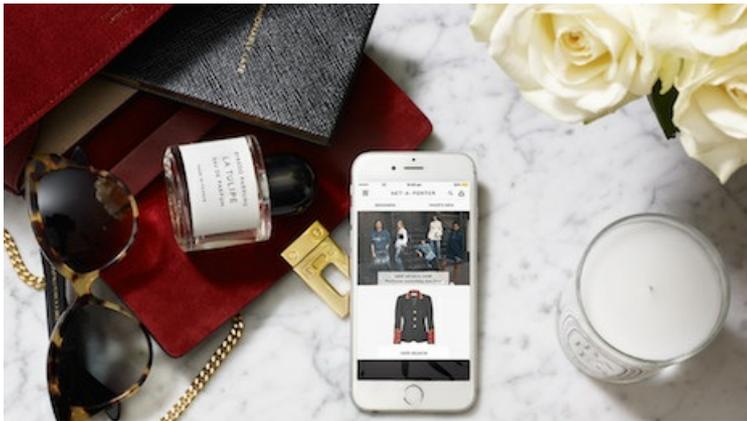


RETAIL

Yoox Net-A-Porter teams with local player for Middle Eastern venture

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Net-A-Porter app

By STAFF REPORTS

Online retail group Yoox Net-A-Porter is entering a joint venture that aims to become the leading luxury ecommerce player in the Middle East.

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This joint venture, in partnership with Mohamed Alabbar's Symphony Investments, will manage all of YNAP's multi-brand activities in the region, as well as some of its monobrand ecommerce sites. The Middle East is a fast growing market for luxury, and Yoox Net-A-Porter seeks to benefit from the region's concentrated population of ultra-wealthy individuals and its digitally savvy residents.

Middle East minded

YNAP will hold a 60 percent stake in the joint venture, with Symphony Investments holding the remainder.

As part of the partnership, the venture will establish localized operations in Dubai in 2017. An office will house dedicated marketing, public relations and customer service departments, while a distribution center will allow the retailer to offer services such as same-day delivery.



Dubai skyline

For Middle Eastern clientele, localized offers will also include Arabic language customer care and content, as well as options for local currency and payment methods.

Yoox and The Outnet will debut their regional versions in 2018, with Net-A-Porter and Mr Porter following in 2019. After this, the venture will launch monobrand online flagship stores for current and future clients whose ecommerce sites are powered by YNAP.

This partnership strengthens the relationship between YNAP and Mr. Alabbar, who invested in the company earlier this year ([see story](#)). Aside from being the founder of Symphony Investments, Mr. Alabbar is also the chairman of Emaar Properties and Emaar Malls, among which is the Dubai Mall.



Dubai Mall

This new company will be Mr. Alabbar's sole luxury ecommerce activity in the Middle East.

"We are thrilled by the potential of the Middle East market: combining YNAP and Mohamed Alabbar's strengths, we look forward to giving shoppers in the region access to a fantastic luxury assortment with our unparalleled service and content," said Federico Marchetti, CEO of Yoox Net-A-Porter Group, in a statement. "We were delighted to welcome Mohamed Alabbar as a strategic investor earlier this year and together we are now embarking on a major expansion in the region."

With an indefinite duration, the joint venture will operate in the Gulf Cooperation Council countries the United Arab Emirates, Saudi Arabia, Kuwait, Qatar, Bahrain and Oman. The parties have noted that they may extend operations to other Middle Eastern nations and North Africa in the future.

According to Bain, the Middle East represented 3 percent of global luxury consumption in 2015, and it is expected to grow at a faster rate than the worldwide average over the next five years.

"The Middle East is one of the fastest growing global centers for luxury retail," Mr. Alabbar said. "The region also has a significant population of over 200 million young people who are tech-savvy and influence luxury retail

decisions.

"With this joint venture to be based in Dubai, a global business & leisure hub, we are pioneering a never-before online luxury retail experience that integrates luxury with techno-logistics," he said. "It will redefine the retail sector, and create a brand-new way to access the world's high-end brands brought by YNAP.

"A ground-breaking initiative, the JV will serve as go-to online destination for luxury retail and set new industry benchmarks in customer service, speed of delivery and diversity of choice."

Aside from Yoox Net-A-Porter, others are responding to the demand for high fashion in the Middle East. In October, Vogue Arabia launched with a bilingual Web site, with a print edition slated for publication in 2017 ([see story](#)).

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