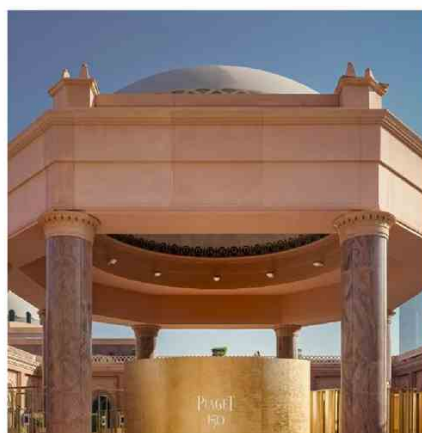




## Why Abu Dhabi is the Middle East's next luxury power player

Cultural capital, a discerning consumer and a strategic investment base are positioning Abu Dhabi as a key market for global brands.

By Sujata Assomull



Louis Vuitton, Valentino, Prada, Piaget and Vacheron Constantin are among those activating experiences in Abu Dhabi, the capital of the United Arab Emirates, this year. It's a shift that speaks volumes.

"Abu Dhabi is entering a defining era for luxury," says Noora Al Foulathi, head of Abu Dhabi Retail, which is powered by the Abu Dhabi Investment Office (ADIO, a government hub supporting investment in Abu Dhabi). "What you are seeing now is the result of sustained investment in creating a truly differentiated retail landscape — one that doesn't just import global brands, but integrates them into the cultural, artistic and heritage fabric of the city. This momentum has been building quietly for some time."

Beyond being the political seat of power, Abu Dhabi is doubling down on future-forward investment and cultural cachet. However, when it comes to retail, it faces stiff competition. Dubai, considered by many to be the shopping capital of the Middle East and known for its mega-malls, is just an hour's drive away. Some brands have the misconception that they can therefore service the Abu Dhabi luxury customer from Dubai. But local experts say Abu Dhabi's consumers differ from Dubai's: they are generally more discreet, value-driven and increasingly attuned to quality, heritage and timelessness over trends. And they want to shop closer to home.

Abu Dhabi is considered among the world's wealthiest cities in terms of sovereign wealth fund (SWF) assets, managing an estimated \$1.7 trillion. (SWFs are state-owned investment funds.) "With a strong and stable economic foundation, the city's GDP per capita is forecast to grow at an average annual rate of 4 per cent between 2023 and 2028," says Amna Abbas, senior consultant at market research firm Euromonitor. "This robust outlook is underpinned by a clear government vision that supports business growth for global, regional and local players alike, meeting the evolving consumer demands of its population."

Abu Dhabi, a city that has long been known for its beautiful beaches, has become one of the region's most significant cultural and luxury tourism destinations. It is home to the Louvre Abu Dhabi and the





Sheikh Zayed Grand Mosque, with the Guggenheim and the Natural History Museum on the way. They sit alongside family-favourite destinations such as Sea World, Warner Bros World and Ferrari World. A few weeks ago, Disney announced its first theme park in the Middle East, also in Abu Dhabi. Retail exhibition and conference organiser Shoptalk will host its inaugural luxury spin-off, Shoptalk Luxe, in the city in January 2026.

“Abu Dhabi is rapidly emerging as a premium global destination for luxury tourism and retail,” says Al Foulathi. “In 2024, the Emirate welcomed 4.8 million hotel guests between January and October — a 26 per cent increase in international visitors compared to the year prior and surpassing pre-pandemic levels. This surge is a testament to the city’s strategic investments in cultural and entertainment offerings.”

### What the Abu Dhabi consumer wants

“There’s something intimate and considered about shopping in Abu Dhabi,” says Mariam Al Badr, VP of brand, marketing and communications at Abu Dhabi Airports. “It’s less rushed, more curated — and that appeals to a luxury audience that values authenticity and cultural grounding.” Al Badr, who is considered one of the leading tastemakers in the Middle East, believes the Abu Dhabi consumer is discerning — seeking discretion, personalisation and meaningful engagement. This makes the city ripe for immersive activations that blend fashion, art and hospitality.

Louis Vuitton’s ‘Savoir-Rêver’ (“crafting dreams”) exhibition in February was a case in point. Partnering with ADIO, the maison hosted an exclusive showcase at the Anantara Santorini Abu Dhabi retreat, presenting high jewellery, horology, rare gemstones, travel trunks, leather goods and ready-to-wear in an intimate setting. A highlight: private consultations by appointment for VICs.

Similarly, Piaget’s ‘Essence of Extraleganza’, held at Emirates Palace last November, honoured 150 years of the maison’s craftsmanship. With support from ADIO, the event also spotlighted Emirati artisanal traditions, such as Al Sadu (a weaving technique) and Talli (a form of embroidery), through a collaboration with the Fatima Bint Mohamed Bin Zayed Initiative (FBMI), an organisation that empower underprivileged communities — particularly women — by providing sustainable employment and essential social services.

“Abu Dhabi is a key pillar in our regional strategy,” says Pétronille de Parseval, managing director of Piaget Middle East, Türkiye and Africa. “We see an increasingly significant opportunity to deepen our presence and engagement with a highly sophisticated clientele who value heritage, craftsmanship and creativity. There is certainly more to come.”

De Parseval adds that cultural connection is essential. “Abu Dhabi’s culture deeply values generosity, hospitality, meaningful connections and elegance. Our events celebrate our maison’s joyful spirit and heritage — but always in a way that respects the local identity,” she says.

Most brands activating in the capital already have retail presences here. But even those without a flagship can make an impression. “Hosting these events — even without a permanent store — signals to the community that the brand sees them, respects them and wants to build a relationship,” Al Badr says.

### Retail infrastructure meets cultural currency

The Galleria on Abu Dhabi’s Al Maryah Island, launched in 2013, remains a central hub for luxury retail. “Over the last 18 months, we’ve welcomed 82 new openings, including Loro Piana, Manolo Blahnik and Pâtisserie Yann Couvreur, deepening our luxury mix,” says Mark Ruffley, CEO of Al Maryah Retail Company. “Christmas 2024 marked our highest sales and footfall ever, and Ramadan and Eid 2025 followed closely. What we’re seeing is a clear affirmation that people value the in-person shopping experience.”







He encourages brands to invest in meaningful moments: “It’s not about footfall — it’s about emotional connection.” The Prada Mode activation in Abu Dhabi in February, for example, was held in MiZa, an emerging neighbourhood for entrepreneurs and creatives, with cultural programming curated by Myrna Ayad, author of the Assouline coffee table book *Abu Dhabi Bright*. The programme included a reading by Emirati poet Afra Atiq, from her new book *Of Palm Trees and Skies*.

This tie to art and culture plays a recurring role in the city’s most recent activations. Vacheron Constantin ran its world tour, ‘The Quest: 270 Years of Seeking Excellence’, in Abu Dhabi from 21 February to 15 April at waterfront destination Al Qana, where its boutique is located. The showcase featured the brand’s first *Majlis*, a traditional gathering space rooted in Arab culture, often reimaged in contemporary context as a salon for curated conversations blending artistry, heritage and hospitality. The space also included collaborations with Tashkeel, a UAE-based creative hub and incubator for visual art and design, Emirati chef Mariam Al Mansoori and a series of Ramadan programming anchored in regional tradition.

One of the most significant additions in retail is the new terminal at Zayed International Airport. “We’ve meticulously curated a luxury retail environment that complements the airport’s architecture,” says Al Badr. “From Hermès and Bottega Veneta to regional concepts, we’re redefining what airport retail can be. Our airports are part of the luxury experience, not just travel hubs — and this cohesive journey is what will keep discerning visitors returning.”

Chalhoub Group’s Tryano, a concept department store in Yas Mall, is now celebrating its 10th year. “What initially launched as a destination for beauty, handbags and accessories, has evolved into a fully fledged fashion and lifestyle experience,” says Marilena Hadgianni, director of brand marketing at Chalhoub Group, a leading luxury retail partner and brand builder in the Middle East. “We identified a clear opportunity in Abu Dhabi for a more curated and holistic shopping experience — one that brings together fashion, beauty, gifting and most recently wellness.” The store held a beauty week in April and is finalising some wellness activations for later this year.

Tryano continues to support regional designers such as contemporary clothing brand Baqa and modestwear brands Farha Designs and Shatha Essa, alongside international names, reflecting the capital’s dual desire for exclusivity and cultural rootedness. “Abu Dhabi’s clientele tends to prioritise refinement, personalisation and quiet luxury,” Hadgianni says. “While Dubai thrives on scale and fast-paced energy, Abu Dhabi prefers depth and thoughtfulness.” Tryano offers bespoke services such as personal styling, home presentations, a fragrance engraver in the beauty section and a calendar of exclusive events. To mark a decade in operation, Tryano is launching an exclusive Jacquemus shop-in-shop. (While the brand has a store in Dubai, it does not yet have one in Abu Dhabi.)

For global brands looking to win in the Middle East, Abu Dhabi is no longer optional — it’s essential. However, Al Foulathi advises brands not to just replicate what’s worked elsewhere, but rather to craft an experience that is emotionally resonant and aligned with the city’s refined luxury sensibilities.

*Comments, questions or feedback? Email us at [feedback@voguebusiness.com](mailto:feedback@voguebusiness.com).*

