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Farfetch commits to Middle Eastern consumer via Chalhoub Group deal

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Farfetch carries women's, men's and children's apparel and accessories. Image credit: Farfetch

By STAFF REPORTS

Online retailer Farfetch has joined forces with Chalhoub Group to increase Middle Eastern consumers' access to luxury brands via ecommerce.



Chalhoub Group partners with luxury brands to establish a presence in the Middle East because having a local understanding is essential to awareness building. Chalhoub Group's retail, distribution and marketing knowledge of the Middle East paired with Farfetch's ecommerce and logistics prowess will open up the market to luxury brands.

Market commitment

The partnership with Dubai, United Arab Emirates-based Chalhoub Group will build on Farfetch's strong consumer base in the Middle East, but will facilitate an even broader reach.

In the first half of 2018, Farfetch will launch in Arabic, curate goods for the local consumer and increase local supply by onboarding concept stores and partner franchises already working with Chalhoub Group.

Farfetch will also maximize its VIP offering for consumers in the Middle East via personal and curated service support.

Demonstrating its commitment to the Middle East, Farfetch will also open its first office in the region in Dubai. Farfetch's Dubai headquarters will give the retailer and local presence in each of the top 10 luxury markets in the world.



Farfetch sells brands such as Oscar de la Renta (outfit) and Marni (shoes). Image credit: Farfetch

"As one of the largest luxury markets in the world, the Middle East is of great strategic importance to Farfetch," said Jose Neves, founder and CEO of Farfetch, in a statement. "Our joint venture with Chalhoub Group represents our commitment to being thoughtful and thorough with regards to our expansion efforts in the region, which is an opportunity for our business and the brands and boutiques we work with around the world.

"It's also great for our customers, bringing lovers of luxury fashion in the Middle East and beyond even greater choice, and incredible product that they can't find anywhere else from around the world," he said. "Chalhoub Group is the best partner we could have on board, with its incredible history, deep market knowledge and experience with the joint venture model.

"It is fantastic to be working with them as we expand our efforts in the Middle East."

Farfetch entered a partnership with China ecommerce retailer JD.com with the same strategic vision for the Chinese market (see story).

For Chalhoub Group, the partnership with Farfetch continues its embrace of online selling in the Middle East, after the launch of a number of ecommerce sites. Overall, working with Farfetch aligns with Chalhoub Group's luxury DNA and a customer centric approach.

Farfetch will also increase Chalhoub Group's offering for the affluent, modern Middle Eastern consumer who is well-traveled, tech-savvy and digitally connected.

"Being consumer centric, we wanted to bring new proposals to our clients while accelerating our digital journey," said Patrick Chalhoub, CEO of Chalhoub Group, in a statement. "Partnering with Farfetch seems an obvious choice as we share the same values of excellence and entrepreneurial spirit as well as the same passion for fashion, consumer, innovation, retail excellence and memorable experience.

"Farfetch is the pioneer of the new luxury fashion environment whilst Chalhoub Group has been a pioneer of luxury retail in the Middle East over the last 62 years," he said. "Therefore, we think there is a perfect match between our two groups.

"As one of our first contributions to Farfetch's development in the region, we are pleased to announce that Level Shoes, Level Kids and Tryano concept stores will become some of Farfetch's partner boutiques, providing them in turn a global reach."