional hospitality… Kept alive to this day.

• Gifting is deeply engrained in the Arab culture of hospitality and generosity. When choosing a gift, high quality is a priority. According to the Chalhoub Group consumer research, brand reputation and store choice are the key triggers for purchasing gifts.

"For more than 150 years, Bernardaud has been the symbol of excellence in porcelain. The Arab culture of gift giving has provided a favorable terrain for the development of our brand in the Middle East. This meeting of traditions is the result of confidence and respect inherent in the partnership that Bernardaud has built with the Chalhoub Group, in a relationship that is almost now sixty years old.”
Michel Bernardaud – Chairman and CEO Bernardaud Group, President Comité Colbert

• Finally, the art of perfuming is a strong part of Arab identity and encompasses the sense of community, ritual and gifting. The scenting ritual, through the use and layering of bokhour (بخور) powders, oils and perfumes, is an ancestral tradition passed down through generations. It serves as everyday grooming but more importantly as a communal focus with luxurious perfumes and oils being passed among guests during welcoming and ceremonial occasions.

Luxury is firmly embedded in the story of the Gulf’s social traditions. The highest quality, premium materials and the finest craftsmanship are symbols of the region’s strong sense of respect and honour towards the community and its members. In a region where trust is binding, luxury is a trusted choice. Luxury makes a promise of durability and timelessness, and most importantly its distinctive codes assert one’s position in society. To be sustainable, luxury must portray these firmly embedded traditions of the Gulf society and keep its promise of quality, durability, premium materials, finest craftsmanship, as well as reflect the region’s culture of generosity and hospitality.

“Lanvin, the oldest French couture house, has been present in the Gulf for more than forty years and shares its passion for excellence, craftsmanship, quality and preservation of heritage with its clients and partners. Lanvin devotes special attention to maintaining quality standards in the manufacturing process of its products. To avoid any risks to the environment or the health of its clients, Lanvin complies with REACH European regulations for the safe manufacture and use of chemical substances.”
Michèle Huiban – CEO Lanvin
II. DEEPLY ROOTED IN FAMILY BUSINESSES

Family forms the basis of community structures in the Gulf, providing both financial and emotional support to a wide network of family relations. Relationships and social ties have become integral to Middle Eastern business culture.

Hence, it comes as no surprise that the family business is a thriving model within the region. 90% of companies in the region are family-owned businesses, constituting over three-quarters of economic activity in the private sector, according to Family Business Magazine.

"The family business model has become a culturally appropriate vehicle for the region’s sustainability."
Professor Bjorn Kjerfve – Chancellor American University of Sharjah

Within these family structures, respect for traditions as well as respect for older members still prevail today, despite the large size of these families and increasing exposure to the West. Whereas the older members of these families have built their businesses with their own hands, members of the new generation, highly educated, are eager to prove themselves and their values by taking the business to the next level.

Amongst this younger generation, women specifically are taking on a larger role in business, just as they are doing in society in general. To name a few examples: in the United Arab Emirates, H.E Sheikha Lubna Al Qasimi became the first woman to assume a cabinet position in 2004 as Minister of Economy. In Saudi Arabia, Lubna Suliman Olayan is now the CEO of the Olayan Financing Company, the holding of the Olayan Group founded by her father in 1947. In Kuwait, Sheikha Hessa Bint Saad Abdullah Salem Al Sabah has been president of the Arab Council of Businesswomen since 1999.

Family businesses in the GCC are principally first or second-generation businesses, originally established over 50 years ago.

These companies are facing one of the largest challenges yet: managing the transition to the third generation in the next five to ten years. Only 10% of family businesses transition successfully to the third generation as privately held companies, according to business consultants Stalk and Foley in the Harvard Business Review. Potential lack of alignment amongst a growing number of family members often lies at the root of potential pitfalls. Formal family governance structures are pivotal in succession planning and securing solid sustainability for the future of the business.

Private family businesses are steered by a long-term approach as they do not need to bow to short-term public stakeholder pressures. Family leadership can develop focused visions, which profoundly shape long-term strategic thinking. Family business models in the Middle East tend to re-invest in the business for generations to come rather than reap in short-term profits.

“We are a family business driven by values of Respect, Excellence and Entrepreneurial Spirit. This year, we are celebrating 60 years of building brands in the region, 60 years of strong partnerships, 60 years of developing people. We believe in this region and its potential and we want to make sure that our Group is still here in the next 60 years.”
Anthony Chalhoub – Co-CEO Chalhoub Group
III. RESPONDING TO PRIORITY CHALLENGES

In many countries, particularly those at the bottom of the economic pyramid, a deep commitment to infrastructure development, local capacity-building, education, health, job creation and disaster relief can be critical to advancing the national development agenda.

A. Challenge: A society dependent on energy & non-renewable resources

The Gulf owes its past economic success to the fluctuating export commodities of oil and gas. Today, GCC economies are still largely reliant on oil and gas, accounting for more than 33% of the GDP and 84% of government budget receipts, according to the Institute of International Finance. However, rapid economic growth has also come with increased energy consumption. The United Arab Emirates has one of the highest ecological footprints per capita in the world, according to the World Wide Fund for Nature (WWF).

1. Sustainable solution: economic diversification and innovation

Since these resources are finite, the region has been planning to reduce its dependency on fossil fuels. Saudi Arabia and Oman have been conducting economic planning for decades now, whilst Bahrain, Kuwait, Qatar and the United Arab Emirates have more recently published diversification plans. Led by visionary leaders, these countries are committed to re-investing oil and gas revenues into infrastructure, housing, education and healthcare in order to develop long-term economic, environmental and social sustainability for generations ahead.

“The plan [Abu Dhabi Vision 2030] seeks to harness the Emirate’s assets and resources to ensure the local economy continues to grow sustainably while delivering significant benefits to the entire community.”

Abu Dhabi Department of Planning and Economy

“Qatar will meet the needs of this generation without compromising the needs of future generations.”

Qatar National Vision 2030

Investing, driving and nurturing an innovation environment are part and parcel of a sustainable solution. The United Arab Emirates has most recently announced the designation of 2015 as the Year of Innovation and launched a National Innovation Strategy, in a plan to direct all federal government bodies to boost cooperation and to revise their policies in seven sectors – renewable energy, transport, education, health, technology, water and space – to make the United Arab Emirates a world innovative leader.

“We want our public and private sectors to explore new horizons to develop our economy. Innovation is our only way to build a great history of the United Arab Emirates. The future will be for those who adopt innovation.”

His Highness Sheikh Mohammed bin Rashid Al Maktoum – Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai

a. KAUST (King Abdullah University of Science and Technology): A graduate level research university established by government-owned Aramco, the world’s largest energy corporation, to drive innovation in science and technology and to support world-class research in areas such as energy and the environment.

• Saudi Arabia’s first LEED (Leadership in Energy & Environmental Design) certified project earning a platinum certification, the highest rating in the United States’ green building rating system. At 496,000 square metres, the project also represents the world’s largest LEED platinum project.


b. Qatar Foundation for Education, Science and Community Development: A private, non-profit organisation with three core mission areas: education, science and research, and community development.

• Established ‘Education City’ which houses branch campuses for 8 internationally recognised universities, including Carnegie Mellon and Cornell Medical School.

• Launched Qatar Science and Technology Park and Sidra Medical Research Centre with the objective to enhance medical research in the region.

• Launched Qatar Green Building Council to provide trainings and toolkits for developers in Doha.

• Committed to sustainability through campus infrastructure:
  – Hawa’ak ‘Your Air’ initiative, an air quality monitoring system to ensure health of students and staff.
  – Maintaining ISO certifications (9000, 27001, 10015, 14000).
  – Achieved LEED platinum certification for student housing.

2. Sustainable solution: commitment to reduce the environmental footprint

The Gulf region has shown its strong commitment to a future of environmental sustainability. Alongside China and South Korea, two of the largest eco-city projects can be found in the United Arab Emirates: Masdar City in Abu Dhabi and Desert Rose in Dubai. These cities are masterplans of a new vision of social and environmental harmony which will reshape social principles of living. Not only the public sector but also the private sector is demonstrating its commitment, with green building standards and principles taking shape across the region.


• An initiative of the Abu Dhabi Urban Planning Council, the Pearl Rating system has now been incorporated into the building code of the emirate, with a strong emphasis on water conservation due to the scarcity in the region.
This initiative also focuses on post occupancy and education of the end user on building usage to promote behavioural changes.

The Pearl Rating system has learned from international certifications like US Green Building Council’s LEED but has adapted to local priorities. It also encourages the restoration of natural habitats by giving credit to Middle Eastern architectural forms and emphasizing “ecological enhancement”.

**b. Abu Dhabi Masdar City:** A subsidiary of Mubadala Development Company with the aim to achieve a low-carbon, zero waste city through solar and other renewable sources.

- Masdar city will cover an area of 2.4 square kilometers – the equivalent of 285 football fields.
- It will be powered by Shams 1, the largest solar power plant in the Middle East, and will displace approximately 175,000 tonnes of carbon dioxide annually, equivalent to planting 1.5 million trees or removing 15,000 cars from the roads.
- A locally specific feature of Shams 1 is a 7 metre high wall and wind break to mitigate sand particles which reduce ability to collect and concentrate sunlight.

**c. Dubai EXPO 2020:** The world exhibition that will ‘celebrate innovation and connect minds’.

- The infrastructure will be developed with a strong commitment on sustainability:
  - 50% of operational energy requirements will come from renewable sources.
  - 30% of construction for the Expo site will come from recycled materials.
- This event will also support the ‘Dubai Integrated Energy Strategy’, with the commitment to sustainable mobility: government vehicles will switch to CNG (compressed natural gas).

**B. Challenge: Youth unemployment**

High population growth rates, a young population, an increase in labour force together with skills mismatch have all contributed to one of the region’s most problematic social challenges. Youth unemployment is soaring, with rates as high as 30% amongst youth in Saudi Arabia (source: Saudi Arabia Central Department of Statistics). According to the International Monetary Fund (IMF), the Middle East and Africa (MENA) region requires more than 50 million jobs over the next decade to ensure social and political stability. A youthful population is the region’s prime asset, driving vibrancy and innovation, however, this force is in need of channeling, nurturing and structuring.

**1. Sustainable solution: quality education for all**

Underlying the need for an education solution that equips employees with the skills to succeed in the regional job market is the necessity for stronger vocational training and national integration. Vocational and technical education – hands-on and sector-based – establishes crucial sustainable links between the needs of the employer market with the needs of jobseekers. National integration in its various forms of Gulfanization is another necessary strand in this education solution. Corporate efforts are needed to create sustainable employment solutions in order to enhance talent in the populations of the Gulf. Education no longer becomes the sole responsibility of governments but that of every business.

**a. Etisalat Academy:** The training and development arm of Etisalat, the incumbent telecom operator in the United Arab Emirates.

- It is the largest single source provider of training and development solutions in the Middle East.
- The Academy has also partnered with “Educate a Child, Build A Nation” to support computer literacy programmes for children living in the United Arab Emirates.

**b. The Chalhoub Group – Emirati and Saudi graduate programmes:** An accelerated learning experience by rotating in different roles, brands and business activities.

- To engage local youth in the private sector and family business.
- Plan to increase recruitment for Emirati graduate programme by 30% and for Saudi graduate programme by 50% in 2015.

“We believe that GCC nationals are key to the sustainable growth of the region. We have been fortunate to be part of the Middle East for the past 60 years and to contribute to its growth. We believe that it is our responsibility to give back to the region and its people, especially the young generation who will become tomorrow’s leaders. Our aim is to offer young local talent the opportunity to learn, develop and contribute to the sustainability of the Gulf. Therefore, we have designed specific programmes, such as the Emirati Graduate Programme, to attract and retain local national talents, reinforcing the Group’s commitment to the development of the region and its people.”

Wassim Eid – CHRO Chalhoub Group

**c. The American University of Sharjah – Luxury Brand Management Professorship:** Courses in luxury brand management, fashion marketing and basics in luxury principles.

- The objective is to fill the gap between industry and academia with the ultimate aim of empowering youth in the Middle East.
- Students are mentored by 8 senior executives of the Chalhoub Group and are learning from real life insights and case studies.
- 70+ students have completed the senior level courses since its launch in 2013.

“The Luxury Brand Management Professorship established at AUS has demonstrated the strengths inherent in partnering business and education for an economically sustainable United Arab Emirates. The lessons offered by the leadership of the Chalhoub Group executives and staff show the viability of how different sectors of the community intermesh in creating a product line second to none. The strong communitarian fabric of the Gulf allows our graduates to outpace those from other parts of the world in products that naturally fit Gulf traditions. The Gulf is now the focal point in luxury retailing and will continue as a sustainable industry and it is one that our young people intuitively understand. Our educational and capacity-building partnership with the Chalhoub Group is no doubt contributing to enhancing the very fabric of United Arab Emirites society.”

Nada Mourtada – Former Vice Chancellor American University of Sharjah

**2. Sustainable solution: entrepreneurship as a priority for national agendas**

The Global Entrepreneurship Index, developed by the Global Entrepreneurship Network and the GEDI Institute, recently revealed that the fastest growth in entrepreneurship is taking place in the Middle East and North Africa. The real geographical drivers are to be found in pillars such as opportunity perception, networking, and risk capital, where the MENA countries collectively perform better than the world average. The United Arab Emirates ranks first in the region as well as top performer globally for many pillars, most notably human capital, risk capital, and high growth. The Index highlights the region’s dynamic market for young professionals who...
are eager to initiate, create, generate and drive economic growth. The region is rich in initiatives that aim to provide its growing youth population with a helping hand through mentoring and promoting entrepreneurial spirit, such as the Bader Young Entrepreneurs Programme in Lebanon or Endeavor Middle East.

• Workshops delivered to Khalifa Fund staff on retail specific skills.
• Annual seminar organised for entrepreneurs in which experts share case studies and operational principles.
• Entrepreneurs are given the opportunity to observe back-end store operations.

“The Chalhoub Group partnered with the Khalifa Fund, a public entity based in Abu Dhabi, well known for its drive to develop a culture of entrepreneurship and to work towards private sector enrolment. Public–private relationships encourage a positive change in our society by nurturing entrepreneurial activities and their development. Our partnership model has a three pronged approach, involving screening in order to shortlist retail projects that are presented by entrepreneurs, knowledge sharing through trainings, workshops and guest lecture sessions for the entrepreneurs, and incubation: shadowing our teams, receiving support from Chalhoub mentors, and observe back-end store operations to seek inspiration.”

Dr. Halah Al Sokari – Advisor to the CEO Khalifa Fund for Enterprise Development

b. Bader Young Entrepreneurs Programme: Originally a joint venture between the Lebanese Finance Minister and 40 young business leaders, the initiative sets out to provide education, financing and networking for the next generation of entrepreneurial leaders with local educational and financial institutions.
• US$1.15 million invested in Lebanese startups.
• US$250,000 worth of scholarship awarded to students.
• Hundreds of entrepreneurs attended entrepreneurial workshops.
• Business model competition ‘Bader StartUp Cup’ offering extensive coaching and training to Lebanese startups.

c. Sofana Dahlan – Tashkeil: A Saudi based creative incubator. Sofana Dahlan is the first female to be granted permission from the Saudi Ministry of Higher Education to study law. She is a ‘United Nations Women Entrepreneurship Ambassador’.
• Tashkeil is grounded in the idea of fostering the skills and creativity of Arab designers and facilitating their direct partnership with suitable projects.
• Trainings and workshops for Saudi women on business-related topics.
• Funding of exhibitions and pop-up stores to ensure a platform for concepts.
• All businesses are encouraged to have a sense of social development.

IV. EVOLVING MINDSETS

Consumer research conducted by the Chalhoub Group on corporate social responsibility in the United Arab Emirates shows that residents are concerned about their community and environment. 64% of respondents claim to engage in environmentally friendly activities, ranging from recycling to saving electricity and water. However, the expectations towards corporate sustainability are much higher than towards personal sustainability. 83% of respondents expect the shops they buy from to engage in environmentally friendly activities and 68% feel brands do not care enough about the environment and the community. Although 73% expect stores to recycle products, 64% are not interested in the environmental impact of their purchased products. Overall, consumers expect corporate sustainability engagement in the areas of employee, community and environment.

A. Corporate sustainable engagement: A growing focus
Supporting the government’s sustainable plans, the private sector in the Gulf, is increasingly becoming a key partner and committing to sustainable development.

• Launched in Dubai, Future Fashion is a market place bringing together beauty and fashion driven sustainable products from around the world.
• The main purpose of Future Fashion is to maximise benefits to people and communities while minimising impact on the environment, in all of its various expressions – recycle, reuse, up-cycle, repurpose, slow, ethical and conscious fashion.
• It launched a ‘Sustainable Abaya’ in 2013, made out of high-end eco fabrics from certified manufacturers: fibers made from bamboo, organic cotton, satin from wood and soy-based fibers, peace silk and recycled polyester. It also includes the use of low impact and natural dyes and local manufacturing of finished products.

b. The One – ‘Do Good’ initiative: A regional home and décor retail chain, strongly committed to corporate social responsibility.
• It has been recognised in this area with many awards, notably winning 4 years in a row the ‘Most Admired Responsible Retailer of the Year – Retail Middle East Award’.
• As part of the “Do Good” initiative, The One is promoting ethical sourcing and has implemented strong business practices in why they only deal with suppliers who agree with their environmental and ethical values.

• It obtained the ‘Dubai Chamber of Commerce Corporate Social Responsibility’ label in 2013 and 2014.
• Member of the UN Global Compact in 2014.

“Having both sustainable engagement and Group strategy under one umbrella sends a clear message from the family and the Group that these are not independent but strongly interlinked. The Group does not consider sustainability as an activity but positions it as a key direction for the 11,000 internal team members as well as for all our partners externally. We have worked intensively to engage all our colleagues, partners and clients on the importance of sustainability”
Marie-Hélène Straus – General Manager Strategy & Innovation Chalhoub Group

d. Majid Al Futtaim Properties – ‘Green Building’ initiatives driven by the real estate & property services company with a regional portfolio of 17 world class shopping malls, 11 hotels & 3 mixed-use living communities.
• Member of the UN Global Compact since 2013.
• 33% of assets have green building certification.
• 20% of water consumption in all malls reduced.
• 100% of all new tenant leases have green clauses.

“I fundamentally believe that every organization in the Middle East and North Africa should – as we do – hold sustainability as a core philosophy. I can see in our everyday business that we have taken bold strides towards embedding corporate social responsibility into our actions, our thoughts and our culture.”
Bertrand Julien-Laferriere – CEO Majid Al Futtaim Properties

B. Sustainability mindset: Emergence of a new consumer type
Luxury in the region is still largely characterised by abundant consumption. Emirati teens are spending 6 times more on average than global teens, according to research by AMRB and TRU. Within the luxury sector, the Chalhoub Group research shows that the affluent GCC consumer spends on average US$2,400 per month on beauty, fashion and gifts.

As described in our 2014 White paper ‘Gulf Luxury Consumers: A World Apart?’, a new archetype is starting to emerge with a greater sense of pragmatism in their relations with luxury brands.

An archetype still very much in its infancy, the “falcons” are somewhat distancing themselves from the materialistic world and are beginning to appreciate luxury for the experiences and the enjoyment it can bring. They typically have a passion they like to share and bond is their key driver.
In the relationship they seek in-store, knowledge of the brand’s history and heritage as well as deep understanding of how the product is made are paramount. The sales staff needs to become story-tellers, helping them immerse themselves in the very essence of the brand.

In terms of products, the falcons will be attracted to bespoke and ‘made to measure’ items. In terms of events, intimate is the right word.
CONCLUSION

In a fast-evolving world, luxury has rapidly adapted to the new global requirements and adopted a strong drive towards sustainability.

Ancient traditions have shaped the region’s society for centuries and luxury in the Gulf shows a promising future as it echoes these deeply rooted traditions and culture.

With its family-centric structure and its respect for traditions, the Gulf society is supporting the drive and the mindset for sustainability. The family business model, inherent to the region’s economic and social fabric, is a key force in contributing to the region’s sustainable future through its long-term investment approach in people and business practices.

The leaders of the Gulf and their governments are steering priorities towards sustainability for economic diversification, innovation, reduction of environmental footprint, education, entrepreneurship and youth employment. These efforts are supported by the private sector, civil society and the emergence of a new mindset.

The region’s sustainability is driven by the vision of its leaders and coordinated actions of the public and private sectors as well as non-profit organisations. These efforts, however, are dependent on the ability to raise awareness and understanding amongst citizens and consumers as well as to engage each and every business and individual in the sustainability drive towards developing a new mindset.

“As the leading partner of luxury across the Middle East, our dedication to sustainable engagement is rooted in our Group values and it is these values that have nurtured our environmental and social responsibility. We have adopted education as a key channel to facilitate the development process believing that it is the first and foundational step in understanding how to address today’s social and environmental challenges in the region. The Chalhoub Group’s sustainable engagement strategy was created with the aim to raise awareness and engage each and every team member as we believe that by combining our individual efforts, we will be able to contribute to the region’s sustainable future. Our Group became a member of the UNGC, aligning our operations and strategies to its principles and demonstrating our commitment to the region and its people.”

Patrick Chalhoub – Co-CEO Chalhoub Group