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Strategic recommendations to Qatari emerging fashion brands. A multi-method approach for the local entrepreneurs' success

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Academic Year 2020/2021

Abstract

The following study aims at filling the gap between Qatar fashion offer and demand by giving strategic recommendations to Qatari fashion brands to succeed in a market that is relatively new and full of opportunities, while contributing to the currently poor literature on fashion brands in the Country. Specifically, by analyzing the Country's fashion environment and the behavior of local customers, the study pursues to draw insights on the awareness and market share of Qatari fashion brands, while also sharing guidelines and strategic recommendations to local entrepreneurs in order to be more relevant in the local market. To develop the research, two different kinds of analysis were used by adopting a sequential explanatory design. The first part of the paper, through literature analysis and interviews to market players and key stakeholders, pursues to draft general conclusions on the current market status and on the most common practices and behaviors among local players. The second part focuses on a questionnaire-based customers' survey, which aims to understand the main reasons preventing customers to buy local fashion products, and how Qatari fashion entrepreneurs could reach more relevancy among local *clientele*. The results of the study are delivered as a set of justified guidelines to local fashion brands, built upon the aggregation of the qualitative and quantitative analysis conducted in the paper.

The history of fashion in the Middle East is defined by its cultural, religious, and ethnic diversity, and by the international influence of the foreign residents and international trade. When the Arabs conquered large part of the Region, a Middle Eastern clothing tradition started to develop, characterized by pieces which became more popular over time, like the turban and the abaya. Subsequently, the rise in power of the Ottomans, who controlled the region for more than four centuries, led to another shift in the clothes tradition. Through the years, though Western fashion stimulated more interest in Middle Easterners, the local dress tradition still managed to keep its relevancy. Starting from the 2000s, Western luxury brands have been looking for wealthy groups in the Arab countries to find new potential customers. To this purpose, premium department stores and several internationally renowned brands were established in the area, including fast fashion labels and retailers, and many individual collections of Muslim fashion were introduced.

It is crucial for the analysis to highlight that the Region is home to around 20% of the world's Muslims, which represents 85% of the Region's entire population. Indeed, Muslims represent the large majority of customers in the Middle East and make crucial an analysis focused on this consumer segment. Muslim spending on apparel and footwear increased by 4.2% in 2019 and reached a total value of $277 billion. Considering the norms and values shaping the Islamic world still to this day, modest fashion (fashion trend consisting in women wearing less skin-revealing clothes based on their spiritual, religious faith or own personal preference) has indeed remained a fundamental part of the fashion industry in the Middle East and keeps growing its popularity both locally and internationally. Mainstream retailers are adding modest fashion offerings, and in 2019 a 90% increase in internet searches for the topic was recorded. However, Muslim women still feel ignored by international brands and are increasingly looking for conservative clothing with legitimate fashion credentials.

Although very conservative and traditional compared to Western countries', the fashion industry in the Middle East has been very lucrative mainly thanks to the high value that its culture and society attribute to appearance and show off. Indeed, according to McKinsey's State of Fashion 2020, annual fashion sales in the Middle East's Gulf Cooperation Council market amount to around $50 billion. Dubai, the capital city of the United Arabian Emirates, is widely considered the shopping capital of the Region, but also other markets are maturing very fast, and represent a very attractive opportunity for fashion and luxury brands worldwide. Moreover, customers' spending on a per capita basis in some GCC countries is among the highest in the world, reaching for instance $1600 in the UAE and $500 in Saudi Arabia.

The main actor of this study is a small but rapidly growing country of the Arabian Gulf characterized by a unique customer segment and an emerging local fashion sector. Indeed, in Qatar, the extremely high propensity of the buyers to spend is what drives fashion sales and opens the Country to great opportunities for development aiming for an important role among international markets. The Country is one with the highest GDP per capita worldwide and is characterized by a very young population, with around 67% of its population being between the age of 20 and 44. The wealth of the Country's inhabitants, the rising population, a tourism sector in expansion, and large investments towards infrastructure development have led Qatar to become one of the most promising retail markets in the GCC.

Following the footsteps of its neighboring fashion capital Dubai, the State of Qatar has been investing in high-profile global fashion companies, showing a high interest in the industry. The investments authorities of the Country have been showing an attraction for the international luxury fashion brands dominating the local market, with an investment scheme highlighting the will to compete against the European luxury conglomerates and become the first beneficiaries of the local customers fashion luxury bulimia. The investment path largely began in 2011 with the Qatar Luxury Group's acquisition of a major stake in the France-based manufacturer and distributor of leather goods, Le Tanneur & Cie, continued with Mayhoola For Investment's acquisition of Valentino in 2012, and many others followed.

In recent years, Qatar has also been focusing its efforts in supporting regional and local talent by providing educational and financial opportunities to emerging entrepreneurs. Qatar keeps showing its hunger to become a regional and worldwide hub for fashion and design. It is widely known how that the mother of the ruling Emir, Sheikha Moza bint Nasser Al-Missned, has strongly influenced this path and has worked for years to ensure that Qatar slowly claimed its spot in an industry where its local customers had achieved such a worldwide importance. Although the first steps had already started in 1995, year in which the father Emir Sheikh Hamad Bin Khalifa Al Thani and Sheikha Moza founded the Qatar Foundation, the official starting point of the plan coincided with the development of Qatar National Vision 2030, in 2008. Indeed, the plan had the final goal to further diversify the national economy and position the Country as a regional hub for high-value industrial and service activities. To this concern, Qatar is allocating part of its resources to nourish the local fashion industry and contribute to decreasing the Country's traditional dependency on the gas and oil sector.

Leveraging on a pool of creative graduates coming from the leading arts school of the Country, Virginia Commonwealth University School of Arts, multiple initiatives, and programs have been introduced by the Qatari Government to foster the development of the local fashion industry. In 2005, Qatar Museums was founded with the aim to increase the cultural endowment of the Country and expand its network of museums, cultural sites, public art, festivals, and heritage sites. One of the most recent and important initiatives of Qatar Museums is M7, a facility dedicated to creative entrepreneurship and innovation aiming to raise public awareness on the fashion and design industry, while providing support to Qatar's creative sector. M7 has 7 main goals; *Accelerate, Connect, Inspire, Complement, Equip and Promote* emerging fashion and design businesses populating the Country, by offering networking opportunities, financial incentives, material and learning support, technical trainings and much more. M7 and other initiatives such as the non-profit regional initiative Fashion Trust Arabia are contributing to inspire local fashion designers and provide them with the most exclusive mentorships, resources, and opportunities of exposure.

At the beginning of 2021, as part of the M7 project, the first Fashion and Design Business Incubator was launched under the name of Scale7. The fashion-focused Incubator is powered by the Italian investment company Fashion Technology Accelerator, and provides full business support, consulting services, and spaces for networking, prototyping and products' showcasing to startups and enterprises in the fashion industry. In less than one year, Scale7 has incubated a total of 23 fashion startups, which will receive a financial investment of QAR 100,000 (approximately EUR 25,000) in convertible notes by Qatar Development Bank. Among these 23 startups, 11 are currently selling their products in the market, while the remaining 12 are still in the idea or prototype stage. The Qatar-based Incubator received a total of around 270 applications from emerging fashion brands based in Qatar only in its first year of operations. Relying on the data shared by the Incubator, it is possible to draft some conclusions on the current status of the Qatari fashion market. The majority of the applicants were still in the concept/prototype stage, the 30% in the traction phase, and finally the 10% in the scaling stage. Indeed, this highlights the relatively "young" phase of the overall industry in Qatar. Moreover, the current product offering of Qatari emerging brands is primarily based on womenswear, however, 15% of Scale7 incubated brands offers products for both categories, and only 5% is entirely focused on menswear. Scale7 shared that 45% of its incubated designers does not own a physical store or an e-commerce platform. Indeed, these brands and the local offering highly rely on digital sales, with Instagram selling or direct message ordering. Similar insights have evidenced how crucial it is to investigate the preference of Qatari customers in terms of purchasing channels, in order to allow local brands to tailor their strategy catering to local customers.

A group of four Qatari brands was selected to provide a dive deep analysis of their operations, marketing strategies, and offering to local customers. The group is composed of brands operating in different market segments but bound by similar challenges. Hissa Haddad, a footwear brand known for its luxury, Islamic art inspired heels and striving to achieve significant profits. Trifoglio, a jewellery and leather goods brand which struggles to achieve a wider audience and to increase its level of customers. Verve, a sport and casual wear brand selling exclusively via Instagram and through a temporary shop in Doha. Harlienz, a traditional and modest wear brand which finds its points of strength in its simple designs and high-profile celebrities' endorsement. Interviewing the owners of the above-listed brands, it was highlighted how most of the local fashion entrepreneurs seem to rely on a limited distribution channel and marketing strategy. The brands analysed and interviewed are currently in a very early business stage and they are focusing their efforts and investments mainly on production and social media communication. However, it is still important to identify the actions to undertake in order for these brands to grow and increase their share in the market by leveraging on the opportunities that the Qatari market currently offers.

To follow on this need, a focus group was held involving 9 local fashion brands' owners during the "M7 Creative Entrepreneurs Roundtable". Through this activity, the entrepreneurs sat together, reflected, and brainstormed on key arguments and issues. The main findings highlighted how most of the entrepreneurs feel strongly threatened by international brands, however, only a few of them were able to articulate how they are trying to face this competition. These stated to focus on the uniqueness and quality of their designs in order to stand out in the market. However, those brands operating in the traditional wear market were confident enough to state to not feel this competition because of the still poor modest and traditional wear offering by international fashion brands. Most of the participants showed their hesitancy when it comes to deciding to open a physical shop, usually because of the high financial investment required. Others argued that acquiring additional customers via other channels is their current main priority and they will open a physical store at a later stage. When it comes to communication strategies, the majority of the entrepreneurs involved are familiar with influencers' endorsement and agreed on its effectiveness. Sampling of new materials and production are the main areas in which designers are focusing their investments regardless of their business segment. Marketing was also mentioned by some of the entrepreneurs as an important part of their total spending, especially digital marketing. With "digital marketing", the brands' owners mostly referred to organic marketing practices such as photo shoots, videos, development of social platforms.

The third and final stage of the analysis included a local customers survey, whose results have highlighted a general unawareness of Qatari fashion brands, with 62% of respondents stating to not know any Qatari fashion label. This obviously translated into an average very low spending on local fashion products, highlighting both an issue and a market opportunity for Qatari fashion brands: they are not taken into consideration by local buyers because of a lack of proper promotion. Indeed, almost 60% of the respondents believes that Qatari fashion brands are poorly promoted. The high prices of Qatari brands are a crucial issue to highlight as well. In fact, it was found to be the most popular reason given by the respondents when asked to justify their low (or no) spending on local products.

Relating to possible areas of intervention, Qatari customers were found to prefer physical shopping, especially Brand official stores and department stores. This pairs with the revelation that the overall shopping experience is one of the top factors considered by respondents while making fashion purchases, as physical channels are generally related to a more structured shopping experience, involving face-to-face interactions and the involvement of the five senses. Indeed, the level of spending on Qatari products was found to be negatively affected by this customers' attitude, with respondents attributing a higher value to shopping experience tending to spend less on Qatari products, highlighting a potential gap in the local "less physical more digital" market.

The gap in the local offering is also evidenced by the seemingly shown preference by local customers for international brands in almost all of the fashion product categories, especially in the cases of footwear and watches & jewelry. Moreover, the value attributed to brand popularity and the preference for international brands were found to be highly correlated factors, suggesting that the people who attach a higher value to the popularity of a brand will nevertheless prefer international brands over local fashion. On the other hand, the survey participants are more likely to purchase local products when it comes to modest wear and traditional wear. However, a great part of the respondents declares to be indifferent to the national origin of the brand when making a fashion purchase – signaling once again that the traditional and modest wear market is underserved by international brands, opening crucial opportunities.

Building upon the insights and experiences of the threefold analysis, a list of suggested strategies that local fashion brands should follow to leverage their position in the local market is presented. The below recommendations are the outcome of the main opportunities and threats currently present on the market and derived by the analysis of climate, companies, competitors, collaborators, and finally customers behavior.

First of all, **(1) local fashion brands should increase their presence in the physical purchasing channels.** In 2017, as a result of the land and sea blockade imposed on Qatar for 3 years and the retail expansion of the Country, a great number of shopping centers and malls were opened between 2019 and 2020. This led to an oversupply of retail space in the Country, and consequently to a fall of the retail price, which created an important opportunity for brands to invest in stores and other kinds of physical retail channels. It was previously highlighted how, according to the survey results, customers in Qatar prefer physical fashion shopping and consider brand official stores and department stores as their preferred purchasing channels. The preference for physical channels is particularly crucial when dealing with luxury products. In fact, Qatari young customers' luxury spending was found to be highly influenced by their experiential need, and in-store brand experience is fundamental to achieve a compelling brand story. Thus, local fashion brands should indeed take advantage of the current oversupply in the market and meet the needs of local customers by investing in physical retail channels. Of course, without sufficient capital to invest and an established pool of customers, opening a physical store could be risky and hard to manage. For this reason, Qatari fashion brands at an earlier stage should test the physical retail market in alternative ways, such as temporary and cost-effective pop-up stores.

(2) Local brands should keep focusing and further studying the modest fashion market segment. The market of modest fashion, which keeps growing its local and even worldwide popularity, represents a very valuable opportunity for local brands operating in Qatar. Indeed, it appears that Muslim fashion customers are increasingly looking for conservative and modest clothing with legitimate fashion credentials. Moreover, according to the questionnaire results, modest fashion and traditional wear are the only products category that respondents are more likely to buy from Qatari designers rather than international brands. Further studies and local brands themselves should investigate whether customers would still prefer to buy modest clothes from Qatari fashion brands even with international labels offering similar collections, as the current insufficient availability of international modest wear collections has to be taken into account as a great factor in the analysis of this opportunity. Furthermore, local designers should investigate the willingness to spend of their target customers on these particular products, which might not be perceived as highly valued as other product offerings.

(3) Look for and take advantage of the funding opportunities in the local market. Qatar has been focusing on nourishing the growth of small and medium enterprises in various industries and fashion entrepreneurs are now offered countless opportunities to grow their business, both in terms of knowledge and skills transfer, and both in terms of capital investments. The lack of financial resources was found to be one of the primary causes of small businesses' failures and the fashion industry does not exempt. External investments increase the visibility of a brand and attract the attention of the market stakeholders. Local emerging fashion brands should indeed take advantage of the opportunities currently offered by their Country and apply for local funding and business support. Applying for Qatar's newly launched fashion incubator, government grants, and joining the creative hub in M7 will offer endless financial and in-kind opportunities to Qatari fashion brands to grow and increase local awareness.

(4) Re-examine the pricing strategies of the brand, taking into consideration both the nature of the market segment and the level of competition. The high prices of local fashion brands were found to be the top reason through which respondents justify their low spending on Qatari products. Nevertheless, price is regarded as a "neutral" factor when making a fashion purchase by most of the survey respondents. This inconsistency of the results may be attributed to the fact that local customers are indeed more willing to pay premium prices for international popular brands rather than local ones. Brand popularity is in fact highly regarded by Qatari customers, which in literature are described as wealthy groups who buy luxury fashion products to enhance their social status. Indeed, another important finding to consider is that local customers attaching a higher value to brand popularity were found to be more likely to prefer international fashion brands over local labels' products.

However, local fashion designers should not charge their lowest price, as it could degrade the value of their products. When pricing the products, it is extremely important to know where the brand stands in the market. If you sit in the premium or luxury end, customers expect to pay a higher price for an item of great value, however, the prices of more established luxury brands should be considered. It is indeed fundamental to find a balance between unique offering and value price. Further investigation is needed on the modest/traditional wear market, as related brands should highly rely on customers' behaviour and investigate their willingness to spend on those products.

(5) Develop a structured communication strategy focused on social media and fashion influencers. The internet penetration rate in the Middle East is going through a sharp increase in the latest years and social media marketing has started to play an important role in the Region and in the Qatari market. The global influencers marketing market size has more than doubled from 2016 and 2021 and young Qataris' perception is easily shifted through influencers' endorsement (Al-Khalaf, E., Chloe, P., 2020). Local fashion brands are highly relying on social media advertising, and influencers marketing is a key part of their investment scheme. Most of the Qatari fashion brands, both in the focus group and individually interviewed, consider influencers' endorsement as one of the most effective communication strategies, as it usually leads to good returns on investment. Fashion influencers were also chosen by the questionnaire's respondents as the second most used information sources, right after family and friends. Indeed, local brands should not overlook the online channels. Qatari fashion labels should keep allocating part of their resources on online advertising and exposure of their products, while also strengthening their social media platforms. Social media and in particular influencer marketing should indeed play an important role in local fashion brands' communication strategies.

To conclude, fashion brands in Qatar are still in a relatively early business stage and are struggling to reach more customers for four main reasons: lack of proper promotion, competition coming from international fashion and luxury brands, poor pricing strategy, and lack of substantial presence in physical retail channels. Consumer awareness is the focal point on which Qatari brands should focus to achieve wider market success. The awareness should be pursued both from the consumer to brand point of view, hence through social promotion, and on the opposite from brand to consumer side, through the enhancement of the brand's retail channels, re-pricing, and product offering.

Key words: Qatar, fashion industry, emerging brands, luxury fashion, Middle East

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1. Introduction

The Fashion industry represents an extremely lucrative market in the Middle East, and this is because, even if still very conservative and traditional compared to Western countries, its culture attributes high importance on appearance and show off. This paper is going to focus on the State of Qatar, a fast-growing luxury market and major GCC destination for international retailers which is currently enduring a period of internal economic growth and development. The economy of Qatar was historically and still is largely dependent on the petroleum and natural gas industry, but the Arab Country is now trying to diversify its economy by deploying its financial resources on investing in multiple different industries. Indeed, Qatar authorities in the recent years have taken substantial measures to provide a policy framework aimed at fostering a national climate promoting small and medium businesses' growth. To this concern, the developing schools of arts, the investments, projects, and initiatives that the State of Qatar has been developing with the aim of fueling the growth of its own fashion ecosystem have led to the development of a gradually emerging community of local fashion creatives, who desire to benefit from their own Country's fashion environment and opportunities.

1.1 Motivation and Contribution

The aim of the research is to provide guidance and general instructions to the emerging fashion brands in Qatar. The local fashion market, highly supported by the Country's government, is growing rapidly, and is now called to face the competition of international luxury brands and to deal with a unique customer segment. This uniqueness is partially attributable to its wealthiness, average young age and to the extremely high importance that religious and cultural norms play in the Country. Indeed, conservative clothes and modest wear shapes the industry and represents both a threat and an opportunity for the market players.

The research explores the emerging fashion market of Qatar, providing insights on the Country's incentives to support local fashion brands, and on the customers' attitudes towards fashion spending.

The study is relevant to implement the current extremely poor literature on Qatari customers. Indeed, although a fair number of papers exists on Islamic and Middle Eastern customers' fashion behavior, Qatari customers are often generally related to luxury consumption. Moreover, the Country has been highly investing in the development and support of local designers, and no paper on the matter is currently present in literature.

The paper benefits from a unique data collection on the local fashion market trends shared by the first and only fashion and design business incubator of the Country, and, by aggregating them with companies' one-to-one, group interviews and other relevant findings, the research will provide an analysis of the selected fashion market. Subsequently, the questionnaire-based survey, with the support of related precedent findings, will draft significant insights on Qatari customers behavior towards fashion purchase and local fashion brands. A crucial part of the analysis will be to investigate the potential reasons behind the low spending on Qatari fashion brands by finding patterns of correlation with local customers' purchasing factors.

1.2 Research Objective and Findings

The aim of the research is to investigate the current stage of the market and of local fashion brands in Qatar, identifying the main market opportunities and threats, and finally providing local entrepreneurs with recommendations and guidelines to achieve more relevancy in the Qatari market.

The overall study and analysis will be conducted following a combination of quantitative and qualitative methods analysis. In this case the research methodology used is the Sequential Explanatory Design. This framework allows to include both quantitative and qualitative phases undertaken independently. The first part of the analysis will investigate the Qatari brands' most common practices, main challenges and opportunities, and market trends by conducting interviews to local players and industry stakeholders, a focus group discussion, and literature analysis. The second part of the analysis will focus on the investigation of local customers' behavior. In this section of the paper the results of a questionnaire-based survey will be presented and analyzed with the aim of highlighting the main factors driving fashion purchase in Qatar and investigating the reasons which are currently preventing them from buying local products.

This will be followed by a final aggregation of the results and main findings, with the aim of achieving a comprehensive understanding of the research question and finally provide local fashion entrepreneurs with punctual and compelling recommendations. The final results and findings will help us in the development of some key actions that emerging Qatari designers should undertake in order to leverage their position in the market. Local brands are still in a relatively early business stage and struggle to reach more customers for four main reasons: lack of proper promotion, competition coming from international fashion and luxury brands, poor pricing strategy, and lack of substantial presence in physical retail channels.

1.3 Limitations and Future Development Research

Despite the effort deployed on the analysis, there are some limitations to point out.

A first important limitation is related to the lack of previous research on the subject. Though a considerable number of papers investigate Middle Eastern customers behavior, and some dive deep into the analysis of Qatar's luxury customers, no previous study on Qatari fashion brands nor Qatar customers general fashion purchasing behavior was found. Because of the early stage of the industry, local fashion companies are not analyzed in literature, hence the information gathered on these players derived from qualitative interviews and market insights from key stakeholders.

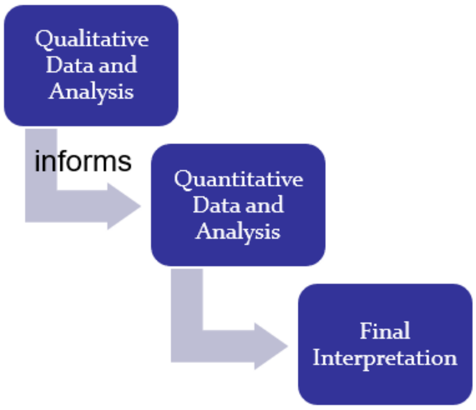
The second limitation is related to the sample size of the final customer survey. Basing the study on a larger sample size, hence decreasing the margin of error, could have generated more accurate results.

A third limitation of the study is related to the study of modest fashion. This market segment is of extremely high importance, especially in the analysis of Islamic customers behavior, and requires a deeper understanding. A further study on the matter should dive deeper in the analysis of the current use and perception of modest fashion in the Country, while investigating and assessing the Qatari customers' willing to pay for this kind of products. A crucial question that the paper does not answer is whether customers will always prefer to buy modest clothes from local brands, or if it is just an effect of the still limited offer coming from international brands and retailers.

2. Research Methodology

The nature of the study's research purpose and final aim require a combination of quantitative and qualitative methods analysis. In this case the methodology used is the Sequential Explanatory Design. This design includes both quantitative and qualitative phases, through which each phase is undertaken independently, followed by a combination of quantitative results and qualitative findings for a single purpose and for a comprehensive understanding of the research question and phenomena.

Figure 1: Mixed Method Sequential Explanatory Designs



Source: Georgia State University | University Library

The first part of the analysis will focus on qualitative data analysis. This will be conducted by relying on past literature, interviews conducted to a sample of fashion companies of the market in consideration, and relevant insights from industry's key stakeholders. This section of the paper will be crucial to have a deeper and detailed understanding of the Country's fashion ecosystem, poorly developed in the literature. Moreover, profiling and interviewing local companies will help to identify the ways of conducting business and the main challenges common to the entrepreneurs under analysis.

The first section will include the following:

- Literature Review
- Data insights elaboration from key stakeholders
- Interviews and profiling of local players
- Local brands focus group

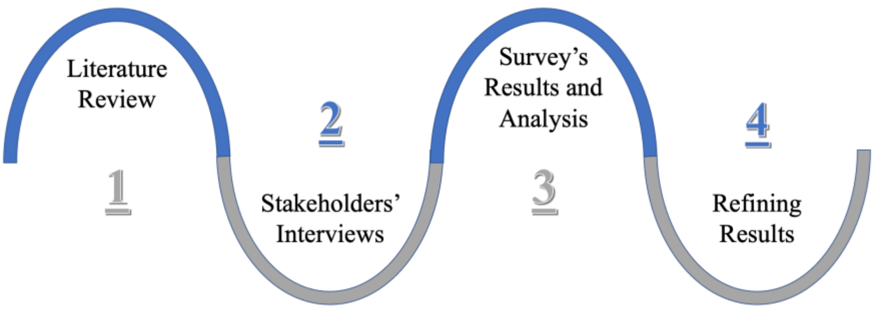
The second section of the paper will investigate the customers fashion purchasing behavior through a questionnaire-based survey. The results of the survey will support in drawing significant insights on the current local awareness and market share of Qatari fashion brands in the Country. The final goal of the market research is to investigate local customers purchasing habits, and behavior towards fashion purchase and Qatari fashion brands. Consequently, the results of the research and the qualitative findings of the first analysis will be combined to provide emerging Qatari fashion entrepreneurs with guidelines and suggestions to reach their target customers more effectively.

The Second part of the analysis will include the following:

- Questionnaire-based survey results
- Results elaboration and analysis

The conclusions of both sections will be aggregated and refined in the last part of the paper. This process will be achieved through the development of final recommendations and guidelines to the local fashion entrepreneurs. Data analysis aggregation and presentation lead to coherence between the quantitative results and qualitative findings. The final outcomes could lead to three main different phenomena:
1) Confirmation occurs when findings of one analysis confirm the results of the other
2) Expansion occurs when the findings from the two sources are different and expand on various insights and address different aspects
3) Discordance occurs when findings from the analysis are inconsistent and eventually contradict each other

Figure 2: Research Methodology



Source: Author's Elaboration

In this specific case, the first qualitative analysis is designed and more focused on reaching a general understanding of the current local fashion ecosystem by attaining and analyzing qualitative insights on Qatari fashion brands' business stage and general market trends. On the other hand, the quantitative part of the paper is designed to investigate the customers' side and understand the driving reasons behind their local fashion purchasing behavior. Indeed, the first results will act as a fundamental support for the drafting of the final recommendations.

3. Overview of the Luxury & Fashion Industry in the Middle East

This Chapter intends to provide an overview of the Fashion & Luxury Industry in the Middle East, with a particular focus on the Gulf Cooperation Council's countries. Starting from a short summary of how fashion and its perception have evolved in the region during the past centuries, coming to its current status. This is characterized by a fast-growing market which currently represents one of the greatest opportunities for Fashion and Luxury brands worldwide. Part of the chapter is dedicated to the growing luxury goods sector, extremely relevant segment for the Middle East customers. The chapter also introduces the main actor of our study, Qatar, Arabian gulf Country with the highest income per capita that is experiencing a period of economic growth and rapid expansion.

3.1 A Brief History of Fashion in the Middle East

The history of fashion in the Middle East[1] is mainly defined by its cultural, religious, ethnic diversity, and by the influence coming from foreign residents and international trade. After the Arabs conquered large part of the region, a Middle Eastern clothing tradition gradually started to develop, characterized by pieces which became more popular over time, such as the turban, the abaya[2] and other tailored garments. Subsequently, the rise in power of the Ottomans[3], who controlled the region from the 16th till the beginning of the 20th century, led to another shift in the clothes tradition. At that point in time, dresses were more and more institutionalized, and some outfits and

[1] Middle East is a historical-geographical region, which includes 18 countries and is characterized by a particularly strong religious and cultural heritage. The followings are all the countries part of the region: Akrotiri and Dhekelia, Bahrain, Cyprus, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Palestine

[2] The abaya is a loose over-garment, usually black, covering the whole body except for the head, feet, and hands

[3] Ottomans were the inhabitants of the Ottoman Empire, the Islamic-run superpower that controlled large part of Middle East, Eastern Europe, and North Africa for over 600 years

garments were reserved just to specific social groups. Indeed, upper-class women started to wear Victorian gowns combined with local elements, such as the veil, while aristocratic men used to wear three-pieces suites combined with the fez[4]. Ottomans' fashion was generally characterized by head coverings, wide sleeves, layered shirts, and coats, and some of the most reminiscent pieces of that period, like the kaftan[5] and the yelek[6] coat, are still part of the local dresses these days.

The lapse of time between late 19th and the beginning of the 20th century was the period in which the Middle East started to be gradually influenced by Europeans, stimulating a locally made "Western style". Nevertheless, it was only starting from the 1970s that Western clothing became widely available in the region and people started to wear t-shirts, jeans and suits in addition to the local garments. During the 80s it was developed the so called "international Islamic style", which combined the modesty characterizing the local culture with the European modern stylishness.

Through the years, though global fashion stimulated more and more interest in Middle Easterners and gained importance, local dress tradition has still retained its relevancy, whether to be worn on a day-to-day basis or as part of folklore.
Since the 2000s, Western luxury brands have been looking for wealthy groups in countries like Saudi Arabia, Qatar, UAE, and Kuwait to find new potential customers. To this purpose, they established some premium department stores, such as *Galaries Lafayette* and *Tryano*, and several brands, including fast fashion labels and retailers, introduced individual collections of Muslim fashion, tailored for this particular market. For example, *Dolce & Gabbana* was one of the first brand to set this trend, and in 2016 it launched a collection of hijabs[7] and abayas. The trend was quickly followed by other fashion and sportswear giants, like *Nike* and *American Eagle*. Other examples could be the modest fashion edit of *Net-a-Porter*, and the Ramadan capsule collections of *Zara*, *Mango* and *DKNY*.

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[4] Fez is a type of felt (hat) commonly worn in the Ottoman Empire

[5] Kaftan is a long loose piece of clothing characterized by wide sleeves

[6] Yelek, from the Ottoman Turkish يلك, is the bodice or waistcoat of an Ottoman dress

[7] The Hijab is a religious veil worn by Muslim women in the presence of men outside of their close family and covering hair, head, and chest

Modest fashion keeps growing its popularity, with mainstream retailers adding a modest fashion offering and with a 90%[8] increase in internet searches for the topic recorded in 2019. Nevertheless, a study of 500 Muslim customers, conducted the same year by an integrated creative agency ODD, shows how still the 86% of Muslim women feel ignored by these brands and is forced to buy modest clothes from regional fashion retailers. Muslim fashion customers are in fact increasingly looking for conservative clothing with legitimate fashion credentials. One of the questions that this study wants to investigate is in fact whether emerging local brands could fill this gap or if local customers would be still more attracted to the international brands' offerings.

Figure 3: The first fashion show of Dolce & Gabbana in the Middle East, 2018

Source: Arab America, Oct 22, 2018

The Fashion and Luxury industry has always been very lucrative in the Middle East, and this is because, even if still very conservative and traditional compared to Western countries, its culture attributes high importance to appearance and show off. This is in fact one of the main reasons behind the popularity of logos and luxury goods in the area. Nevertheless, these days fashion customers in the Middle East are becoming much more design and aesthetically conscious and are no longer directing their purchasing behavior solely according to the logo and iconicity of a brand with the aim of reaching a higher social status. Furthermore, the fact that women are slowly gaining

[8] State of Global Islamic Economy report 2020/2021

a more active role in the working environment, hence starting to require a larger variety of clothes, coupled with the recent relaxation of their dressing code restrictions could possibly lead to a disruption of the fashion consumption in the near future.

3.2 Opportunities for Fashion Companies in the Region

According to McKinsey's State of Fashion 2020, annual fashion sales in the Middle East's GCC markets[9] amount to around $50 billion. UAE's Dubai is widely considered as the shopping capital of the region, but also some other markets are maturing very fast, and currently represent an attractive opportunity for international fashion and luxury brands. Spending on a per capita basis in some GCC[10] countries is among the highest in the world, reaching for example $1600 in the UAE and $500 in Saudi Arabia (Mckinsey, 2019).

The whole region, like any other country in the world, suffered significant losses during the spread of Covid-19 pandemic but, most importantly, this health crisis led to an acceleration of the shift in some shopping patterns. Brands, after Covid-19, have in fact started to value their local stores in cities like Doha, Abu Dhabi, and Riyadh (McKinsey, 2021). Moreover, the same report suggests for Middle East a similar pattern to the one of China, even if on a lower scale. The region, like the East Asian country, has benefitted from the repatriation of domestic spending, since customers, because of Covid-19 restrictions, were unable to travel to Europe for most of 2020. In addition, the impact of the pandemic was partially mitigated by shorter lockdowns in some countries of the area.

[9] Although the aim of this preliminary overview is to present an introduction of the whole Middle East fashion market, for reasons related to industry-relevancy and literature available, part of the analysis will be focused on the Gulf Cooperation Council's countries.

[10] Gulf Cooperation Council (GCC) or Cooperation Council for the Arab States of the Gulf is a regional, political, and economic union that includes the following countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates

For a more comprehensive analysis of the market in the region, it is also important to mention that Middle East is home to around 20% of the world's Muslims, which accounts to around 85% of the region's entire population. According to the State of Global Islamic Economy Report 2020/2021[11], Muslim spending on apparel and footwear increased of 4.2% in 2019, reaching a total amount of $277 billion. Moreover, Muslim customers spending was forecasted to grow at a 5-year CAGR of 2.4% between 2019 and 2024. Iran, Turkey, and Saudi Arabia were ranked as the top countries, with a Muslim spend on modest fashion respectively of $53 billion, $28 billion, and $21 billion, just in 2019.

It is undeniable how the young and very wealthy purchasers dominating the region's population are highly contributing to make it a very interesting and profitable market for the industry in consideration. While the Gulf countries are far smaller than countries like China in terms of population size, the extremely high propensity of its buyers to spend is what drives fashion sales and opens the Region to great opportunities for development aiming for an important role among international markets. The shoppers populating the region have developed a taste for both modest fashion and Western brands which best reflect their culture. At the same time, it is also relevant to take into account all the risks related to expand or run a business in the Middle East. Geopolitical and macroeconomic challenges are generally the main causes of potential disruptions. In fact, due to the close interdependence of the region's economic cycles with the commodity prices, fluctuations of oil price, and the frequency and unpredictability of geopolitical tensions and conflicts, the market represents a major risk for companies that are planning to expand and invest in the area.

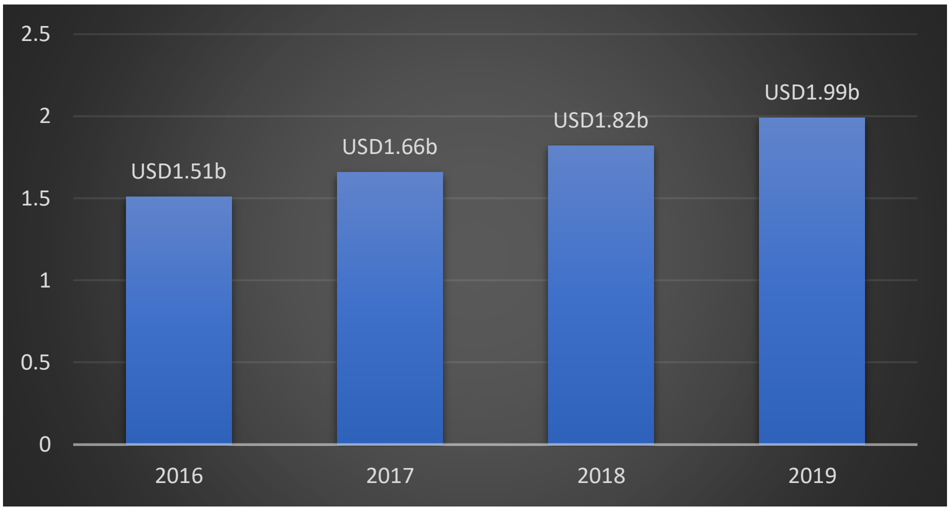
3.3 An Attractive Market for Luxury Brands

While in the first half of the current decade the luxury market was characterized by the development of digital technology and the growing relevancy of Chinese consumers, we can confidently state that the second half opened the doors to a shift from the West to the Middle East.

[11] Study published by Dinar Standard in partnership with Salam Gateway

In the past few years, we have witnessed a period of expansion for the Middle East luxury goods industry, characterized by major companies starting to strongly invest in the Region, widening their distribution network by opening many new stores in malls and other strategic locations. To this concern, the personal Luxury goods segment in the area is expected to grow at a CAGR of approximately 5% between 2021 and 2026 (IMARC Group, 2021). The major reason of this shift can be found in the very fast speed of growth of the Middle Eastern countries' economies, and in the increasing living standards and disposable incomes of the region's residents. This is to highlight that even if the market has a much smaller size compared to Europe and China, the spending on luxury goods is rapidly increasing in the Middle East and this growth is expected to continue strongly.

Exhibit 1: Luxury Goods Revenue in Saudi Arabia per year



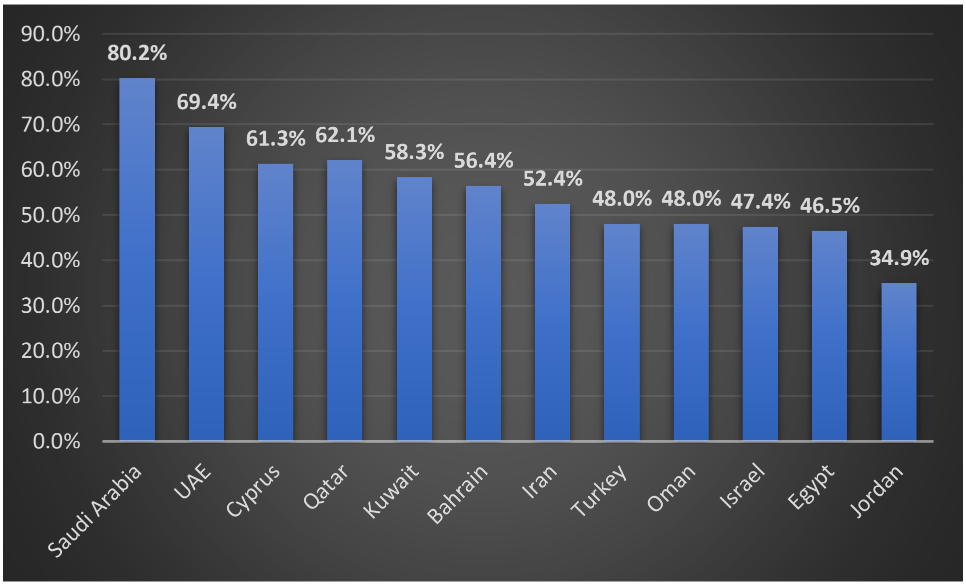
Source: Mondor Intelligence Report 2020

The Middle East has one of the largest young populations in the world, and Millennials and Gen Z populating the region have a much higher disposable income than the global average, hence a much stronger willingness to buy certain kinds of products. Considering the latest market research by BCG in the Altagamma Consensus 2021, which forecasted for Millennials and Gen-Z to reach more than 60% of the Luxury market in 2025, this highly contributes to the growing demand for luxury products in the region and partially justifies the big companies' investments in these countries.

Covid-19 has certainly had a major effect also in the luxury goods market. In fact, According to Bain & Company, the GCC luxury goods market fell from $8,95 billion to $7,4 billion in 2020. This was mainly driven by the drop of tourism, hence countries with a lower economic reliance on tourism, like Qatar, Saudi Arabia, and Kuwait did not experience a sharp decrease in luxury spending. On the other hand, countries like the United Arabian Emirates (UAE), Oman and Bahrain, which are more dependent on tourism, suffered a spending decline much closer to the global average of 23%.

E-commerce is also starting to play an important role for the economy of the region and, the internet penetration rate in the Middle East has in fact experienced a sharp increase in the latest years. Online retail penetration as a percentage of total retail was estimated at 11% in 2021, up to the 6,4% estimated in 2019. As a confirmation, according to Bain & Company's annual luxury report the growth of luxury online shopping in the region was double that of the rest of the world in 2018.

Exhibit 2: Estimated E-commerce User penetration in 2021 per Country



Source: E-commerce in the Middle East – Statistics and Trends, GO-Gulf (April, 2021)

It is undeniable how the Gulf Cooperation Council is by far the fastest growing luxury zone in the Middle East with the Gulf countries playing an increasing significant role in elevating the region to a leading player for fashion and luxury, mainly thanks to their world-class malls and expanding tourism sector. The luxury goods segments growth in the Middle East is in fact primarily driven by the GCC.

In the first paragraph we have talked about how Muslim women still feel ignored by global fashion brands because of the lack of modest fashion wear offer. This can certainly also be said regarding the luxury sector and its lack of collections tailored for the growing market. It is in fact one of the reasons for which most of the luxury goods spending in Middle East is devoted to accessories, like handbags, shoes, and sunglasses, or to jewelry.

3.4 Qatar. The New Land of Opportunities

The State of Qatar is a country in the Middle East bordered by Saudi Arabia and the Persian Gulf. The country covers an area of 11,586 sq km2 and has a population of around 2,9 million[12] inhabitants. Moreover, it has been defined by the BBC as a "state built by immigrants" because of its singular population demography. Indeed, only around 11,6% of the population is Qatari while the remaining 88,4% are non-Qatari residents.

The State of Qatar is an absolute monarchy ruled by the Al Thani family and is the third largest reserve of natural gas worldwide, which highly contributes to the country's economic wealth. As of 2021, Qatar has a GDP per capita of $59,143[13], equivalent to around 474% of the world average, and is one of the only two Asian countries, along with Singapore, which appears in the top 10 of the worldwide GDP per capita ranking. Moreover, as we can see in Exhibit 3, Qatar has a very young population. The graph shows the country's population by age in 2019, highlighting that around the 67% of Qatar's inhabitants is between the age of 20 and 44.

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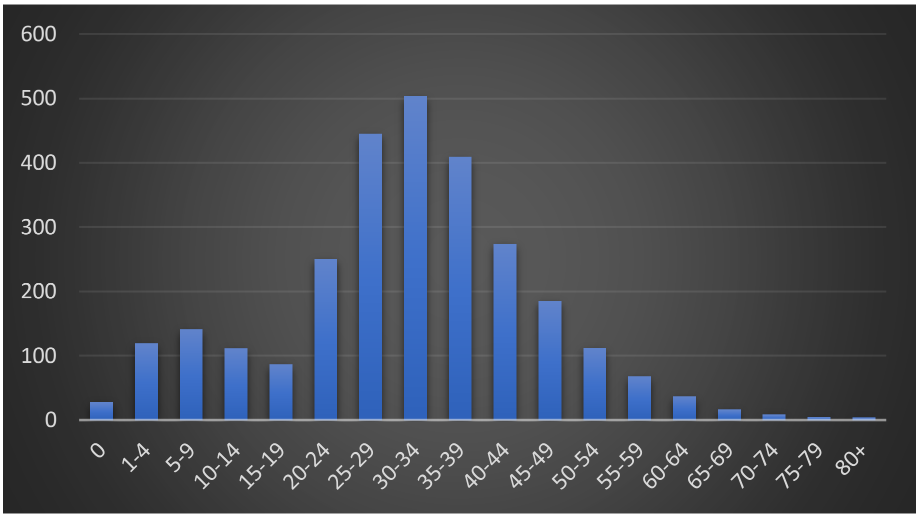
[12] As of Saturday, July 10, 2021, the population of Qatar is 2,930,534 based on Worldometer elaboration of the latest United Nations data

[13] As of April 2021, according to the International Monetary Fund World Economic Outlook

Qatar's fashion, as for most of the other countries in the region, is still deeply influenced by the cultural and religious norms. Local women are not allowed to show hair, arms, and legs around men not part of their family, and they mostly wear abayas, traditional loose over-garments, originally black and worn as a sign of modesty. It is interesting to notice how these social and religious norms do not stop Qatari women, who nevertheless find the way to express themselves through fashion accessories and fashionable abayas, which are slowly substituting the black ones especially among the younger generations, and for informal or special occasions.

Exhibit 3: Population in Qatar in 2019, by age group

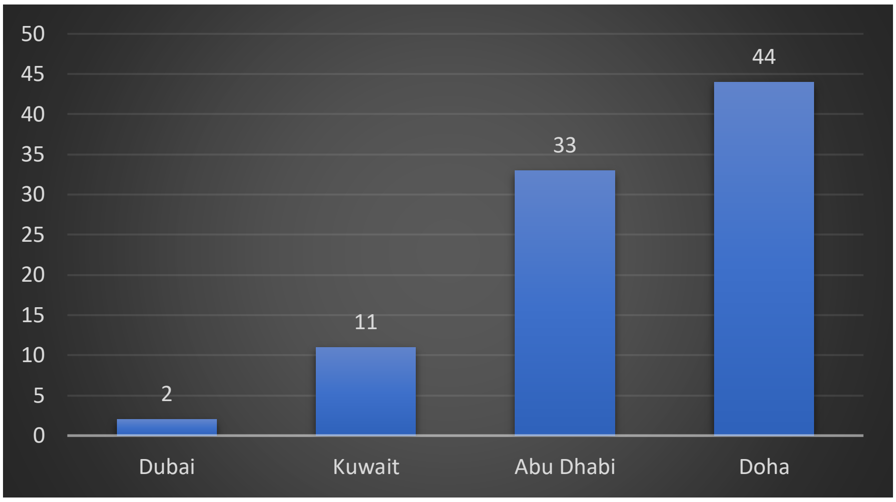


Source: Statista

Moreover, Qatari women are not completely unfamiliar with western fashion, *haute couture* and dresses, designed to be very far from modest fashion and the Islamic culture. For instance, local weddings are celebrations in which men and women are not in the same room, sometimes they are not even in the same building, and women can give free reign to their fashion creativity. More in particular, these events are described by Qatari women as something much more similar to a real "Fashion Show" rather than to an ordinary marriage celebration.

The high level of wealth, together with the rising population, a tourism sector in expansion and large investments towards infrastructure development, have positioned the country as a very promising retail market in the GCC (Alpen Capital, 2019). In addition, with the FIFA World Cup[14] coming in November 2022, Qatar has been preparing for years through large infrastructure projects, spending hundreds of billions of dollars. It is also for this reason that the retail space of Qatar is currently going through a period of very rapid expansion, mainly thanks to its enviable pipeline of malls, which are mostly located in the center and in the suburbs of the Country's capital city, Doha (Exhibit 4). Only between 2015 and 2018, the Country added around 688,700 sq meters of retail space, and in 2019 it reached a total of 1.9 million sq meters (The report: Qatar, 2020). Moreover, the opening of Doha metro system in May 2019 has facilitated visits across the most important malls of the capital, such as Villaggio Mall, Mall of Qatar, and City Center.

Exhibit 4: Luxury brand penetration rank amongst retailers in GCC region, by city



Source: Mondor Intelligence Luxury Goods Report 2020

The overview presented in the previous pages highlighted some of the key reasons behind the uniqueness and relevancy of the analysis that this paper pursues to conduct. A Country, and more in general a Region, shaped by strict social and religious norms and, at the same time, highly investing in the fashion industry and populated by young wealthy customers with a high willingness to spend. Indeed, Qatar is rapidly growing, and even if relatively small compared to other countries, the propensity of its buyers to spend is what gives it an important role among international markets. In the next

[14] FIFA World Cup is the most prestigious tournament in the world. In December 2010, Qatar was selected to host the event for the year 2022

chapters it will be indeed analyzed how the Country is allocating its resources to develop the fashion industry and slowly lower its dependency on the gas and oil sector, and how a locally made fashion sector has been gradually emerging. The aim of the paper is to provide guidelines to local fashion brands on how to leverage their position in the Qatari market, facing the competition of international brands, taking advantage of the opportunities offered by the Country, and finally dealing with a singular customer segment. This will be achieved both by relying on literature review and interviews to key players both by analyzing the fashion purchasing behavior of Qatar’s residents.

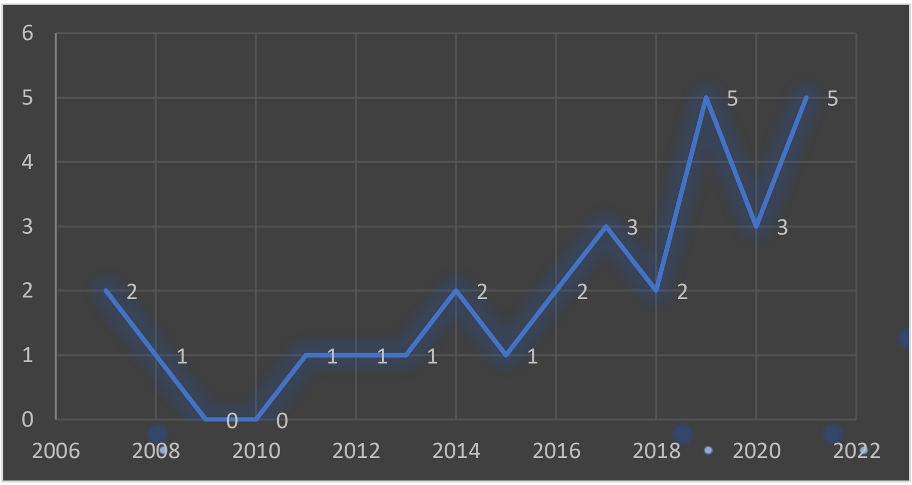
4. Literature Review

The following Chapter is dedicated to a literature review focused on the papers, studies, and articles relevant for this study's objectives. In the first part of the Chapter, it is conducted a general review of previous studies and research papers on the Middle East and Qatar's fashion customers. This will be crucial to identify the subject matters already covered in literature and the gap that this paper pursues to fill. The second part is instead devoted to the analysis of information extracted from relevant articles and reputable websites on the status of the Qatar's local fashion industry and the Government's current and planned actions to nourish its development. This section forms an integral part of the research and will directly affect the final recommendations.

4.1 Trends and Correlations

Diving deep into the analysis of previous papers on the fashion industry in Qatar, it was found how the literature is extremely poor. This is to be attributed to the country's relatively small size, the very young phase of its local fashion industry, and the often generalization with Middle East, or with the GCC countries conducted in research papers. For these reasons, no study on Qatari fashion brands nor on the local consumer attitude towards them is currently available in past literature. Hence, the literature we are referring to is mostly related to fashion and luxury industry in the middle east, more specifically, in the Gulf Cooperation Council's countries, studies related to Muslim fashion customers, modest fashion, and closely related fields. Nevertheless, there are some previous studies which have focused on Qatari luxury customers, in particular on the behavior of the younger generations. Among the total available studies, the majority are rather new, with the oldest ones published in 2007 and 2008, while most of them between 2014 and 2021 (exhibit 5). In addition, more than 40% of the papers investigate modest fashion, Islamic wear, and the general women's dress practices in the Arabian Peninsula.

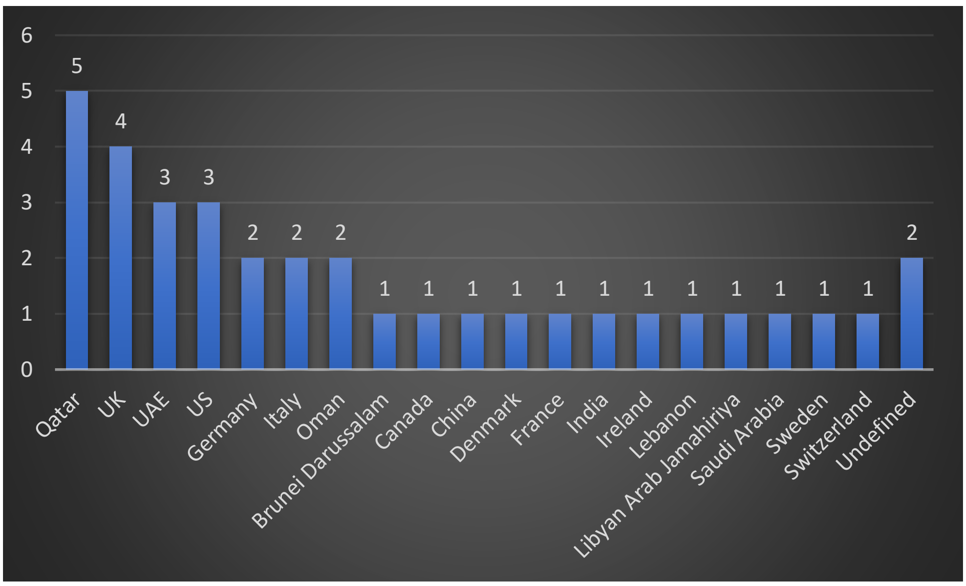
Exhibit 5: Publishing trend by year



Source: Author's elaboration

Exhibit 6 reports on the publication trend by country. It can be noticed that Qatar is the country presenting the largest number of articles, though this is a biased result because of the nature and starting point of the research. Nevertheless, just 3 out of these 5 Qatar published papers are on Qatari consumers behavior, while the other two are studies on fashion and on the struggle of women's modern wear in the Middle East. UAE is the second country in the region with the highest amount of literature, followed by Oman, Brunei Darussalam and more. UK is the Western country ranking higher, followed by US, Germany, and Italy.

Exhibit 6: Publications per country

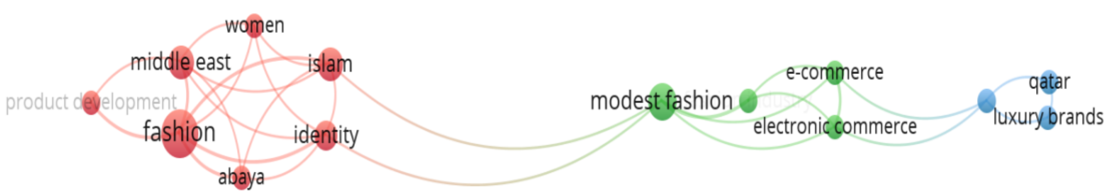


Source: Author's elaboration

Figure 2 shows a total of 14 keywords divided in to three different clusters. The red one contains 8 words and 25 cumulative occurrences. It is important to specify that Scopus keyword research provides with articles containing those keywords in the title, abstract and in the keywords of the studies. Moreover, the research was limited to English written articles, and excluded eventual relevant papers written in Arabic language.

Other than presenting and analyzing the fashion industry in Middle East, the cluster highlights the struggles women face in the region for what concern fashion identity and fashion purchase. Inside this cluster it is also possible to find part of those articles related to the development of modest fashion and Islamic traditional wear. The green cluster includes three words and a total of 9 occurrences; this focuses on the current digitalization in Middle Eastern countries, highlighting major opportunities in the online retail sector for both E-commerce and M-commerce. The blue and last cluster of keywords includes three major words (Qatar, luxury, and brands) and 6 occurrences. This highlights how the studies related to the fashion market in Qatar have been almost exclusively focused on the luxury segment. This is attributable to the rapid growth that the luxury market is experiencing in the country, showing no sign of slowing down even in such difficult times. The papers in this cluster generally examine the luxury customers behavior in Qatar, identifying the major key demographic factors influencing luxury consumption, and focusing on Gen Z attitude towards this kind of products.

Figure 4: Map of Keywords Co-Occurrences



Source: Vosviewer Elaboration

4.2 Analysis of Past Papers

Qatari fashion costumers in literature are generally related to luxury consumption. This is because, as highlighted in the previous chapter, Qatar is one of the fastest growing markets in the world and the average affluence of its population leads to a considerable consumption of luxury goods. Therefore, young wealthy fashion customers living in the country are increasingly asking for luxury products. To this concern, young customers' luxury spending in Qatar was found to be influenced by 4 major factors: brand consciousness, fashion involvement, social comparison, and experiential needs (Dalia Abdelrahman Farrag, 2017). More in particular, these factors were found to highly influence and affect the purchasing behavior of Qatari customers toward luxury products. The study achieved these conclusions by combining qualitative data from interviews to local luxury store's owners and salesperson with quantitative data obtained through a customer's survey targeting Qatari people between the age of 16 and 25. Nevertheless, in a country in which social and religious norms are still very strict and radically embedded in the culture, the differences in the behaviors of customers of different age groups, gender, educational background, and income levels are extremely important and leave space to relevant dissimilarities in customers' behaviors. Moreover, it is interesting to highlight how for affluent Qataris, luxury consumption has become a somewhat socially accepted norm, and this sets a particularly significant limit to the effectiveness of global marketing strategies in the country for what concern luxury goods (Sharif, K., Kassim, N., Faisal, M.N., 2019).

It was previously mentioned how e-commerce and online shopping have been playing an increasingly important role for the economic development of the countries in Middle East. In 2019, Qatar's e-commerce penetration rate has in fact doubled and the market is now expected to exceed the value of 3.2 billion by the end of 2022. At the same time, Qatari customers are showing a lack of trust when it comes to mobile commerce, but it was found that young Qataris' perception of it could easily be shifted through influencers' endorsement (Al-Khalaf, E., Chloe, P., 2020). This highlights how the Gen Z in the country is particularly sensible to this new marketing practice, which is also one of the most frequent and common activities conducted by local fashion brands to advertise their products on social media.

Many papers investigate the case of modest fashion in middle east and Muslims' attitude towards fashion, their relationship with the Western culture and the way it has evolved through the years. This topic has generated a lot of interest and it is still often discussed because of the extreme contrast and contradictions present between some of the main elements of the fashion industry and the Islamic culture. For instance, it was found that Arab women, in response to the Islamic conservatism and Western modernity's conflict, carry out the so called "cloak of invisibility". This consists in the Muslim women practice of wearing loose over-garments in order to cover luxurious western clothes. In addition, it is reported that the envy of western consumption appearing in Muslim women could evolve into a local norms and traditions' envy and finally lead to a "mimetic excess" (Sobh, R., Belk, R., Gressel, J., 2014).

Given these peculiar characteristics of Muslim customers, especially in the industry under analysis, marketing and fashion advertising in Middle East is not an easy subject and has often gone through numerous controversies. Muslim millennials have recently become one of the main focuses not only for modest wear but also for conventional fashion brands. It is for this reason that it is now crucial to dive deep on the analysis of this global customers' segment. Young Muslims, due to their connections with other millennials around the world, are much more fashion and brand conscious than the previous generations. At the same time, their religious values partially explain the disdain that they have for any kind of activity that goes against the moral values of their society or religion. Also in this case, the difference of behaviors between males and females is crucial. In general, females have reportedly more positive beliefs towards fashion advertising, are more proactive in their behaviors, and have even a higher tendency to give less weight to the negative aspects (Salam, M.T., Muhamad, N., Leong, V.S., 2019). Nevertheless, the marketing communication of international fashion brands to Islamic countries often has to go through a careful process of adaptation. This is sometimes so radical that could possibly lead to relevant issues related to the creation of a perceived brand image which is too far from the original brand personality (Busnaina, I., 2014).

Even though literature on Qatar fashion market and Qatari customers is generally underdeveloped, relevant studies on Muslim customers, which account to more than 65% of the country's total population (Pew Research Center, 2020), on Qatari's behavior in luxury purchasing, and on the general practices of fashion consumers in the region, serve as a significant support and are extremely relevant to delineate the basis of this research and to have an introductory comprehension of the customers under analysis. Building a preliminary understanding of the target respondents' fashion purchasing behavior and fashion perception, is crucial to set the basis for the questionnaire that will be presented in chapter 3. In particular, Qatari fashion customers seem to be highly influenced by the brand, especially in luxury purchasing, but what is the actual value that they place on it? and which are the other variables they consider when buying fashion products? Indeed, the final aim of this paper is not to focus on a particular segment of the market, nor to study the theme of modest fashion and Islamic culture's contrast with Western fashion trends. The aim of this paper is to evaluate the market potential of local emerging designers and, by finding pattern of correlations within respondents' behavior, and finally provide Qatari brands with guidelines on how they should act to reach and retain their customers, whether they sell luxury goods, accessories, causal wear, or traditional clothes.

4.3 Qatar Investors and the Fashion Industry

Qatar's growing fashion retail sector, coupled with local customers' shopping habits, has managed to attract numerous international brands, which have invaded the Country and dominated the local fashion scene for years. Different stakeholders have worked and are still working to make the fashion industry one of the main sources of the country's economic development; investments, projects, and initiatives that the State of Qatar has been developing with the aim of fueling the growth of this industry and finally creating a new hub for fashion designers and creatives in the Middle East. Recently, a local fashion sector has started to gradually emerge, desiring to be part of the Country's fashion environment and benefit from its opportunities.

As a way of following the footsteps of its neighboring fashion capital, Dubai, The State of Qatar has been investing in high profile global fashion companies, starting to show an high interest for the industry. A Qatari company which has highly focused its investments in the fashion industry is Mayhoola For Investments[15]. The investment fund began largely in 2012, by acquiring the Italian fashion house Valentino from the UK Equity Firm Permira, at a price of $858 million. In the same year, Mayhoola

[15] Mayhoola For Investments LLC is an investment entity incorporated under the law of the state of Qatar and focused on local and global investments

acquired the global license of the M Missoni line by Missoni[16], a 65% stake (estimated at $145 million) in Pal Zileri[17] and a $32.9 million stake in Anya Hindmarch[18]. The latter has been re-sold in 2019, after the Qatari fund had managed to achieve a 75% controlling stake. Mayhoola's most recent acquisition took place in June 2016, year in which the Qatari Company managed to acquire half of Balmain's[19] stake for around $563 million. Since then, while reportedly in talks to acquire Versace back in 2012 and Lanvin in 2018, Mayhoola seemed to have slowed down its acquisition path. In 2021, rumors spread on a possible new acquisition of Salvatore Ferragamo. The Italian fashion house, known for always being reluctant to big groups courting, has soon denied any hypotheses of selling its stakes to the Qatari investment fund (Lauren Sherman, 2018).

It is important to highlight that Qatar's local and international investemts are regulated by the Qatar Investment Authority (QIA). The QIA is the Country's sovereign wealth fund founded in 2005 with the aim of diversifying Qatar's economy into new asset classes. The main source of income of Qatar is undoubtedly natural gas but, with an eximated amount of $400 billion global investments in more than 40 countries worldwide, QIA is directing its resources in multiple strategic sectors (such as automotive, retail, tourism, real estate and constructions, and more).

In 2011, Qatar was already making its first steps in fashion acquisitions through the Qatar Luxury Group[20]'s acquisition of a majority stake, valued around $20 million, in Le Tanneur & Cie, a France-based manufacturer and distributor of leather goods.

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[16] Missoni is and Italian luxury fashion house founded in Varese, Italy in 1953 and known for its colorful knitwear designs

[17] Pal Zileri is an Italian luxury fashion brand founded in Vicenza, Italy in 1980 and specialized in formal and casual menswear

[18] Anya Hindmarch is a UK brand founded in 1987 by its eponymous designer and focused on fashion accessories

[19] Balmain is a French luxury fashion house founded in Paris in 1945 by Pierre Balmain

[20] Qatar Luxury Group is a Qatar-based company with headquarters in Doha, created to build and foster luxury brands in the fashion, hospitality and lifestyle sectors for an international audience

Moreover, it is worth to mention the 2015 acquisition by the Qatari politician, Sheikh Hamad Bin Jassim Bin Jaber Al Thani[21]. The private investor bought a 10% stake in the Spanish retail firm El Corte Ingles for a value of $1.1 billion (Mohammed Sergie, 2017).

Indeed, fashion investments by Qatari funds or private investors have seen involved only international companies so far. The Country's investments authorities seem to be highly attracted by the luxury fashion brands dominating the local market, and their investments 'scheme shows a will to compete against the European luxury conglomerates and benefit from the local customers fashion luxury bulimia. Local fashion companies are still in a very early stage and have still not captured the attention of Qatari investors. Nevertheless, Qatari Government has been granting multiple monetary incentives to local brands with the aim of boosting their growth and enhancing the local made creative sectors.

4.4 Toward a Retail Oversupply

As analyzed in the previous chapter, the luxury fashion spending in Qatar has been supported and fueled by generally higher than average incomes, a rising population, an expanding tourism sector, and the country's large and continuous investments in retail and infrastructures. For all these reasons, in 2012, Qatar was already ranked as the World fastest growing luxury market by Ledbury Research's Global Luxury Report[22].

Even if Qatar's GDP per capita has been gradually declining during the latest years, the luxury retail market has remained strong (Alpen Capital, 2019). Indeed, despite the unfavorable geopolitical environment and a decline in the price of oil, Qatar has continued to invest in the retail sector, identifying it as a fundamental contributor to its

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[21] Sheikh Hamad Bin Jaber Al Thani is Qatari politician, former foreign minister (1992-2013), and former Prime Minister (2007-2013)

[22] The Ledbury Research's Global Luxury Report is a luxury market insights report published bi-annually with the aim of sharing information regarding wealth and luxury indicators, industry dynamics, brand benchmarking and strategic themes and case studies

economic development. Hence, the presence of a wealthy customer base coupled with a retail sector experiencing a huge expansion has attracted many luxury fashion retailers to the Country, especially to Doha.

In 2017, a land and sea blockade was imposed on Qatar by four of the main GCC countries. Saudi Arabia, the United Arab Emirates, Bahrain, and Egypt cut all their trade ties with the Country. This situation led Qatar to expand its trading relationships with other countries, and most importantly to promote and develop its own domestic industries with the aim of surmounting the heavy limitations on imports. Indeed, retail is one of the focal points of Qatar National Vision 2030[23], and several shopping centres opened between 2019 and 2020. This led the supply of retail space to exceed demand, and consequently its price to gradually fall, highlighting a potential imbalance. This suggests how Qatar is currently oversupplying retail space and how local fashion brands should take this opportunity to invest in stores, or other kinds of physical retail. Nevertheless, the majority of Qatar fashion Entrepreneurs currently focuses on online selling. What will be interesting and crucial to investigate is the reason behind this choice, whether it is just a matter of lack of capital, poor retail strategy, or local customers actual preference for online shopping. Indeed, understanding local customers behavior is crucial in order to assess if Qatari brands are not taking advantage of the resources and opportunities currently available in the Country.

4.5 Government Support and Creative Incentives for Local Designers

During the latest years, the population of Qatar has developed an increasing interest for engaging in the fashion and design business. The mother of the current Qatari emir, Sheikha Moza bint Nasser al-Misneed[24] , has been largely influencing this path through her talent in combining conservative social mores with the cutting edge designs of high

[23] Qatar National Vision 2030 is a development plan launched in 2008 “which aims that – by 2030 - Qatar becomes an advanced society capable of sustaining its development and providing high standard of living for its people” https://www.gco.gov.qa/en/about-qatar/national-vision2030/

[24] Sheikha Moza bint Nasser al-Misneed is the consort of Qatar past ruling Emir, co-founder, and chairperson of Qatar Foundation

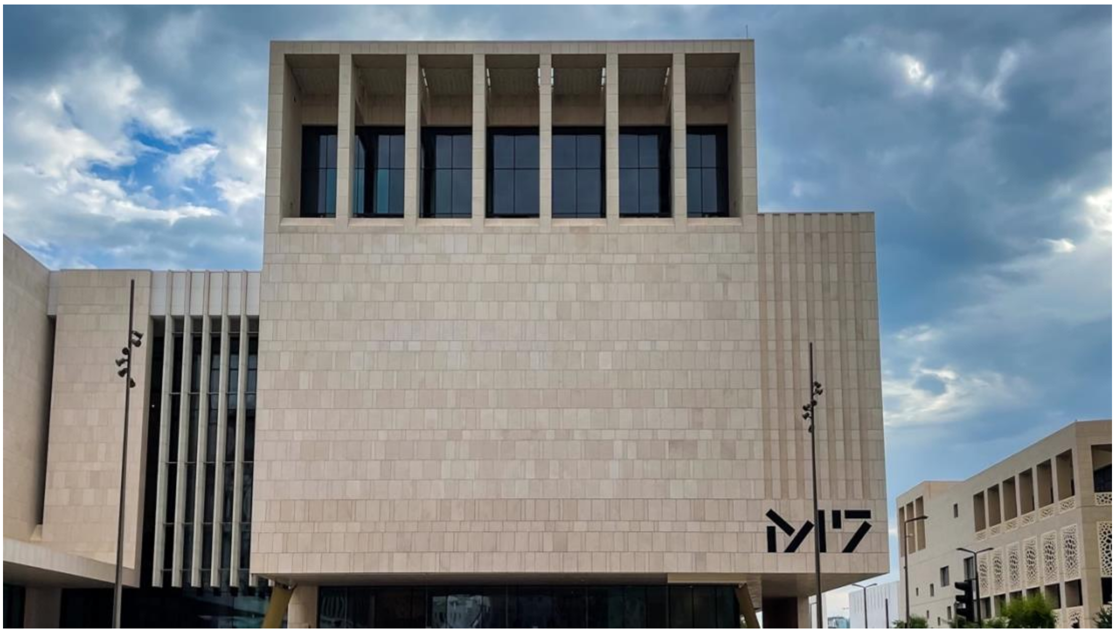
fashion's most reknowned brands. Indeed, she is reportedely a guiding force behind the Country's major fashion-centric investments (Simeon Kerr, 2013). The mother of the Qatari Emir has infact worked behind the scenes to make sure Qatar became part of the same fashion industry in which the small population of Qatar represents a high percentage of its customers. Indeed, Sheikha Moza chairs the previously highlighted Qatar Luxury Group, and in 1998 provided scholarships for the first Qatari students to study fashion. The creative subject was indeed one of the first focus of Qatar's education development plan, which kicked off in 1995.

Qatar, other than investing in international fashion houses, has been strongly focusing its efforts in developing regional talent, with the aim of making Doha a new regional fashion hub. Indeed, the creative minds of the Country's developing School of Arts slowly making their first steps in the business, and the Government's willingness to support this industry, largely contributed to the development of a well-structured plan. The official starting point of the plan was the development of Qatar National Vision 2030 in 2008. Indeed, one of its main pillars builds upon economic development, and according to the plan, major part of this development must be brought by supporting local entrepreneurship and innovation capabilities. The final goal is to further diversify the national economy and positioning Qatar as a regional hub for high value industrial and service activities. Nevertheless, the very first steps of the Country, predicting this vision, can be found as early as in 1995, year in which his highness the father Emir Sheikh Hamad Bin Khalifa[25] Al Thani and her highness Sheikha Moza bint Nasser founded The Qatar Foundation. This private, non-profit organization was established with the objective of creating global opportunities and empowering people to shape the present and the future of the Country. The Qatar Foundation is made up of more than 50 different entities, operating in education, science and research, and community development. The flagship initiative of the organization is the Education City, a campus built on an area of more than 12 square kilometers and hosting branch campuses of some of the world leading universities, such as HEC Paris, Northwestern University, Virginia Commonwealth University School of Arts, and many more.

[25] Sheikh Hamad Bin Khalifa Al Thani is the past ruling Emir of Qatar (from 1995 until 2013)

In 2005, it was established The Qatar Museums[26], institution which fosters the creativity, cultural knowledge, and empathy of local people. The organization was founded with the aim of being a cultural instigator and of helping to fulfill the cultural goals of Qatar National Vision 2030. In other words, Qatar Museums is working to increase the cultural endowment of the Country by expanding the network of museums, cultural sites, public art, festivals, and heritage sites. The government entity closely cooperates with the Ministry of Culture, Arts and Heritage of the Country and it is one of the key tools for the implementation of cultural policies.

Figure 5: M7 Building in Msheireb, Doha



Source: Vogue.it

One of Qatar Museums' most recent initiative is M7, a facility in the middle of downtown Doha dedicated to entrepreneurship and innovation in the Qatar's emerging fashion and design industry. The physical facility has officially opened to public and

[26] The Qatar Museums (or formerly the Qatar Museums Authority) is a Qatari government entity overseeing the museums of Qatar, archeological projects across different areas, such as photography, sports, Orientalist art, children's education, and wildlife preservation https://qm.org.qa/en/

has kicked-off its physical operations starting from November 5th, 2021, date of the building's opening ceremony. The name "M7" wants to refer to the following 7 goals:

- *Accelerate,* by financially supporting the development of Qatar's design community
- *Connect*, by linking creative people and industry professionals through events and networking opportunities
- *Inspire,* by organizing exhibitions and events for fashion and design
- *Complement,* by ensuring material support to local designers
- *Equip,* by providing high-quality business and technical trainings
- *Promote*, by making design and fashion the centre of Msheireb Downtown Doha
- *Empower*, by promoting sustainable practices for businesses

M7 has been created with the patronage of Sheikha Al Mayassa bint Hamad[27], aiming to raise public awareness on the fashion and design industry and to ensure a much-needed support for Qatar's own creative sector.

At the beginning of 2021, the Qatar Development Bank[28], in partnership with M7, founded the very first fashion and design business incubator in Qatar, Scale7. The fashion-focused incubator is powered by the Italy-based investment company Fashion Technology Accelerator, which provides full business support and consulting services to startups and enterprises in the fashion industry. Scale7, with the support of the Italian company's expertise in dealing with fashion startups, aims to foster aspiring Qatari designers in creating and producing Qatar based brands. The main contribution of Fashion Technology Accelerator is to scout and mentor local designers in both business

[27] Sheikha Al Mayassa bint Hamad is the sister of Qatar current ruling Emir, Tamim bin Hamad Al Thani. She was declared the most influential person in art in the Art Review's Power 100 and Art+Auction's top 10 list

[28] Qatar Development Bank is a bank in Qatar offering financial services, banking and loans to the development of multiple sectors of the Qatari economy. The Bank aims to develop and empower local entrepreneurs to diversify the Qatar economy, through successful small/medium enterprises

economic and more creative fields. Indeed, Scale7 provides startups with both in-kind and financial support, and offers them physical spaces for networking, prototyping, and products' showcasing. The Incubator has started its operations virtually in March 2021, and will open its physical space in November, alongside M7 grand opening. Until now, Scale7 has welcomed in its portfolio a total of 23 fashion startups, which in addition to the in-kind services of the Incubator, will be provided with cash support of QAR 100,000 (Approximately EUR 25,000) in convertible notes by Qatar Development Bank. Among the 23 startups, only 11 are currently selling their products and generating revenues, while the others are still in the idea or prototype stage.

As the Qatari fashion designer and Head of Programs at M7, Fahad Al Obaidly, has stated during his interview with a local journal, *"Qatar is the biggest consumer in the luxury segment in fashion and now we are kind of reversing the table"*. Qatari and Qatar's residents are now willing to start producing in the Country because they finally feel to have the knowledge and the tools to do it. Indeed, the Virginia Commonwealth University of Qatar (VCUQ), which was funded in 1998 in partnership with the Qatar Foundation, has been developing a very rich legacy of creative minds and leaders in arts, design, and fashion (Lani Rose R Dizon, 2021). The school of arts is also acting as an active partner of the M7 initiative and has a considerable role and involvement in the emerging design industry in Qatar, to the extent of being considered one of the main actors fueling its growth. In addition, the University hosts the international art and design conference "Tasmeem Doha" and the "Hamad bin Khalifa Symposium on Islamic Art", attracting worldwide recognized designers, artists, and industry experts, and enhancing the educational, economic, and cultural life of Qatar.

Figure 6: Virginia Commonwealth University School of Arts in Qatar

Source: www.qf.org.qa

In 2018, under the patronage of Sheikha Moza Bint Nasser and Sheikha Al Mayassa bint Hammad Al Thani, Fashion Trust Arabia (FTA) was launched as a new non-profit initiative to support regional fashion designers. The project was initially developed to be a contest aiming to generate awareness on the Arab fashion world and provide winners with financial support. *FTA Prize* winners' announcement takes place every year in Doha and hosts international acclaimed designers, creative directors, and fashion icons. Among the list of previous attendees: Pierpaolo Piccioli from Valentino, Olivier Rousteing from Balmain, Naomi Campbell, Johnny Depp and many more. The event and the prize are considered crucial opportunities for regional designers to benefit from an extremely high international exposure. The initiative has expanded and introduced the *FTA Pulse*, which through features and interviews, assists the prize in achieving the ultimate goal of shining the spotlight on the Arab Fashion world. Fashion Trust Arabia currently also offers exclusive mentorship by international industry experts and leaders. In addition, the initiative offers an online platform called *Directory*, which provides with key addresses of designers, jewelers, craftspeople, photographers, textile providers in the MENA region, sharing insights of each country fashion resources.

Qatar has been strongly investing in this sector for the past few years and has been striving to support local designers in multiple ways. Nevertheless, considering the current Qatari fashion environment and the local customers' high spending on international brands, is there enough space for these designers in the local market? Are local wealthy customers willing to pay premium prices for Qatari brands? And which actions are required for local fashion entrepreneurs to succeed in the Qatari market?

5. The Local Offer: An Inside Look at Qatari Fashion Brands

Qatar is now home to several different ready to wear and luxury fashion designers, which aim to succeed both in the local and international market and have strived to find in-kind and cash support from their home country. Fortunately, the new government funded initiatives, such as M7 and Scale7, will fill this gap. The local market is still in a development phase and there are significantly more emerging designers compared to the number of the more established ones. For this reason, it is challenging to forecast the future of this industry but, the Country is working to provide local fashion entrepreneurs with all the tools, knowledge, and infrastructures they need to have the opportunity to grow and succeed. Nevertheless, the emerging market is already extremely varied and diversified, offering unique products in each segment of the industry.

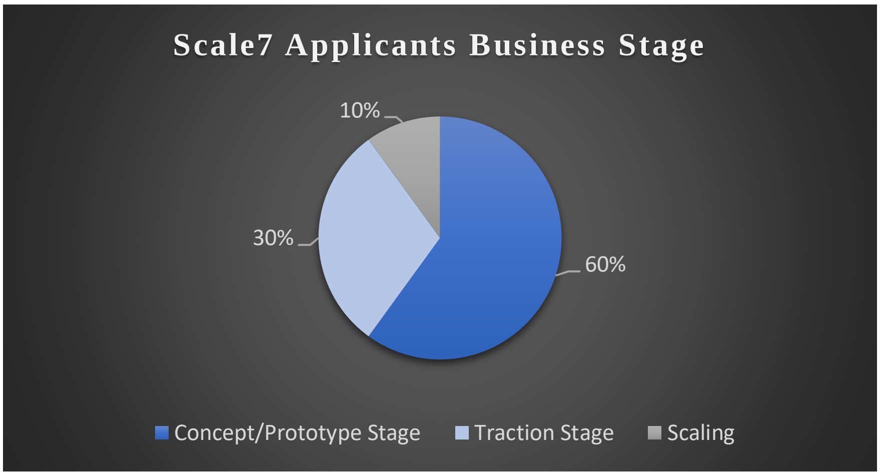
In the following pages, market trends and insights from the first fashion and business incubator of the Country will be presented. Moreover, a sample of four Qatari brands will be introduced and analyzed. These brands were selected based on their different product's offering, local culture attachment, and business stage. Four brands, operating in footwear, jewelry and leather goods, sportswear, and traditional wear, bound by the same challenges. Hissa Haddad, footwear brand known for its luxury, Islamic art inspired heels and striving to achieve significant profits. Trifoglio, jewellery and leather goods brand which struggles to achieve a wider audience and to increase its level of customers. Verve, sport and casual wear brand selling exclusively via Instagram and through a temporary shop in Doha. Harlienz, traditional and modest wear brand which finds its points of strength in its simple designs and high-profile celebrities' endorsement. Finally, results of a focus group involving a sample of 9 local fashion brands on key issues and topics will be developed. The majority of the local designers are currently young or middle-aged women driven by their creative minds and their passion for fashion and design. It is for this reason that the state of Qatar, through all the above listed initiatives, is trying to mentor them by highly focusing on the business and marketing aspects.

5.1 Insights from the Emerging Market

In the previous chapter, it was mentioned the importance that the recently launched Fashion and Design Business Incubator Scale7 has been having in providing local designers with a new set of opportunities and support. The Incubator was founded by Qatar Development Bank, in partnership with M7, with the aim of creating a platform to foster, promote and develop the creative industry in the Country. In other worlds, Scale7 pursues to be a place where designers and fashion start-ups can not only find business and financial support, but also inspiration during their journey to become recognized and profitable brands.

During its first year of operations the Qatar-based Incubator received a total of around 270 applications from local fashion brands. As reported in Exhibit 7, the 60% of the applicants were still in the concept/prototype stage, the 30% in the traction phase, and only the 10% in the Scaling stage. In the concept or prototype stage the company usually does not have any product in the market and is still focusing on market research towards the creation of a minimum viable product[29]. The traction phase is the stage of validation and usually coincides with the first year of a firm trying to capture more customers. Finally, scaling is the stage of growth, in which companies usually focus on the refinement of marketing strategies and products' offering.

Exhibit 7: Scale7 Applicants' Business Stage



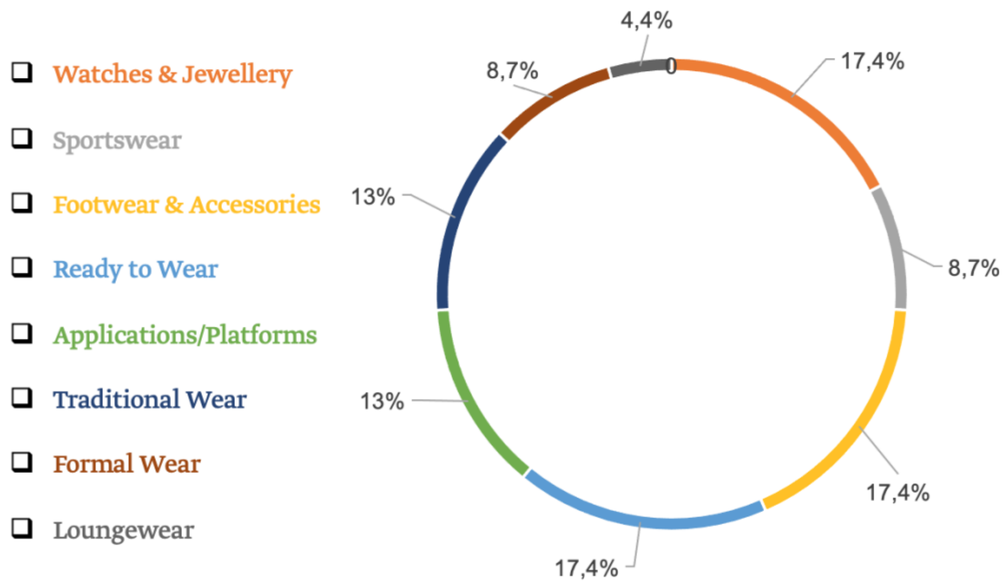
Source: Author's elaboration on Data

[29] Minimum viable product is the version of a product with enough features to be used by early customers, who can provide feedback to be used for further developments

These data confirm the very early stage of the market, and the presence of many concept/prototype stage designers highlights the growing pattern that the fashion industry is currently experiencing in the Country.

Almost one year after the official launch of the project, the business incubator shared some interesting data, highlighting the main fashion and business trends currently characterizing the market. It is relevant to mention that, at the moment, the Incubator only accepts companies based in Qatar as part of its portfolio. Figure 7 highlights how traditional wear, watches & jewelry, and footwear & accessories are the top three market segments, each representing the 17,4% of Scale7's total portfolio of 23 companies.

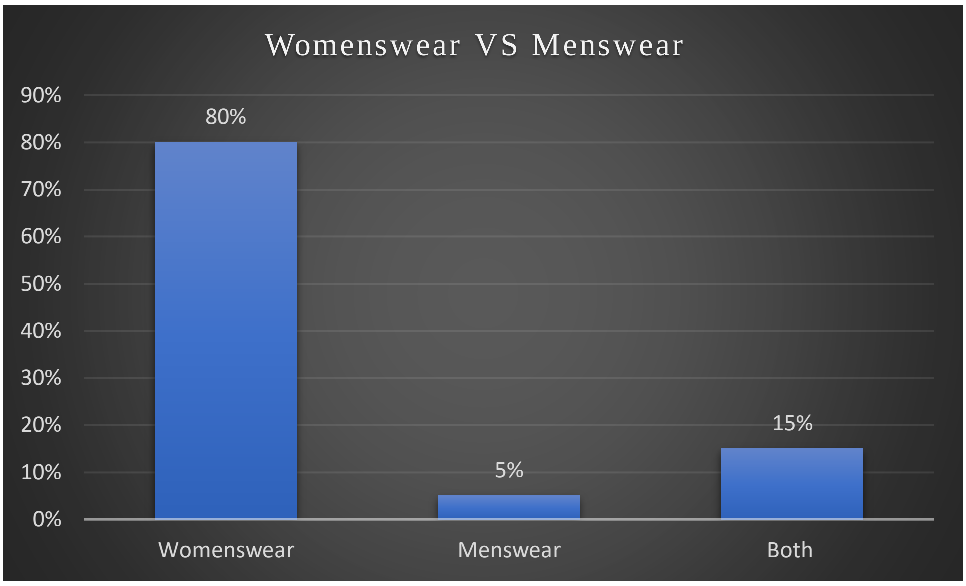
Figure 7: Scale7 Incubatees'Market Segments



Source: Author's elaboration on Data

Moreover, Exhibit 8 shows how the current offer of Qatari emerging brands is primarily based on womenswear, which accounts for 80%. The 15% of the sample in consideration offers products for both categories, while only the 5% is entirely focused on menswear.

Exhibit 8: Women VS Menswear Market Offering



Source: Author's elaboration on Data

In conclusion, Scale7 shared that 45% of its designers does not own a physical store nor an e-commerce platform. Reportedly, these brands highly rely on Instagram selling or direct message ordering. For this reason, it is crucial to investigate the preference of Qatari customers in terms of purchasing channels, in order to allow local brands to tailor their strategy catering to local customers.

In the following paragraphs, a sample of fashion local brands in different market segments is listed and profiled. A picture of their current position in the local market and strategies adopted is presented, making use of original data and information shared by the designers themselves.

5.2 Hissa Haddad: Luxury Footwear

Hissa Haddad is a luxury footwear brand launched in October 2017 during Paris Fashion Week by the Qatari fashion designer Hissa Al Haddad. The brand is known to be the first Qatari female owned fashion brand to be manufactured in Italy. It is mostly known for its heels characterized by a unique and singular design, inspired both by the local architecture and the Islamic art. The designer defines its brand as "focused on comfort and wide fit details". In 2019, the footwear label received the prestigious

Grazia Style Award[30] and its participation to both London and Paris fashion week has contributed to its local and partially international brand awareness. Nevertheless, the brand still struggles in achieving a significant level of profits, reportedly due to the high costs of manufacturing in Italy. It is worth to mention that a pair of Hissa Haddad shoes costs on average 2000 Qatari riyals, equivalent to around 487 euro. In this way, the designer positions itself as a luxury footwear brand. Though it has been seen that Qatari population is extremely wealthy and frequently luxury purchasers, it is not clear whether local customers are willing to pay premium prices for local branded products.

Figure 8: Hissa Haddad "Jawahir" Heel

Source: Hissa Haddad Official Website

The footwear label has registered around QAR 112,000 (€26,618) revenues in 2020, coming part from physical retail and part from Instagram selling. Hissa Haddad does not own a store, but it is currently selling in Salam department store and Galleries Lafayette, both located in Doha. These are two of the leading department stores in Qatar and Hissa Haddad's pieces are currently showcased in dedicated corners of both stores. In 2018, the brand launched its own website and e-commerce, which has registered no sales in 2020, and first reports on 2021 signal just a little more activity. However, it has to be noted that currently the e-commerce platform is in fact not entirely active, as it is

[30] The Grazia Style Awards is an annual event staged by Grazia, one of Qatar's most influential women's monthly magazine. The awards celebrate female achievements in. the Country and beyond

just showcasing a few pieces of the Brand's collections. Instead, according to the Designer, its customers seem to prefer having direct interaction with the brand owner by ordering pieces via Instagram's direct messages. In addition, the brand has also a space on the online multi-brand platform, the Arabian Porter[31]. The platform is currently showcasing only 5 pieces of the Brand's collections.

Exhibit 9: Hissa Haddad Instagram Metrics

Source: Toolzu Elaboration. August 2021

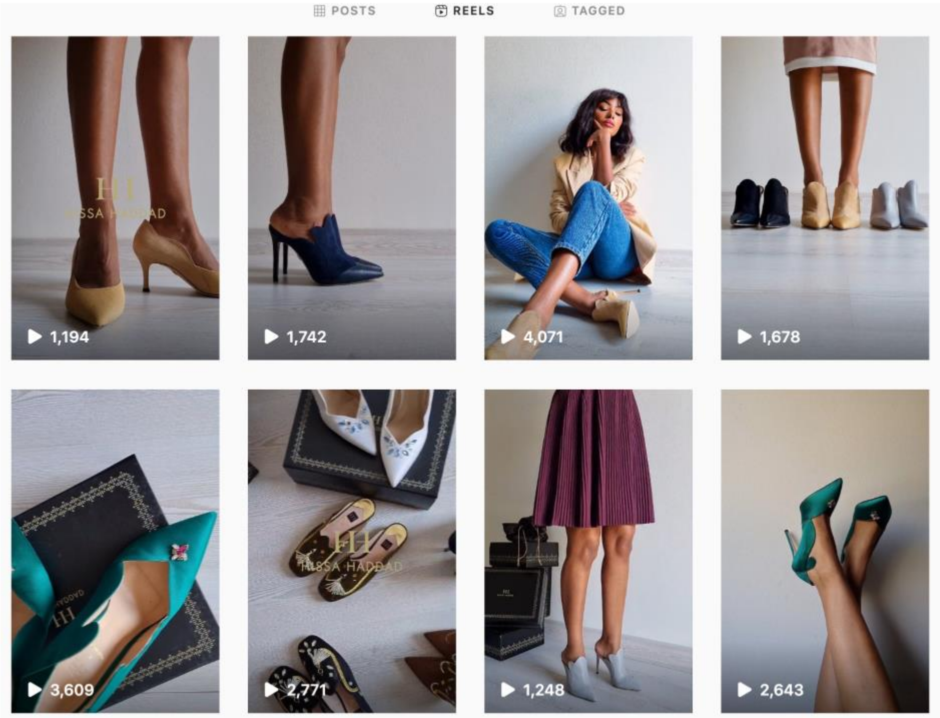
As it can be seen in most emerging fashion labels in the country, Instagram is perceived by local brands as one of the main channels to showcase their products, and a well-managed profile is usually considered as a good start when trying to acquire the critical first customers. Indeed, the advertising and marketing strategy of Hissa Haddad is currently entirely based on social media marketing, with a particular focus on reels and Instagram stories. The Brand can claim 4,824 followers on Instagram and has published a total of 629 posts since April 2016, with an average number of daily posts equal to 0.30. This number is far below the industry average, which was calculated to be 0.96 in 2019 (Statista, 2019). The Brand has started posting reels in June 2021 and, while achieving a good number of views (Figure 6), the engagement rate per post remains very low, with an average number of interactions per reel equal to 40.78.

Since its establishment year, Hissa Haddad has personally invested around QAR 500,000 (€118,827) in the brand and, between 2019 and 2021, has managed to raise a

[31] https://www.arabianporter.com/store/?attro-brand=625

cumulative funding of QAR 170,000 (€40,401) from Qatar Business Incubation Center[32] (QBIC) and Scale7[33]. Hissa Haddad is currently taking part in the Scale7 Acceleration Program, and it is planning to launch a new collection of women shoes by the end of the year.

Figure 9: Hissa Haddad's Reels Feed



Source: Hissa Haddad Instagram Profile

Hissa Haddad is not involved in any sustainable practice but, is currently studying and testing innovative materials to possibly be include in next collections. The brand is currently focused on identifying a new set of international suppliers on the product development side, while also looking for opportunities to open pop-up stores in the city of Doha. Hissa Haddad does not have any plan in opening a physical store in the next few years, while she is currently focusing its efforts in improving the

[32] QBIC is one of the largest mixed-use business incubators in the MENA region and was founded in 2014 by the leading entrepreneurship institutes, Qatar development Bank and NAMA.

[33] Scale7 is the first Fashion & Design business Incubator in Qatar, founded in 2021 by Qatar Development Bank, in partnership with M7

shopping experience of the Brand's e-commerce and widening its presence in local department stores and online platforms.
In addition, the designer declares to highly feel the competition coming from international luxury fashion brands. The Qatari shoes Brand faces this competition by leveraging on its unique DNA and design, which make its products stand out in the general market.

5.3 Trifoglio: Jewellery and Leather Goods

Trifoglio is a Qatari brand specialized in luxury jewellery and leather goods founded in 2015 by the designer Fajer Atea. The designer started its commercial activity by exposing her jewellery pieces in her homonym beauty salon, "Trifoglio Salon & Spa". After capturing the interest of the salon customers, Fajer Atea decided to transform her hobby into an actual business and to strongly invest in her jewellery production.
The brand gets its inspiration from natural elements to create eternal and timeless jewellery pieces. Fajer defines quality as one of the most important value for Trifoglio and believes "excellence can only be achieved through design and high-end quality". The Brand is recognizable for the recurring use of the trifoglio plant's shape, which appears in each piece of the designer.

Figure 10: Trifoglio Jewelry Pieces

Source: Trifoglio's Instagram Profile

The Jewellery & leather goods Brand has registered revenues of QAR 2,096,412 (€498,190) in 2019 and of QAR 912,451(€216,834) in 2020. The decrease in sales was primarily caused by a slowdown in manufacturing production during Covid-19 outspread. Differently from Hissa Haddad, a significant portion of Trifoglio's sales comes from online purchases, even though both brands do not have an established e-commerce platform yet. In fact, around 61% of 2019 total sales and 54% of 2020's were made through online ordering, via Instagram direct messages. Other than Instagram, the Brand does not currently sell its products in any other online channel. Fajer Atea has personally invested QAR 100,000 (€23,765) in her brand so far and has just received additional QAR 100,000 (€23,765) from the Fashion & Design Business Incubator, Scale7.

Exhibit 10: Trifoglio Instagram Metrics

588	**27.7K**	**0,01%**	**0,19%**
Posts	**Followers**	**Engagement**	**Average Users Activity**

Source: Toolzu Elaboration. August 2021

Trifoglio's main marketing tool is Instagram. The brand focuses its marketing spending on photoshoots and videos to post and sponsor in the social platform. The designer states to heavily rely on digital influencers, which generate a good return on investment. However, the start-up admits facing difficulties in calculating the actual value of influencer marketing. Indeed, a study conducted in 2019 by Forbes found out that even if 84% of marketers believes influencer marketing is effective, the majority of them states that the greatest challenge is measuring its ROI. Moreover, the entrepreneur judges her experience with print ads as extremely costly and "totally ineffective".

For the current year, Trifoglio is planning to invest in the launching of at least two new jewelry collections, a more affordable and a high-end one. The Brand is also planning to use Instagram fashion influencers paid advertising, which has become a very common marketing strategy among local designers. Moreover, Trifoglio has just signed a contract with the luxurious and European style mall, Al Hazm. This will be the first physical sales point of the Brand, which so far has been selling only via Instagram and at Trifoglio Salon, the beauty salon owned by the designer and located inside The Pearl, Doha.

5.4 Verve: Sports and Casual Wear

Verve is a unisex Qatari fashion brand focused on casual wear, street style, sports and fitness clothing. Verve was founded in 2018 by the Qatari nurse and designer Noora Al Sharif, with the aim of covering aspects of healthy lifestyle in a fashionable way. The designer aims to create comfortable clothes suitable for multiple occasions, from exercising at the gym to having brunch with friends. The casual wear Brand targets a young audience of both men and women of the age between 17 and 35 years old.

Figure 11: Verve's pieces from new and old collection

Source: Designer private sharing

The casual wear designer is about to launch two new collections, one of which of hats, and is under discussions with the international online wholesaler FARFETCH with the aim of closing a contract by the end of the year. The sportswear Qatari Brand is currently focusing its marketing strategy on social media promotion. In particular, Verve has recently invested in sponsored contents. Nevertheless, the designer states that even if this has been positively affecting the increase of its followers, it is not having a relevant impact on its total amount of sales. Indeed, the Brand, after 5 months of Instagram paid advertising promotion, registered only a 0,5% revenue growth. Verve's

Instagram profile has an overall engagement rate of 2,27%, which can be considered good and is far above the industry average of 0,68% (Statista, 2020).

Figure 12: Verve's Instagram Feed

Source: Verve Instagram Profile

The Instagram posts of the sportswear Brand maintain the same soul throughout the entire feed, by focusing on recurring signs, visual effects, and neon lights. While this choice of communication might benefit the Brand uniqueness and customer recognition, at the same time it could be detrimental for the products' showcasing, hence for sales.

Exhibit 11: Verve Instagram Metrics

57	2.4K	2,27%	32,44%
Posts	**Followers**	**Engagement**	**Average Users Activity**

Source: Toolzu Elaboration. August 2021

The sportswear Brand has not undertaken any action related to sustainability or social responsibility. Nevertheless, the designer is currently doing research on material selection and plans to introduce organic or recycled textiles for the 2022 collection. Since Verve's establishment, Noora Al Sharif has personally invested QAR 350,000 (€83,165) in her company and has registered a total revenues amount of around QAR 500,000 (€118,807) in the last 3 years. Nevertheless, in 2020 the Brand temporarily stopped its production during Covid-19 lockdown and, released a 3-pieces collection at the end of the year which sold QAR 20,000 (€4,752) in two weeks only. Verve currently manages a pop-up store in Galleria Msheireb, its only physical purchase channel located in the heart of the design and fashion district in the city of Doha. The pop-up store opened its doors in March 2021 and, in 6 months, has managed to make QAR 37,000 (€8,791) in revenues. Moreover, the Brand is currently in talks to display its pieces in a corner inside the gift shop of the upcoming Qatar Olympic and Sports Museum 3-2-1, set to open by the end of the year 2021.

5.5 Harlienz: Modest fashion and Traditional wear

Harlienz is a modern Qatari fashion brand founded in 2013 by the designer Haya Al Adsani. The Brand focuses its value proposition on creating versatile, easy to wear abayas and jalabiyas[34]. In 2019, Harlienz was the first Qatari label to be featured on New York Fashion Week and her simple yet elegant abayas have been worn by people of the calibre of her excellency Sheikha Moza bint Nasser and the internationally acclaimed designer Diane Von Fustenberg[35].

Harlienz has its own running website, on which it is possible to view and shop pieces of the designer's collections. In addition, the Brand is also selling in the online multi-brand platform, the Arabian Porter. Differently from the previously profiled designers, Haya Al Adsani has her own physical boutique inside The Pearl, an artificial

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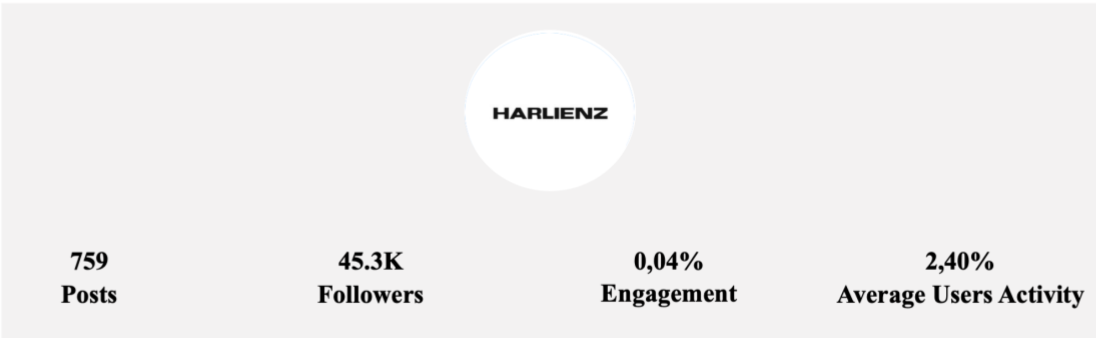
[34] Jalabiya is a traditional Arab loose overgarment for worn by both men and women.

[35] Diane Von Fustenberg is a Belgian fashion designer best known for her "wrap dress". Her company, "Diane von Fustenberg (DvF)", is available in more than 70 countries with 45 stores worldwide. In 2014, Forbes listed the designer as the 68th most powerful woman in the world

island in Doha which is home to countless elegant fashion, jewellery, and lifestyle stores, and one of the primary destinations for luxury shopping in Qatar. In addition, Harlienz's pieces are also displayed at Texture Boutique, a little multi-brand store located in the center of Doha and selling abayas from different regional brands.

Exhibit 12: Harlienz Instagram Metrics



Source: Toolzu Elaboration. August 2021

Among the brands under analysis, Harlienz is by far the one claiming more Instagram followers. This is attributable to the Brand's international recognition achieved thanks to the high-profile celebrities' endorsement of its abayas (Figure 13). Nevertheless, the interactions per posts are still very low and lead to a total engagement rate of only 0,04%.

Figure 13: Sheikha Moza bint Nasser (left) and Diane Von Fustenberg (right) wearing Harlienz abayas

Source: Harlienz Instagram Profile

Harlienz is the oldest brand of the ones under analysis, managing to achieve a considerable international recognition by creating and developing a brand which is entirely focused on modest fashion and traditional wear. The designer Haya Al Adsani is aware of the risks that she is taking by investing on the Traditional Wear segment, which was mostly limited to the same, very simple black abaya until recently. Indeed, in the latest years this perspective is shifting toward more inclusive fashion, and that is why Haya is determined to keep looking for new ways to evolve and add a modern twist to the traditional modest wear market.

From the analysis of these Qatari brands, it is possible to understand how, so far, most of the local fashion entrepreneurs seem to rely on a very limited distribution channel and on an unsubstantial marketing strategy. While it is fair to state that the designers above mentioned are currently in a very early business stage, focusing their efforts and investments mainly on production and social media communication, it is still important to identify which are the appropriate actions to undertake in order to scale up their brands by exploiting the opportunities in the local market. In this case, understanding local customers' preferences and behaviours is crucial and represents the starting point to achieve this goal.

Table 1: Brands Summary Table

Brand	***Market Segment***	***Establishment Year***	***Revenue in 2020 (QAR)***	***Total Investment***	***Instagram Engagement***	***Owned Store***	***Multi-brand stores***	***Ecommerce***	***Online Multi-brand Retailers***	***Instagram Selling***
Hissa Haddad	*Footwear*	*2017*	*111,405*	*500,000*	*0,10%*	✗	•*Galleries La Fayette, Doha* •*Salam Store, Doha*	✓	•*Arabian Porter* •*Fancy Box*	✓
Trifoglio	*Jewelry & leather goods*	*2015*	*915,451*	*100,000*	*0,01%*	✗	✗	✗	✗	✓
Verve	*Sportwear/Casual Wear*	*2018*	*20,000*	*350,000*	*2,27%*	✗	✗	✗	✗	✓
Harlienz	*Modest wear & Traditional wear*	*2013*	*N/D*	*N/D*	*O,04%*	*The Pearl, Doha*	*Texture Boutique, Doha*	✓	•*Arabian Porter*	✓

Source: Author's elaboration

5.6 Focus Group Discussion

A focus group was held involving 9 local fashion brands' owners during the "M7 Creative Entrepreneurs Roundtable". Through the focus group the designers and/or entrepreneurs sat together and reflected on key issues and topics common to all of them and their businesses.

The focus group was conducted physically at M7 Building, Msheireb district, Doha, Qatar. The following questions and topics were raised during the group discussion with the aim of investigating Qatar fashion entrepreneurs 'common attitudes, believes, and experience, while generating reactions and interactions in a way which would not be possible by conducting ordinary interviews.

Topics/questions discussed:

- Do you face the competition coming from international fashion or luxury fashion brands? How do you try to overcome it?
- Do you have a physical store? If not, why? Is it something you would invest in if you had sufficient capital?
- What kind of marketing strategy generates the most return on investment according to your experience?
- On which aspect of your business are you currently allocating the higher amount of money?

The participants of the focus group are represented by a group of 9 local brands, 3 formal wear, 3 modest wear & traditional wear, 2 casual wear and 1 fashion jewelry. The brands are all located in Doha, Qatar, and their official company establishment years range from 2012 to 2018.

<u>Question 1: Do you face the competition coming from international fashion or luxury fashion brands? How do you try to overcome it?</u>

When the first question was asked, most of the participants were undoubtedly sure of the competition of international brands but only a few of them were able to share a detailed picture of how they are personally trying to face it. The few ones who articulated more on this matter, stated to focus on the uniqueness and quality of their designs in order to stand out in the market. Interesting the point of view of those brands operating in the traditional wear market, who agree on not facing this competition because of the lack or poor international offering in this specific market segment.

The following are some of the most representative responses:

"Of course, no doubt there is always competition from international fashion brands. I personally try to overcome it by designing more creative and innovative pieces in my collections."

"My brand is focused on abayas. For this reason, I don't feel the competition of international brands because not many of them are currently providing this product in the market."

"Yes, sure. We have really tried to match their product quality and manufacturing standards, but still brands names take the lead".

Question 2: Do you have a physical store? If not, why? Is it something you would invest in if you had sufficient capital?

When asked the second question, most of the participants showed their hesitancy when it comes to deciding to open a physical shop. This was generally justified by the high financial investment attached to it. In addition, some of the brands argued to not be in that stage yet, and that acquiring more customers via other channels is their main priority at the moment.

The following are some of the most representative responses:

"I don't own a physical store. The price is way too high for fairly new businesses li mine. Nevertheless, I am currently displaying my products in a department store so customers can still go and try on the clothes."

"I am currently more focused on department stores and online platforms."

"No. The prices of rent are unreal in Doha. Small enterprises are not treated differently from bigger brands"

Question 3: What kind of marketing strategy generates the most return on investment according to your experience?

Differently from the previous questions, few seconds passed before someone took the floor to answer. In general, all the participants were vague in their responses, but a good part of them agreed on the effectiveness of influencers endorsement. Nevertheless, half of them pointed out the high prices charged for this practice in the market. However, several of them began their response by says “I am not extremely sure but...”

The following are some of the most representative responses:

“I have good return on investment on snapchat and Instagram. Influencer endorsement is in my opinion the most effective, especially when you manage to get a premium deal with influencers”

“Even if still very expensive, influencers have a huge impact on the business, and we are currently working on it”

“There are three practices that I have experienced. which were the most effective. Influencer marketing, referrals and social media marketing, but the first one was definitely the most effective”

<u>Question 4: On which aspect of your business are you currently allocating the higher amount of money?</u>

Answers to this question were relatively uniform among the participants. Production and sampling of new materials were identified as the main area where designers in the various business segment most focused their investments. Some of them also mentioned marketing as an important part of their spending, especially digital marketing. After investigating what participants meant with “digital marketing”, it was found that the designers mostly deploy their spending in organic marketing practices. Among them, photoshoots, video sharing, development of social platforms.

The following are some of the most representative responses:

“We definitely spend more on production and product sampling”

“At the beginning of my journey as a brand, I spent mostly on marketing and PR. Currently, I am more focused on product development.”

“I spend the most on two categories: mass production and digital marketing”

6 Analyzing Qatari Fashion Customers

The previous chapters presented an overview of the fashion industry in the Middle East, while studied, and proved the extremely high attractiveness that Qatar has generated in luxury fashion brands around the world. The region's fashion industry evolution through the years was also presented, and the literature on Middle Eastern fashion customers, with a focus on Qatari consumers was reviewed. The analysis focused on the overview of the current incentives and investments of the State of Qatar aimed at creating a local made fashion industry and at fueling the creative boom and industrial development of the Gulf Country. Local fashion designers, their business stage, and most common practices were analyzed through interviews, focus group and insights from industry stakeholders. This chapter aims to investigate the local customers fashion purchasing behavior, whole also understanding the main reasons preventing customers to buy local fashion product and how could Qatari fashion entrepreneurs leverage their market position. This will be achieved by analyzing the results of a questionnaire-based survey specifically tailored to investigate the general behavior of fashion purchasers in Qatar and their local brands 'perception.

6.1 Research method

The results of the following consumer survey will draw significant insights on the current local awareness and market share of Qatari fashion brands in the Country. The final objective of the market research is to investigate the local customers behavior towards Qatari fashion brands and consequently provide emerging Qatari fashion entrepreneurs with guidelines and suggestions to reach their target customers more effectively.

The questionnaire was shared through an online link, through the software "Qualtrics", both in English and Arabic language. The link has been shared through the following platforms:

- Via social media by personal accounts
- Via mail to students/alumni associations of two of the main universities in Qatar. Qatar University (Public University hosting 10 different colleges) and Virginia Commonwealth University (Private School of Arts).
- Via mail to QU Research Center

- Local Word of Mouth

The questionnaire has been available for 20 days between the months of September and October 2021.

The questionnaire is structured as follows:

- The first five questions aim to check if Qatar is the country of residence of the respondents and to obtain their demographic information: gender, age group, country of origin, and education level. This part of the survey is fundamental in order to present an overview of the sample's general demographic characteristics.

- The second section comprises additional four questions and aims to understand the local awareness of the Qatari fashion market, the current level of fashion spending devoted to these brands and the main reasons attached to low or no spending on local fashion products.

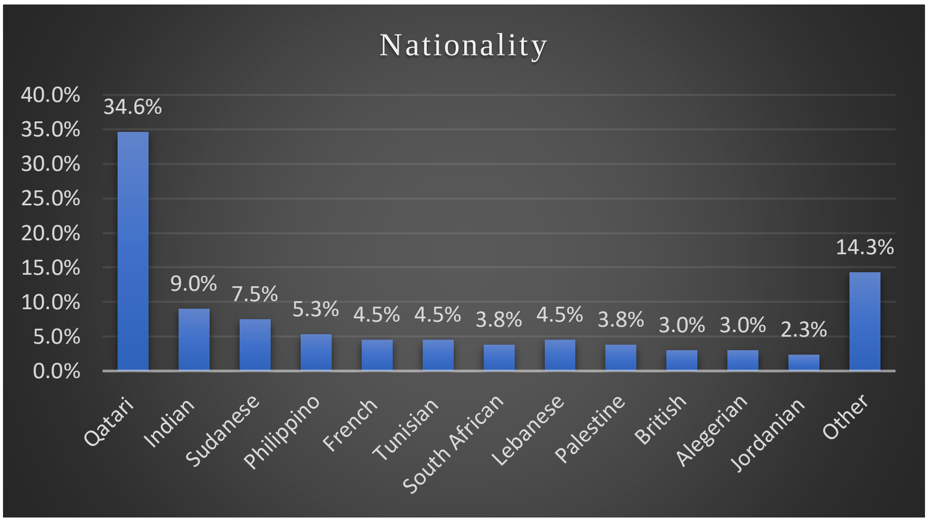
- The third and last section is composed of five questions and has the general aim of studying the Qatar fashion customers' behavior, by testing the value they attribute to some crucial purchasing factors (brand popularity, shopping experience, price, promotion channel, willingness to support local business, quality of products, sustainability, quality of products, country of origin of the brand, and brand communication). In addition, Q10 and Q11 have the objective to identify the shopping channels preferred by respondents and the most trusted information sources when making a fashion purchase decision. Q13 focuses on the various categories of fashion products and aims to identify the ones with more potential in the local market. Finally, last question of the survey asks the respondents to choose their level of agreement with some crucial statements.

6.2 Questionnaire Results

At the end of the data collection, a preliminary review of the responses has been conducted and all the ones from respondents not based in Qatar were excluded from the analysis. In addition, the ones not finalized and with a completion time too high or too low compared to the average were excluded from the final sample. The questionnaire received a total of 159 responses, 64 in Arabic and 95 in English. After having excluded 16 uncompleted responses, 6 coming from people not living in Qatar, and 4 with a completion time far above average, the final number of responses eligible to be included in the sample analysis was 133.

In this first section an overview of the general results of the survey will be presented. As a starting point, considering the high level of foreigners residing in Qatar, the nationality of the respondents was found, as expected, to be extremely variegated. Indeed, Qatari nationals represent just the 34,6% of the respondents, while the remaining 65,4% is represented by more than 20 foreign groups, led by Indians, Sudanese, and many others.

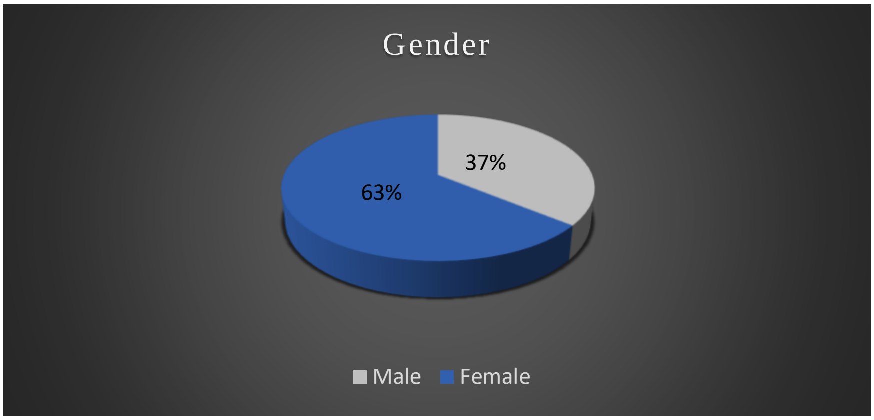
Exhibit 13: Q2-Nationaliy



Source: Author's elaboration on data

From the gender's analysis, it was found a significant prevalence of women, namely 63%, compared to the 37% of male respondents. This may highlight how men in Qatar are simply not as interested as women when it comes to fashion purchases. This is mirrored in the current local fashion offer, which is highly focused on womenswear. Indeed, only 4 designers out of 20 designers in the portfolio of Scale7, the recently launched Qatari Business Incubator, focuses on menswear, or simply includes a men fashion line.

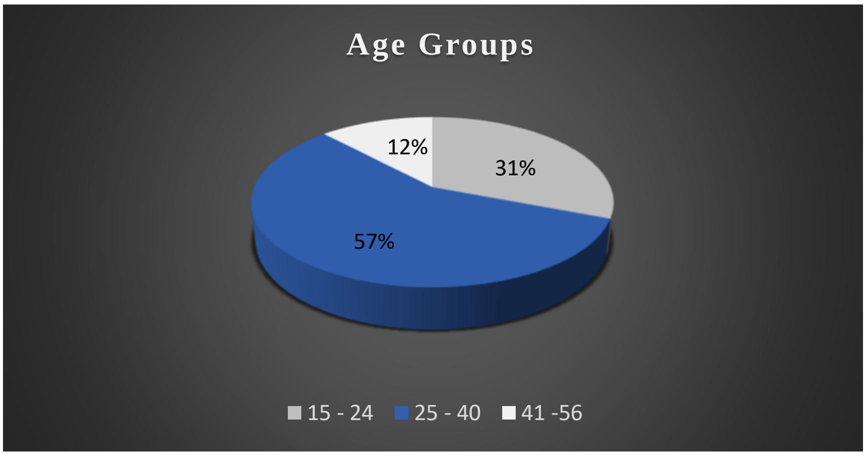
Exhibit 14: Q3-Gender



Source: Author's elaboration on data

The vast majority of the respondents, namely 57%, belongs to Millennials, with an age between 25 and 40 years old. The 31% is represented by Gen Z (15–24) and only the 12% by Gen X (41-56). These data are very reasonable and highlight the relevancy of the sample. Indeed, the statistics already discussed in Chapter 2 stated that around 67% of the country's inhabitants in 2019 was between the age of 20 and 44 years old (Statista, 2019).

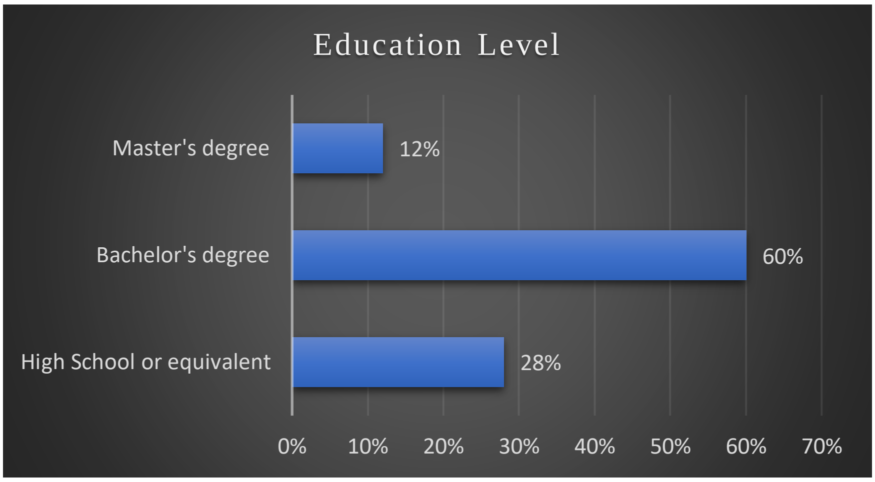
Exhibit 15: Q4-Age



Source: Author's elaboration on data

For what concern the level of education, the majority of the respondents belongs to the "Bachelor's degree" category, namely 60%, followed by 28% of respondents with high school or equivalent qualification, and the 12% who has obtained a master's degree.

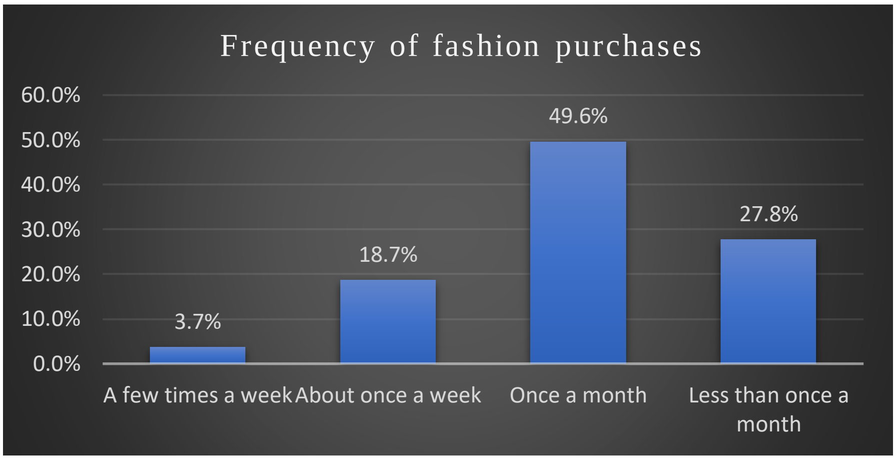
Exhibit 16: Q5-Education (highest degree completed)



Source: Author's elaboration on data

In order to understand the overall fashion habits of the respondents, the question number 6 "how often do you buy fashion products?" was asked. More than half, namely 49,6%, states to purchase fashion products once a month, followed by less than once a month (27,8%), about once a week (18,7%), and a few times a week (3,7%).

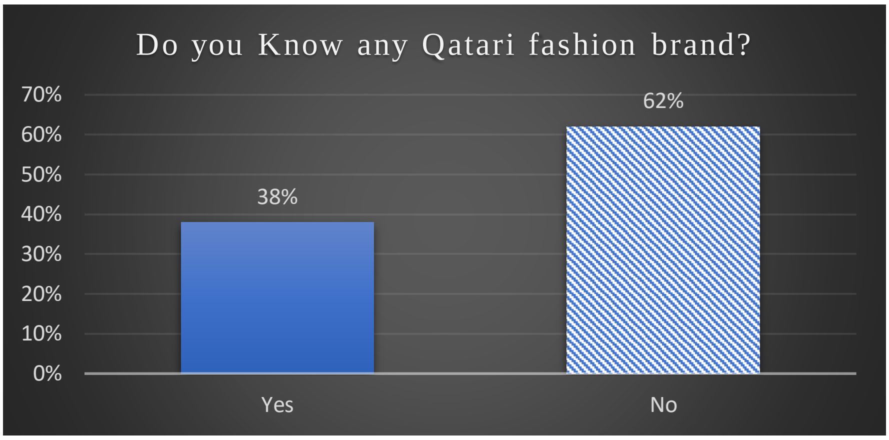
Exhibit 17: Q6-*How often do you buy fashion products?*



Source: Author's elaboration on data

In question 7, respondents were asked the following question: "Do you know any Qatari fashion brand?". Around 62% of the respondents declares not to know any Qatari fashion brand. Indeed, only 38% of them is aware of the existence of local fashion brands, regardless of whether they purchase from these labels or not. This is extremely crucial for the analysis because, not only it gives an understanding of the current local fashion brands' awareness but sheds the light on a potential marketing mismanagement of Qatari fashion labels. Indeed, despite the huge investments of the State of Qatar to support local entrepreneurs and the vibrant fashion environment in the making, local customers do not seem familiar with Qatari fashion brands.

Exhibit 18: Q7-Do you know any Qatari Fashion brand?

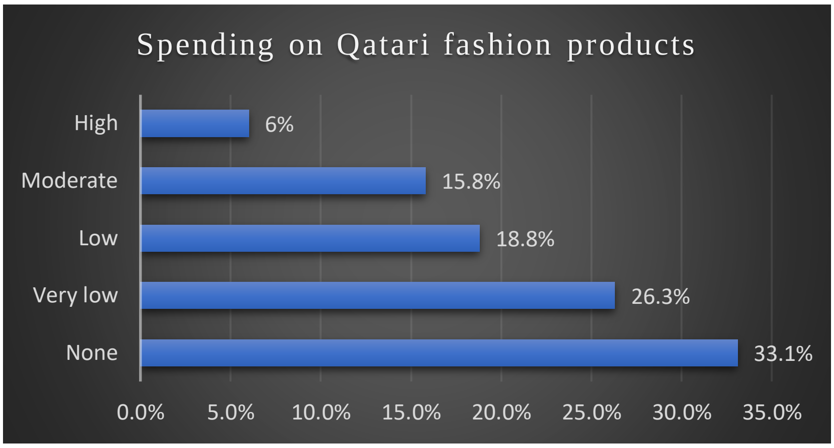


Source: Author's elaboration on data

This is reflected in the level of monthly spending that the respondents devote to local fashion products. Indeed, only the 21,8% declares to spend a high or moderate amount of their monthly fashion purchases on Qatari products (respectively 6% and 15,8%). On the other hand, the 33,1% does not buy any Qatari fashion products, 26,3% a "very low" quantity, and 18,8% a "low" amount (Exhibit 19).

Later, only the respondents who stated to spend none, low or very low of their monthly fashion spending on Qatari products were asked to choose one or more reasons behind their behavior (exhibit 16). The results' outcome highlights the dominance of three main reasons: the high prices charged by local designers, the preference for international brands, and simply the unawareness of Qatari brands. It will be crucial to investigate why there is this high preference for international brands among respondents. Is it attributable to the high value that show off and popularity of the brand have for fashion purchasers in the Country? Indeed, in the second section of the chapter it will be tested the correlation between these two variables.

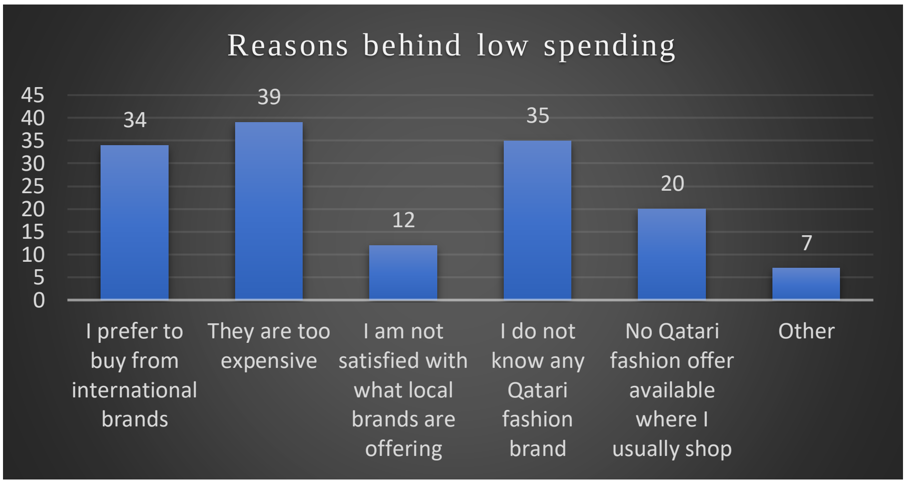
Exhibit 19: Q8- Considering your annual fashion spending, how much do you spend on Qatari fashion products?



Source: Author's elaboration on data

Later, only the respondents who stated to spend none, low or very low of their monthly fashion spending on Qatari products were asked to choose one or more reasons behind their behavior (exhibit 20). The results' outcome highlights the dominance of three main reasons: the high prices charged by local designers, the preference for international brands, and simply the unawareness of Qatari brands. It will be crucial to investigate why there is this high preference for international brands among respondents. Is it attributable to the high value that show off and popularity of the brand have for fashion purchasers in the Country? The second section of this chapter will test the correlation between these two variables.

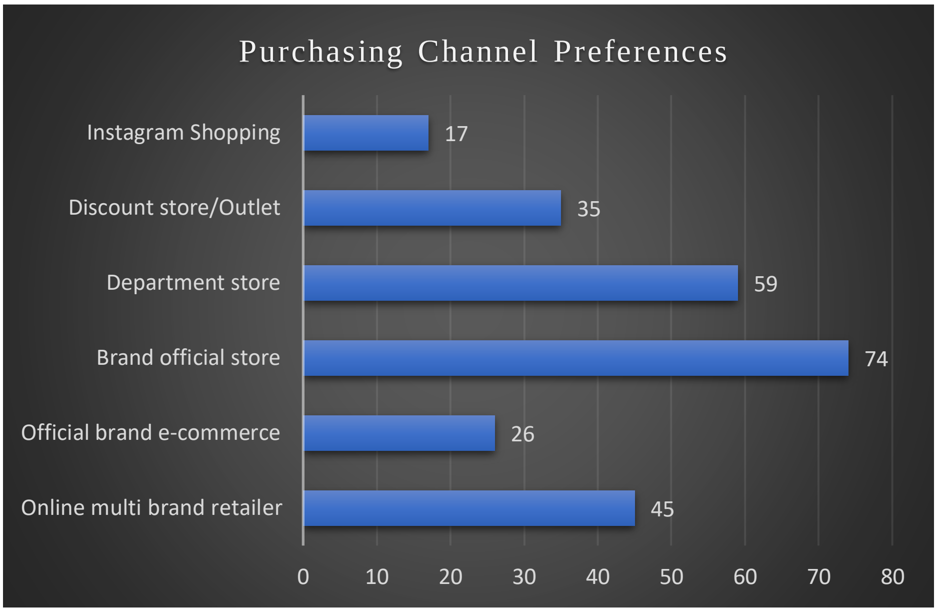
Exhibit 20: Q9- If you selected answer 1, 2 or 3 in the previous question, choose one or more reason/s



Source: Author's elaboration on data

All the respondents were then asked to choose on or more channel of preference when making a fashion purchase. The channel with the highest number of votes is the brand official store, chosen by around 55,6% of the total respondents. Second and third place for respectively the departments store and online multi brand retailer. Interesting the position of Instagram Shopping, selected as one of the preferred channels by only 17 respondents, but at the same time very often unique point of sales of the Country's emerging designers.

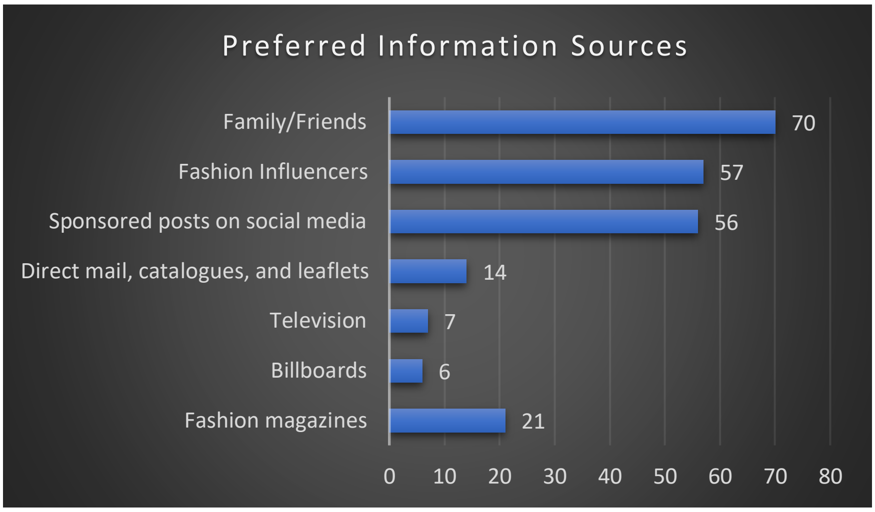
Exhibit 21: Q10-Where do you prefer to shop?



Source: Author's elaboration on data

In question 11, respondents were asked to choose one or more information sources on which they mostly base their fashion purchases. Though Family/friends remained the top source, the results show how social media has an extremely high impact on their behavior, both via fashion influencers and sponsored posts. On the other hand, television and printed media advertising do not seem to play a relevant role in customers' fashion purchasing decisions.

Exhibit 22: Q11- On which of the following sources do you base your fashion purchase decision?

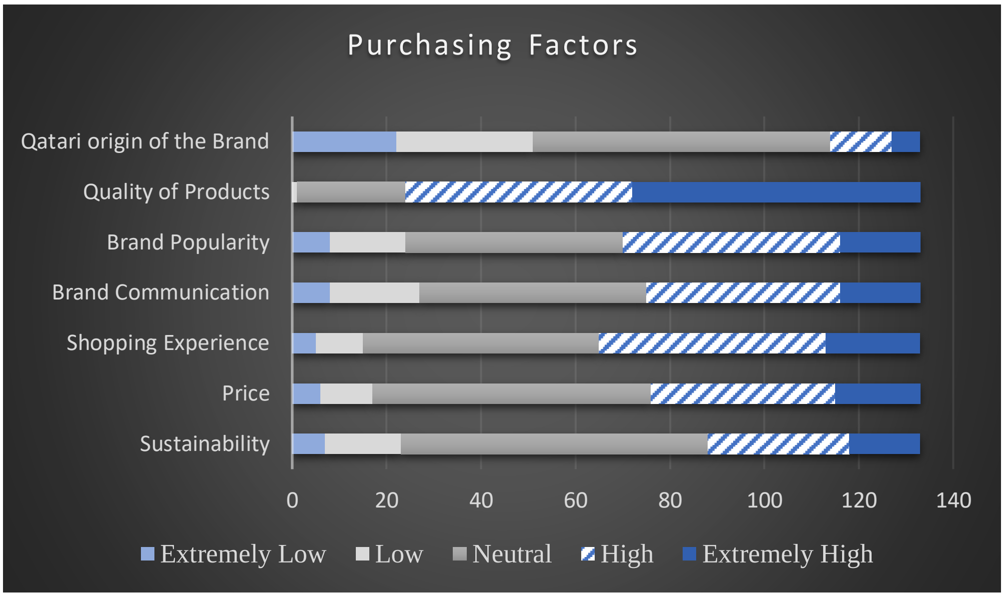


Source: Author's elaboration on data

Respondents were then asked to rate the importance they give to specific factors when making a fashion purchase (Exhibit 19). Local customers seemed to be still not enough socially and environmentally conscious. Indeed, the 48,9% states that sustainability has a neutral effect on their purchasing behavior, and for around the 17% it has a low or extremely low effect. Moreover, the 42,8% of the respondents attributes a high or extremely high value to price and the 44,4% a neutral value, while only the 4,5% extremely low, and 8,3% low.

Brand popularity is also a factor often highly considered by Qatar residents when making fashion purchases. In fact, only the 20% attributes a low or extremely low value to it, while the 34,6% states to be highly affected by the popularity of a brand, and 12,8% more than highly. Nevertheless, 34,6% of respondents declares to be neutrally affected by brand popularity. The major factor considered is by far the quality of products, which is highly regarded by 36,1% of the respondents, and more than highly by the 45,9%.

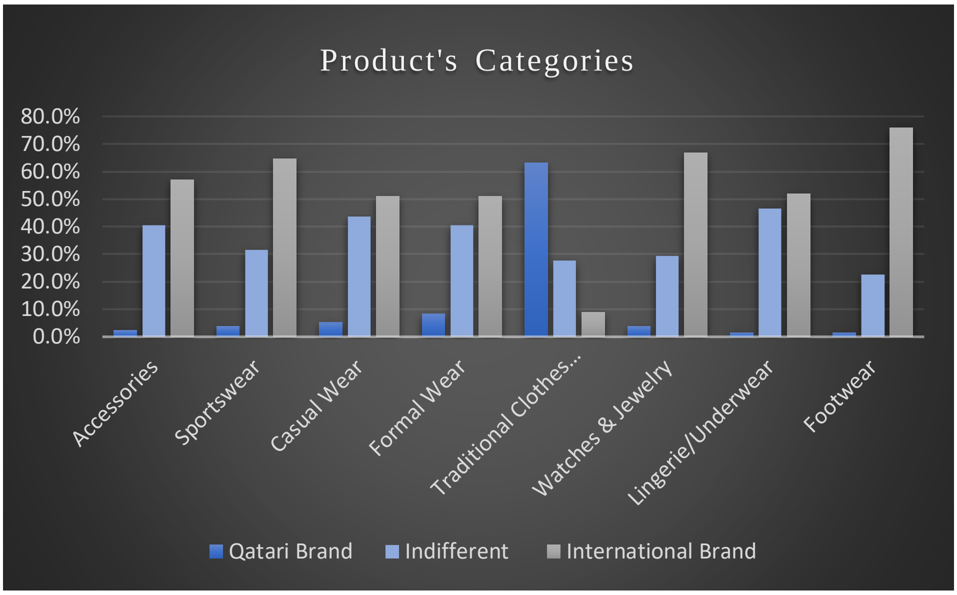
Exhibit 23: Q12- What value do you attribute to the following factors when making a fashion Purchase?



Source: Author's elaboration on data

Exhibit 24 shows how the vast majority of the respondents is more likely to buy from international brands rather than local Qatari brands in all of the sub-categories in consideration, except for traditional clothes and modest wear. On the other hand, in product's categories like footwear and watches & jewelry respondents show a clear preference for international brands, with respectively 75,9% and 66,9% of them stating to be more likely to purchase these kinds of products from international fashion labels. These results are extremely crucial since we have previously seen how local brands are trying to enter different market segments, which do not seem to be ready to the introduction of new local players. Nevertheless, it is still important to highlight that a great percentage is indifferent to the national origin of the Brand, especially in categories like accessories, casual wear, and lingerie/underwear, (respectively 40,6%, 43,6%, 46,6%).

Exhibit 24: Q13- From which kind of brand are you most likely to buy the following product's categories?



Source: Author's elaboration on data

The questionnaire ends with question 14, through which respondents were asked to choose their level of agreement with five different statements. Around 67% of the respondents agree or strongly agree (respectively 36,89% and 29,13%) with the statement, "I would like to support local businesses, but they charge too high prices". The issue related to the high prices charged by Qatari labels was also highlighted in question 9. Indeed, the answers identified the expensive nature of Qatari fashion products as the top reason preventing local customers to buy them, or to be frequent purchasers. For what concern the quality of local brands, respondents are undecided or do not have the knowledge to express an opinion. This is attributable to the current low awareness of local fashion brands, considering that only 36% of the answerers stated to know at least one Qatari fashion brand. More than half of the respondents also agrees with the statement "Most Qatari brands sell online, while I prefer physical shopping", and only around the 15% disagrees. This highlights an important purchasing channel issue, with most emerging designers selling via Instagram, while the preferred purchasing channels are found to be brand official stores and department stores. In addition, the 57,28% of the respondents states to be willing to buy Qatari fashion products but, believes that they are not promoted properly.

Table 2: Q14-To what extent do you agree/disagree with the following statements?

Brand	***Strongly disagree***	***Disagree***	***Neither agree/disagree***	***Agree***	***Strongly Agree***
I would like to support local businesses, but they charge to high prices	*3,76%*	*6,02%*	*26,06%*	***38,35%***	*29,82%*
Qatari brands'quality is low compared to international labels	*6,77%*	*21,05%*	***50,38%***	*16,54%*	*5,26%*
Most Qatari brands sell online, and I prefer physical shopping	*5,26%*	*13,53%*	*30,83%*	***39,10%***	*11,28%*
I would buy Qatari fashion products, but I feel like they are not promoted properly	*4,51%*	*9,77%*	*29,32%*	***39,85%***	*16,54%*
I believe Qatari fashion offer is unique and of high quality	*3,76%*	*8,27%*	***49,62%***	*27,07%*	*11,28%*

Source: Author's elaboration on data

6.3 Analysis of The Results

For the verification of the research hypotheses, the chi-square test of independence was performed. Chi-square tests are generally used to verify the null hypothesis H0, for which the two variables taken into consideration are independent, with respect to the hypothesis H1 of statistically significant dependence. In this case, 0.05 is used as significance level. Hence, the null hypothesis is accepted when the p-value is higher than 0.05 and, rejected when lower.

Both the Pearson Chi-square and the Likelihood Ratio will be considered during the analysis. The latter is based on the maximum likelihood theory, and it is generally recommended for smaller samples. In addition, considering the presence of cells with an expected value below 5, Fisher's exact test was also used for some of the tests, in order to increase the reliability of the analysis. In conclusion, when H0 was rejected, Cramer's V test was performed to determine the strengths of association between the two variables previously tested dependent through a chi-square analysis. More in particular, an index below 0,25 is attached to a low association, between 0,25 and 0,75 to a moderate association, and greater than 0,75 to a strong association.

Note: The degrees of freedom were calculated by multiplying (n of columns - 1) and (n of rows - 1).

Hypothesis 1: Gender and spending level on Qatari fashion Products are independent

*Table 3: Gender*Spending level on Qatari Fashion products*

Spending \ Gender		Female	Male	Total
High	Count	7	1	9
	% Row	87,5%	12,5%	100%
	% Column	8,2%	2,1%	5,8%
Moderate	Count	17	4	21
	% Row	81%	19%	100%
	% Column	20%	8,3%	15,8%
Low	Count	13	12	25
	% Row	52%	48%	100%
	% Column	15,3%	25%	18%
Very low	Count	26	9	35
	% Row	74,3%	25,7%	100%
	% Column	30,6%	18,8%	26,3%
None	Count	22	22	44
	% Row	50%	50%	100%
	% Column	25,9%	45,8%	33,1%
Total	Count	85	48	133
	% Row	63,9%	36,1%	100%
	% Column	100%	100%	100%

Source: Author's elaboration on data

Table 3 shows the relationship between gender and spending level on Qatari fashion products. It can be immediately noticed how a much lower percentage of men, compared to women, devotes a high or moderate part of the monthly fashion spending on Qatari products. It was previously highlighted how, taken a sample of 20 emerging Qatari designers, only the 20% had at least a menswear fashion line. Indeed, the male level of spending could be partially justified by the lack of menswear offer in the current Qatari fashion environment.

The chi-square test of table 4 reveals a p-value of 0.022. Indeed, the null hypothesis is in this case rejected. The value of the likelihood ratio further confirms the test's results, hence it is possible to confidently conclude that female customers are more likely to spend on local fashion products.

Table 4: Chi-Square Test 1

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	11,437	4	0,022	0,020
Likelihood Ratio	11,951	4	0,018	0,022
Fisher Exact Test				0,023
N of Valid Cases	133			

Source: Author's elaboration on data

In addition, looking at table 5, the Cramer's V index value of 0.29, greater than 0.25, confirms a moderate association between the two variables.

Table 5: Symmetric Measures 1

		Value
Nominal by Nominal	Phi	0,29
	Cramer's V	0,29
N of Valid Cases		133

Source: Author's elaboration on data

Hypothesis 2: Value Attributed to brand popularity and spending level on Qatari fashion Products are independent

Table 6 shows the relationship between the value attributed to brand popularity and the level of spending on Qatari fashion products. This test was conducted after noticing a great number of the respondents attaching a high importance to the popularity of the brand when making a fashion purchase. Indeed, the aim of this test is to investigate whether this factor may have a direct impact on the local level of spending on Qatari fashion brands.

*Table 6: Value attributed to brand popularity*Spending level on Qatari fashion products*

Spending	Brand popularity Value	Extrem. High	High	Neutral	Low	Extrem. Low	Total
High	Count	2	3	1	1	1	8
	% Row	25%	37,5%	12,5%	12,5%	12,5%	100,00%
	% Column	11,8%	6,5%	2,2%	6,3%	12,5%	6%
Moderate	Count	4	6	3	6	2	21
	% Row	19%	28,6%%	14,3%	28,6%	9,5%	100,00%
	% Column	23,5%	13%	6,5%	37,5%	25%	15,8%
Low	Count	1	7	12	4	1	25
	% Row	4%	28%	48%	16%	4%	100,00%
	% Column	5,9%	15,2%	26,1%	25%	12,5%	18,8%
Very low	Count	5	13	14	1	2	35
	% Row	14,3%	37,1%	40%	2,9%	5,7%	100,00%
	% Column	29,4%	28,3%	30,4%	6,3%	25%	26,3%
None	Count	5	17	16	4	2	44
	% Row	11,4%	38,6%	36,4%	9,1%	5,7%	100,00%
	% Column	29,4%	37%	34,8%	25%	25%	33,1%
Total	Count	17	46	46	16	8	133
	% Row	12,8%	34,6%	34,6%	12%	6%	100,00%
	% Column	100%	100%	100%	1005	100%	100%

Source: Author's elaboration on data

The Chi-Square test shown in table 7 shows how the p-value is greater than the significant level of 0.05, hence the null hypothesis of independence between the two variables is accepted. This means that there is no statistically significant dependency between the value attributed to the popularity of a brand and the level of spending allocated to Qatari fashion products. Since in this case the expected value of some cells is below 5, it is statistically advised to rely on the Fisher's exact test of independence. The result of the test is 0.579, which confirms the acceptance of the null hypothesis.

Table 7: Chi-Square Test 2

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	18,50	16	0,295	
Likelihood Ratio	19,32	16	0,252	
Fisher's Exact Test				0,579
N of Valid Cases	133			

Source: Author's elaboration on data

Hypothesis 3: Value attributed to brand popularity and preference for international brands are independent

*Table 8: Preference for international brands*Value attributed to Brand popularity*

Brand Popularity	Intern. preference	Yes	No	Total
Extrem. high	Count	7	4	11
	% Row	63,6%	36,4%	100%
	% Column	21,2%	5,6%	10,6%
High	Count	14	23	37
	% Row	37,8%	62,2%	100%
	% Column	42,4%	32,4%	35,6%
Neutral	Count	11	31	42
	% Row	26,2%	73,8%	100%
	% Column	33,3%	43,7%	40,4%
Low	Count	1	8	9
	% Row	11,1%	88,9%	100%
	% Column	3%	11,3%	8,7%
Extrem. low	Count	0	5	5
	% Row	0%	100%	100%
	% Column	0%	7%	4,8%
Total	Count	33	71	104
	% Row	31,7%	68,3%	100%
	% Column	100%	100%	100%

Source: Author's elaboration on data

Even though no correlation was found between the two above mentioned variables, it is still important to investigate whether the preference that the respondents showed for international brands (exhibit 20 and exhibit 24) is somewhat correlated to the value that they attach to the popularity of a fashion brand when making a fashion purchase. Indeed, table 4 shows the relationship between the two variables for the portion of respondents not buying or buying a low amount of local fashion products. As highlighted in the previous paragraph, 33 people out of a total of 104 (namely the 31,7%) states to prefer buying from international brands. Looking at the table, it is clear how respondents attaching a low or extremely low value to brand popularity are generally less likely to justify their low spending on local products with a potential preference for international brands.

The chi-square test of table 9 shows a p-value of 0.033, which is largely lower than the significance level 0.05. Indeed, the null hypothesis H0 is rejected. Therefore, the two variables show a dependency, highlighting in this case that the respondents who listed "I prefer to buy from international brands" when asked to choose the reasons behind their low spending on Qatari fashion products, are more likely to attribute a high value to brand popularity. The likelihood ratio of 0.018 is also statistically significant and further proves the correlation between the two variables.

Table 9: Chi-Square Test 3

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	10,49	4	0,033	0,029
Likelihood Ratio	11,88	4	0,018	0,028
Fisher's Exact Test	9,45			0,040
N of Valid Cases	104			

Source: Author's elaboration on data

Moreover, the Cramer V index of 0.32, shown in table 10, confirms a moderate association between the two variables. Considering that 5 cells in the table have an expected value which counts less than 5, it is suggested to rely on the Fisher's exact test. Even in this case, with a value of 0.040, lower than the significant level of 0.10, it is safe to reject the null hypothesis and conclude that two variables are correlated.

Table 10: Symmetric Measures 2

		Value
Nominal by Nominal	Phi	0,32
	Cramer's V	0,32
N of Valid Cases		104

Source: Author's elaboration on data

<u>Hypothesis 4: Value Attributed to price and spending level on Qatari fashion Products are independent</u>

Table 11: Value attributed to *price*Spending level on Qatari fashion products*

Spending \ Price Value		Extrem. High	High	Neutral	Low	Extrem. Low	Total
High	Count	1	1	4	2	0	8
	% Row	12,5%	12,5%	50%	25%	0%	100,00%
	%Column	5,6%	2,6%	6,8%	18,2%	0%	6%
Moderate	Count	3	8	8	1	1	21
	% Row	14,3%	38,1%	38,1%	4,8%	4,8%	100,00%
	% Column	13,7%	20,5%	13,6%	9,1%	16,7%	15,8%
Low	Count	1	7	13	2	2	17
	% Row	4%	28%	52%	8%	8%	100,00%
	% Column	5,6%	17,9%	22%	18,2%	33,3%	18,8%
Very low	Count	4	14	17	0	0	35
	% Row	11,4%	40%	48,6%	0%	0%	100,00%
	% Column	22,2%	35,9%	28,8%	0%	0%	26,3%
None	Count	9	9	17	6	3	44
	% Row	20,5%	20,5%	38,6%	13,6%	6,8%	100,00%
	% Column	50%	23,1%	28,8%	54,5%	50%	33,1%
Total	Count	18	39	59	11	6	133
	% Row	13,5%	29,3%	44,4%	8,3%	4,5%	100,00%
	% Column	100%	100%	100%	100%	100%	100%

Source: Author's elaboration on data

The high prices of local fashion brands were found to be the number one reason preventing them to purchase local products. The factor is in general highly considered by the respondents when making a fashion purchase. Indeed, only around 8% of the respondents attributes a low or extremely low value to price. Moreover, the expensiveness of Qatari fashion brands was found to be the major reason preventing the respondents to buy local products. For this reason, it is worth to investigate the statistical relationship between the value attributed to price and the spending level on local fashion products. Table 7 shows the crosstabulation of the relationship between the two variables.

The chi-square test of table 12 shows a p-value equal to 0.376. Since the value is greater than 0.05, the null hypothesis H0 is accepted, hence no statistically proved dependence was found between the two variables. Even though it can be seen in the table that respondents attaching a high value to price are spending less on local products, not statistically significant correlation is found between the two variables. This could be attributed to the fact that the vast majority of respondents (namely the 48,5%) attributes a neutral value to price.

Table 12: Chi-Square Test 4

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	18,87	16	0,276	
Likelihood Ratio	22,96	16	0,115	0,177
Fisher's Exact Test				0,233
N of Valid Cases	133			

Source: Author's elaboration on data

Hypothesis 5: Value Attributed to shopping experience and spending level on Qatari fashion Products are independent

Table 13 shows the relationship between the spending level on Qatari fashion brands and the value attributed to the shopping experience by the respondents when making a fashion purchase. Shopping experience is the second most valuable factors according to our respondents, right after the quality of products. Through this analysis we want to investigate whether the lack of in store experience and sometimes even proper e-commerce platforms may be a valuable factor affecting Qatari fashion brands' purchases in the country.

Looking at the table, it is possible to notice very low or none spending on Qatari products are concentrated in the left side of the table. In other words, respondents allocating a very low share of their fashion purchases to Qatari brands tends to attribute a higher value to the shopping experience.

*Table 13: Value attributed to shopping experience *Spending level on Qatari fashion products*

Spending \ Shopping Exp Value		Extrem. High	High	Neutral	Low	Extrem. Low	Total
High	Count	0	2	3	1	0	8
	%Row	0%	25%	37,5%	12,5%	0%	100,00%
	%Column	0%	4,2%	6%	10%	0%	6%
Moderate	Count	2	8	6	5	0	21
	% Row	9,5%	38,1%	28,6%	23,8%	0%	100,00%
	%Column	10%	16,7%	12%	50%	0%	15,8%
Low	Count	2	11	10	0	2	25
	% Row	8%	44%	40%	0%	8%	100,00%
	%Column	10%	22,9%	20%	0%	40%	18,8%
Very low	Count	6	12	16	1	0	35
	% Row	17,1%	34,3%	45,7%	2,9%	0%	100,00%
	%Column	30%	25%	32%	10%	0%	26,3%
None	Count	10	15	15	3	1	44
	% Row	22,7%	34,1%	34,1%	6,8%	2,3%	100,00%
	%Column	50%	31,3%	30%	30%	20%	33,1%
Total	Count	20	48	50	10	5	133
	% Row	15%	36,1%	37,6%	7,5%	3,8%	100,00%
	%Column	100%	100%	100%	100%	100%	100,00%

Source: Author's elaboration on data

The Chi-square test of table 14 shows indeed a p-value of 0.017, which is lower than 0.05 and leads to the rejection of the null hypothesis H0. Therefore, the two variables are found to be statistically dependent. In this case, respondents attaching a high or neutral value to shopping experience are more likely to spend less on local fashion products.

Table 14:: Chi-Square Test 5

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	30,10	16	0,017	
Likelihood Ratio	27,17	16	0,040	0,038
Fisher's Exact Test	21,93		0,067	0,045
N of Valid Cases	133			

Source: Author's elaboration on data

However, the Cramer's V index value of 0.24 in table 11 suggests that the link between the two factors is not particularly strong, but between low and moderate.

Table 15: Symmetric Measures 3

		Value
Nominal by Nominal	Phi	0,48
	Cramer's V	0,24
N of Valid Cases		133

Source: Author's elaboration on data

7 Recommendations to Local Brands

The Chapter will provide a list of suggested strategies that local fashion brands should follow to leverage their position in the local market and increase their sales. The strategies are the product of the overall analysis conducted in the transcript and the questionnaire's results. Specific and articulated guidelines will be given to the local fashion entrepreneurs highlighting why, what, and how they should act to foster their position in the market. The recommendations are the outcome of the main opportunities and threats currently present on the market, and derived by the analysis of climate, companies, competitors, collaborators, and finally customers behavior.

The aim of the research is to give a contribution to the currently poor literature regarding fashion brands in Qatar. More in particular, by analyzing the Country's fashion environment and the behavior of local customers, the study pursues to draw insights on the Qatari fashion market and share guidelines to local entrepreneurs in order to achieve more relevancy in the local market.

7.1 Invest in Physical Retail

<u>What</u>

Increase the presence of the brand in the physical purchasing channels.

<u>Why</u>

- *The retail oversupply in Qatar.*

In 2017, a land and sea blockade was imposed on Qatar by four of the main GCC countries, and it has lasted for more than 3 years while finally terminating in January 2021. In order to overcome the severe restrictions on imports, the Country had to develop a plan. Indeed, Qatar expanded its trading relationships with other countries, and deploy part of its resources in promoting and further developing its domestic industries. In addition, being retail expansion one of the focal points of Qatar National Vision 2030, several shopping centres and malls were opened between 2019 and 2020. This finally led to an oversupply of retail space in the Country. Therefore, the retail price in Qatar is gradually falling, creating an important opportunity for brands to invest in stores and other kinds of physical retail channels.

- *Customers' preference for physical fashion shopping.*

The questionnaire's results highlighted a relevant preference towards physical purchasing channels when it comes to fashion shopping. Indeed, official brand stores and department stores were found to be the top two choices of the respondents when it comes to fashion purchasing. The two purchasing channels were respectively chosen by 74 and 59 out of the total 133 answerers.

- S*hopping Experience is highly regarded by fashion purchasers in Qatar and found to be correlated to the level of spending on local products.*

The preference for physical channels is particularly crucial when dealing with luxury products, as in-store brand experience is fundamental to achieve a compelling brand story and, considering that Qatari young customers' luxury spending was found to be highly influenced by their experiential need (Dalia Abdelrahman Farrag, 2017). Indeed, shopping experience is also the second factor to which the survey respondents attributed a higher value, right after the quality of products which remains the most valuable asset for fashion customers. Moreover, and most importantly, shopping experience was found to be negatively correlated with the level of spending on Qatari products, highlighting a potential gap to be filled by the local fashion brands.

How

Local fashion brands should indeed take advantage of the current oversupply in the market and meet the needs of local customers by investing in physical retail channels. Of course, without sufficient capital to invest and an established stream of customers, opening a physical store could be to some extent risky and hard to manage. For this reason, Qatari fashion brands in an early stage should try to enter and test the physical retail through alternative ways. For instance, pop-up stores are far less expensive than traditional retail, mainly because of the usual shorter rental period, less square footage, and limited amount of inventory needed. Indeed, pop-up stores can be considered as a cost-effective solution for local designers to engage with their customers, more effectively share the brand story, and develop a clear shopping experience vision.

7.2 Modest Fashion as a Market to further Exploit and Understand

What

Keep focusing and further studying the modest fashion market segment.

Why

- *The increasing growth of the modest fashion market.*

The market of modest fashion represents a very valuable opportunity for local brands operating in the Country. Indeed, the market segment keeps growing its local and even worldwide popularity. Established foreign retailers are increasingly introducing a modest fashion collection or line in their offering, and a 90% increase in internet searches for the fashion topic was recorded in 2019 (Rafi-uddin Shikoh, Haroon Latif, Reem l-Shafaki, 2021). It appears in fact that Muslim fashion customers are increasingly looking for conservative and modest clothing with legitimate fashion credentials.

- *The local brands' potential competitive advantage in the market segment.*

According to the questionnaire results, modest fashion and traditional wear is the only category of fashion products that respondents are more likely to buy from Qatari designers rather than international brands. At the same time, it is worth mentioning that the international offer of this market segment is still considered insufficient, and this might have affected the respondents 'choice.

How

Local fashion brands could indeed fill this gap by focusing on this market segment. Further studies and local brands themselves should investigate whether customers would still prefer to buy modest clothes from Qatari fashion brands even with international labels offering similar collections, as the current unavailability of international modest wear collections has to be taken into account as a great factor in the analysis of this opportunity. Furthermore, local designers should investigate the willingness to spend of their target customers on modest and traditional garments, which are considered as everyday clothes and might not be perceived as highly valued as other product offering.

7.3 Look for Investments

What

Look for and take advantage of the funding opportunities in the local market.

Why

- *The recent high government's investment in the emerging local fashion industry.*

The State of Qatar has been developing since 2008 the National Vision 2030, an economic plan aiming to achieve a sustainable development and provide high standards of living for all the citizens. As part of the plan, the Country has been focusing on nourishing the growth of small and medium enterprises in various industries, including the fashion industry. Fashion entrepreneurs are now offered countless opportunities to grow their business, both in terms of knowledge and skills transfer, and in terms of capital investments.

- *Qatari fashion entrepreneurs' need of financial resources.*

The lack of funding was indeed found to be one of the primary causes of small businesses' failures and the fashion industry does no exemption (CB Insights, 2018). Moreover, external investments increase the visibility of a brand and attract the attention of the market stakeholders. In order to significantly grow, attract top talent professionals, build a respectful position, substantial amount of capital is needed, even if that means to sacrifice a portion of the company's ownership. In addition, many local brands interviewed state to be unable to invest in physical retail, crucial as seen in the first recommendation, because of the high capital needed. The lack of sufficient funding was indeed among the most frequent answers in the focus group when designers needed to justify their lack of physical retail presence.

How

Local emerging fashion brands should indeed take advantage of the opportunities currently offered by their Country and apply for local funding and business support. More in particular, applying for Qatar newly launched fashion incubator, government grants and join the creative hub M7 will offer endless financial and in-kind opportunities to Qatari fashion brands to grow and increase the local awareness.

7.4 Re-examine the Pricing Strategies

<u>What</u>

Re-examine the pricing strategies of the brand, taking into consideration both the nature of the market segment and the level of competition.

<u>Why</u>

- *High Prices as the top reason preventing customers to buy local products.*

The high prices of local fashion brands were found to be the top reason through which respondents justify their low spending on Qatari products. Nevertheless, price is regarded as a "neutral" factor when making a fashion purchase by many of the survey respondents, and no statistically significant correlation was found between the value attributed to price and the level of spending on Qatari fashion brands. This inconsistency of the results may be attributed to the fact that local customers are not willing to pay premium prices for local products in the same way as they are willing to do it for international popular brands.

- *Competition from International fashion and luxury brands.*

The inconsistency of the results discussed in the previous point may be attributed to the fact that local customers are indeed more willing to pay premium prices for local for international popular brands. Brand popularity is in fact highly regarded by Qatari customers, which in literature are described as wealthy groups who buy luxury fashion products to enhance their social status. Moreover, Brand popularity was also found to be one of the major factors considered by respondents when making a fashion purchase, after quality of products and shopping experience.

Indeed, another important finding to consider is that local customers attaching a higher value to brand popularity in their purchasing decisions were found to be more likely to choose international fashion brands over local labels' products.

<u>How</u>

Qatar-based brands should indeed consider the harsh competition coming from foreign luxury fashion brands currently dominating the retail space of the Country and adjust their market prices accordingly. However, this does not mean that local fashion designers should charge their lowest price, as it could obscure the value of their products. At the same time, when pricing your designs, it is extremely important to know where your brand stands in the market. If you sit in the premium or luxury end of the market, your customer expects to pay a higher price for an item of a great value, but at the same time you should consider the competition and prices of more established luxury brands. It is indeed fundamental to find a balance between unique offering and value price. Further investigation is needed on the modest/traditional wear market, as related brands should highly rely on customers' behaviour and investigate their willingness to spend on those kinds of products.

7.5 Develop a Structured Social Media Communication Strategy and Enhance the Online Penetration

What

Develop a structured communication strategy focused on social media and fashion influencers.

Why

- *Raising internet penetration in the Region.*

With the internet penetration rate in the Middle East going through a sharp increase in the latest years, social media marketing has also started to play a very important role in the Region and in the Qatari market. The global influencers marketing market size has more than doubled from 2016 and 2021 (Statista, 2021), and it was found that young Qataris' perception is easily shifted through influencers' endorsement (Al-Khalaf, E., Chloe, P., 2020).

- *Influencers' endorsement is highly regarded by local fashion brands.*

Local fashion brands are in fact highly relying on social media advertising, and influencers marketing is also a key part of it. Most of Qatari fashion brands interviewed considers influencers endorsement as one of the most effective marketing strategies for their brands, as it usually leads to good returns on investment. During the focus group performed, when entrepreneurs were asked to list the marketing strategies which have generated the most return on investment according to their experience, it came to light that influencers play a crucial role in their investment scheme and are among the most effective marketing tools.

- *Fashion influencers as a top information source for customers in Qatar*

Fashion influencers were also chosen by the questionnaire's respondents as the second most used information sources when making a fashion purchase decision. Right after family and friends, influencers are in fact the preferred information sources chosen by the respondents. This data further proves the effectiveness and the customers' high sensitivity to this practice.

How

Even if investment in physical retail channels was recommended in order to build a stronger bond with the customers and enhance the shopping experience, local brands should not overlook the online channels. Indeed, Qatari fashion brands should keep allocating part of their resources on online advertising and exposure of their products, while also strengthening their social media and e-commerce platform. Social media and in particular influencer marketing should indeed be at the basis of local fashion brands' communication strategies.

8 Conclusions

In conclusion, it can be stated that the Qatari fashion market is still in a very early stage, hence it is extremely difficult to predict whether it will become an important economic asset for the country. The final results and findings helped drafting key recommendation to emerging designers in the Country. The analysis conducted in the paper highlighted four main areas of improvement for the selected companies: lack of proper promotion, competition coming of international fashion and luxury brands, poor pricing strategy, and lack of substantial presence in physical retail channels.

The survey results highlight a severe unawareness of Qatari fashion brands, which leads to an average low spending level on local fashion products. Indeed, it is important to consider that 62% of the respondents was not aware of Qatari fashion brands, which obviously translated into an average very low spending on local fashion products. This highlights both an issue and a market opportunity for Qatari fashion brands: they are not taken into consideration by local buyers because of a lack of proper promotion. Indeed, the 56% of the respondents agrees to be willing to buy Qatari fashion products but believes that they are poorly promoted. With the internet penetration rate currently increasing in the Arab Region, social media marketing has started to play a key role also in the Qatari market. Fashion influencers were chosen by the questionnaire's respondents as the second most used information source when making a fashion purchase decision, and local brands 'testimonies seem to confirm the effectiveness of this marketing practice. Social media and influencer marketing should indeed be at the basis of local fashion brands' marketing strategies. Qatari fashion brands should keep allocating part of their resources on online advertising and promotion of their products, while also developing their e-commerce platforms.

The high prices of Qatari brands were found to be the most popular reason given by the respondents when asked about the reasons behind their low (or no) spending on local products. Pricing is indeed another important issue to highlight, especially in a market where high prices are generally associated to luxury brands and international logos. Qatar-based brands should take into account the competition coming from foreign luxury fashion brands dominating the retail space of the Country and calibrate their prices accordingly. This does not always imply that charging lower prices should be the solution, as it could damage the perceived value of the products offered. Nevertheless, it is extremely important to know where your brand stands in the market and properly position your products. For instance, brands standing in the modest/traditional wear market don't face the same competition from international brands that would face in other segments of the market. Indeed, further investigation is needed on the modest/traditional wear market, as related brands should highly rely on customers' behaviour and investigate their willingness to spend on those products. On the other hand, in more competitive market segments, such as accessories, leather goods or footwear, is fundamental to find the balance between unique offering and value price.

Customers in Qatar were found to prefer physical shopping. Brand official stores and department stores were indeed the top choices of the survey respondents when asked to select their preferred fashion purchasing channels. Physical channels are generally related to a more structured shopping experience, as it involves face to face interactions and the involvement of the five senses. This pairs with the revelation that the overall shopping experience was one of the top factors considered by respondents while making fashion purchases, and the level of spending on Qatari products was found to be negatively affected by this customers' attitude. Indeed, respondents attributing a higher value to shopping experience tend to spend less on Qatari products, highlighting a potential gap in the local "less physical, more digital" market.

On the other hand, local fashion offer is primarily found online, and Qatari-based brands are currently focusing their investments and efforts mostly on production, while considering physical retail a step to take further in the process and for which they need further capital to invest. However, Qatari-based brands should try to exploit the current retail oversupply of the Country and invest in physical retail channels. Plenty of cheaper alternatives are currently offered, starting from department stores to pop-up stores. For example, pop-up stores can be considered an optimal solution for local designers to directly engage with their customers, share their brand story and vales, while enhancing and developing a clearer shopping experience vision.

One of the major findings of the paper is the seemingly shown preference by local customers for international brands in all of the fashion product categories, in particular in the case of footwear and watches & jewelry. The issue was already introduced during the analysis of the literature review, and the results of the questionnaire further confirmed it. The popularity of international brands could be considered the main reason behind the respondents' preference for them. Indeed, the two factors were found to be highly correlated, suggesting that the people who attached a higher value to brand popularity are more likely to prefer international over local fashion products.

On the other hand, the survey participants are most likely to buy local products when it comes to modest wear and traditional wear. A further study should in fact investigate how much Qatari customers are willing to spend for this kind of products. Nevertheless, it is important to mention that great part of the respondents states to be indifferent to the national origin of the brand, signaling that the traditional and modest wear market is underserved by international brands, opening crucial opportunities.

To summarize, it can be stated that consumer awareness is the focal point on which Qatari brands should deeply focus to achieve a wider market success. The awareness should be pursued both from the consumer to brand point of view, hence through social promotion, and on the opposite from brand to consumer side, through the enhancement of the brand's retail channels, re-pricing, and product offering.

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10 Appendix

Survey

1) **Do you live in Qatar? (Multiple choice)**
- Yes
- No

2) **Country of Origin** (Short Text)

3) **Gender** (Multiple Choice)
- Male
- Female

4) **Age Group** (Multiple Choice)
- Under 15
- 15 – 24
- 25 - 40
- 41 – 56
- 57 – 75
- Over 75

5) **Education (highest degree completed)** (Multiple Choice)
- High school or equivalent
- Bachelor’s degree
- Master’s degree
- Phd or professional degree

6) **How often do you buy fashion products?** (Multiple Choice)
- A few times a week
- About once a week
- Once a month
- Less than once a month

7) **Do you know any Qatari fashion brand?** (Multiple Choice)
- Yes (which)
- No

8) **Considering your annual fashion spending, how much do you spend on Qatari fashion products?**
- None
- Very low
- Low
- Moderate
- High

- All of it

9) **If you selected A, B, or C, choose one or more reason/s for your previous answer. (You can select more than one option)** *Optional Question*

- I prefer to buy from international brands
- They are too expensive
- I am not satisfied with what most Qatari brands are offering
- I do not know any Qatari fashion brand
- No Qatari fashion offer available where I usually shop
- Other (text)

10) **Where do you prefer to shop? (You can select more than one option)** (Multiple Choice)

- Online multi brand retailer
- Official brand e-commerce
- Brand official store
- Department store/multi-brand store
- Discount store/Outlet
- Instagram shopping

11) **On which of the following sources do you base your fashion purchase decision? (You can select more than one option)** (Multiple Choice)

- Fashion magazines
- Billboards
- Television
- Direct mail, catalogues, and leaflets
- Blogs
- Fashion Influencers
- Family/ Friends

12) **What value do you attribute to the following factors when making a fashion purchase?**

Extrem. low Low Neutral High Extrem. high

- Brand Popularity
- Shopping Experience
- Price
- Sustainability
- Quality of products
- Qatari origin of the brand
- Brand communication

13) **From which kind of brand are you most likely to buy the following product's categories?**

Qatari Brand Indifferent International Brand

- Casual Wear
- Formal Wear
- Accessories (bags, sunglasses, hats)
- Footwear
- Watches & Jewelry
- Traditional Clothes/Modest (Abayas/Thobs)
- Lingerie/Underwear
- Sportswear

14) **To what extent do you agree/disagree with the following statements**

Strongly disagree Disagree Neither agree/disagree Agree Strongly agree

- I would like to support local businesses, but they charge too high prices
- Qatari brands' quality is low compared to international labels
- Most Qatari brands sell online, and I prefer physical shopping
- I would buy Qatari fashion products, but I feel like they are not promoted properly
- I believe Qatari fashion offer is unique and of high-quality

Acknowledgements

Thanks to my whole family and especially my parents Giandomenico and Elena and my brother Luca for supporting me in all the choices I have made in the past few years. Thanks for always encouraging me, even if that meant for me to be far away from you.

Thanks to my professor and Luiss thesis supervisor Professor Carlo Fei, who has inspired me and alimented my interest for the fashion industry. Thanks to my Fudan supervisor Professor Fan Xiucheng, who was always available to support me. A great thank you is also addressed to Dr. Giulia Sturiale for her continuous feedback, availability, and support during the entire process.

Thanks to all of my DDIM colleagues with whom I shared this incredible journey. More in particular, I would like to thank the guys of Piano 10 and Emaloste. Each of you has contributed to make me feel less alone during these stressful but truly unforgettable years.

Special Thanks to my colleagues at Scale7 and Fashion Technology Accelerator, especially to my bosses Giusy Cannone and Aysha Khalifa Al Romaihi. Thank you for your constant support and for trusting me every day.

Thanks to all my long-time friends of Squadr1, to my dearest Martina and Edoardo, to my friend and consultant Giorgio and to my new fellows in Qatar for always be there for me.