

IN-STORE

Fortnum & Mason opens first overseas store in Dubai

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By SARAH JONES

British department store Fortnum & Mason is expanding its store locations for the second time in a matter of months.

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The retailer's Dubai store, which will open March 21, will be the first location for Fortnum & Mason outside Britain. Fortnum & Mason will be able to benefit from the city's growing tourism industry, as well as the growing luxury market in the emirate.

"Dubai is a huge luxury market and by opening a store in Dubai, Fortnum & Mason is positioning itself as a global brand in one of the top luxury markets," said Gustavo Gomez, director of research and methodology at [Envirosell](#), New York.

"UAE is one of the favorite places for British expats," he said. "This provides Fortnum & Mason with a nostalgic customer base as it builds its brand in Dubai.

"It moves the brand from being a local retailer to a global one. Competition is now global. Fortnum and Mason have competition opening up in the U.K. This is their way of taking on the competition abroad."

Mr. Gomez is not affiliated with Fortnum & Mason, but agreed to comment as an industry expert.

Fortnum & Mason was unable to comment directly before press deadline.

Branching out

For 300 years, Fortnum & Mason was a single store in London on Piccadilly Street.

On Nov. 8 2013, the retailer expanded to two store locations in London with a location on St. Pancras International Station. The train station was chosen because of the retailer's heritage of travel, having started its business supplying hampers to travelers.



Exterior of Fortnum & Mason's St. Pancras store

Fortnum & Mason also has small shops in London's Heathrow Airport.

Dubai is far outside the radius of the other Fortnum & Mason stores, giving the retailer its first bricks-and-mortar presence in the Middle East.

The store will be located downtown in the United Arab Emirates city, across from the world's tallest building, the Burj Khalifa. Its location puts it near the Dubai Fountain, where consumers gather to watch shows.



Dubai fountain

The retail outpost is also by the Dubai Mall, which will allow it to benefit from foot traffic

of consumers already out shopping.

According to a report by **Bain**, Dubai is at the center of the luxury market growth in the Middle East, with its consumers of multiple generations showing interest in global luxury brands.

Dubai attracts luxury consumers from other countries, including Russians, Indians and Africans.

The emirate is also responsible for about 30 percent of the luxury market in the Middle East.

Fortnum's new outpost is 9,400 square feet. On the ground floor consumers can shop tea, biscuits, jam, sweetmeats and chocolate. The retailer's signature hampers will also be available.

In addition to the retail space, Fortnum's Dubai store will have dining options.

A tea salon located on the ground floor will serve light lunches, a traditional English tea and formal dinners.

For a treat, consumers can visit the ice cream parlor and try items from the menu at Fortnum's flagship store such as the Knickerbocker Glory, a vanilla sundae with berries, pineapple, balsamic vinegar and whipped cream.

There will also be a hospitality space for all-day dining.

In preparation for the opening, Fortnum & Mason posted an image of the view from its store to social media.



Tweet from Fortnum & Mason

Popular destination

Other luxury brands have looked to Dubai as a new market for expansion, particularly in fashion and hospitality.

French couture house Chanel has announced plans to show its cruise 2014 collection in Dubai to mark the first showing for the brand in the Middle East.

This continues the tradition of Chanel trotting its smaller shows outside of Paris, which have taken the brand to Dallas, Singapore and Scotland. By taking its runway production to the Middle East, Chanel is proving the importance of the Middle Eastern affluent consumer ([see story](#)).

Also, luxury hotel Palazzo Versace is eyeing affluent fashion enthusiasts in the Middle East, Europe and Asia with plans to open a new property in Dubai that will engulf guests in the world of Versace.

The new location comes after the success of its first location in Queensland, Australia. The Dubai property has launched a digital presence and plans to offer promotional packages, signature experiences and partnerships to attract consumers to the new location ([see story](#)).

Any time a luxury brand expands beyond its historic presence, there is concern for brand dilution, but Fortnum & Mason should not worry.

"Fortnum & Mason can take advantage by playing on its British style and history," Mr. Gomez said. "As long as they are strategic in their expansion, they should be fine, with no dilution.

"It would make sense for them to [expand further] but in a strategic way. They would probably target other luxury markets where the British style is seen favorably or even aspirationally.

"This store will be a good way for them to learn what it is to run a store outside of the UK. Future expansion should be based on what they learn in Dubai."

Final Take

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