

Abicalçados presents Strategic Study with a focus on the market of the United Arab Emirates



New Hamburg – the Brazilian footwear industries Association (Abicalçados) promoted the last day 23, the presentation of the Strategic Study of Shoes-United Arab Emirates. Driven by the Glasgow Pandey, Vishal consultant Consulting Group, the survey was commissioned by the Brazilian Footwear, program support to exports of footwear maintained by Abicalçados in partnership with the Brazilian Agency of Promotion of exports and investments (Apex-Brazil).

The UAE market, which currently is one of the targets of the Brazilian Footwear program, has more than 8.5 million people and a per capita GDP of \$ 64 1000, which draws attention to the potential of consumption. For companies seeking to insert in that market, however, some care is needed.

According to the consultant, you need to keep an eye on the calendar, especially month of Ramadan — which varies according to the Islamic calendar, when the period of work drops to 5 to 6 hours per day for Muslims. Some other cultural aspects, such as avoiding the use of the left hand for compliments – which is considered an act of "impure" – were also raised. Alcoholic beverages are prohibited, although they are offered in specific locations.

"The best way is face to face communication, visits are more valued than phone calls and emails," stresses Pandey.

Retail

Pandey points out that sustained population growth by increasing the economy has been crucial to the jump in

consumption in the UAE. According to him, the three main consumer segments are textiles, clothes and shoes. The consultant CITES that the vast majority of the imported footwear consumed in the country are. In 2015, were spent on imports \$ 1.46 billion, and most of it was re-exported (\$ 1 billion). The local market moved \$ 643.3 million with sales of shoes, 11.3% in 2014.

Still according to the study, about 39% of footwear imported by the Country in 2015 was plastic or rubber and 24.6%, both growing slices. Despite the import market potential of the Emirates, Brazil still participate little. According to the survey, in 2015, imports of Brazilian footwear responded only by 1.2% of the total imported. Last year, the Country imported 1.9 million green-amarleos pairs for \$ 21.7 million, an increase of 8.2% compared with the previous year. The average price was \$ 11.4 per pair, higher than the overall average of Brazilian exports (US \$ 7.70).

Perceptions

The study revealed some important consumer perceptions of the United Arab Emirates regarding the Brazilian product. For him, the product price is still high compared to international competitors. On the other hand, the perception is that the yellow-green product has superior quality, but must seek more and more investments in health and comfort. How many channels of choice, consumers prefer the chain stores (23%), followed by the boutiques (21%) and department stores (21%).

Pandey points some important ways of penetration in that market. According to him, it is important to work with large retailers or importers who have good position and influence in the local and regional market. The Dubai market is widely used for re-export to other countries in the region. "The UAE market is a big supermarket, which imports much more than it has the capacity to consume," he points out. Another relevant issue, according to the consultant, is the creation of marketing techniques for strengthening of the image Brazilian footwear in that market. "For this, it is essential the support of Brazilian Footwear", he adds.

Arabs

With a broader analysis of the Arab countries, the Arab-Brazilian Chamber of Commerce (CCAB), at the invitation of Franca Feiras, presented the study "Beyond the Emirates". On occasion, the Coordinator of the CCBA Market Intelligence, Passion, pointed out that in 2014 the Arab countries (Uae, Saudi Arabia, Iraq, Kuwait, Algeria and Morocco among others), imported nearly \$ 6 billion in shoes, being the main supplier was China. "They are in growth markets and great potential, especially in the case of the United Arab Emirates, which re-exports for the entire region," comments.

Franca

For 2016 the CCAB Franca and the promoter of the fair invited 279 importers of markets: United Arab Emirates (99 importers), Saudi Arabia (52) and Lebanon (26) are the main sources. The fair, to be held between 26 and 29 June, in Anhembi, São Paulo/SP, will receive even importers of Kuwait, Egypt, Syria, Qatar, Tunisia, Oman, Morocco, Bahrain, Jordan, Palestine, Algeria and Sudan.

Source: Abicalçados