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Abstract

For centuries, families of transnational Sunni Arabs, or Persians both Sunni and Shiite, have migrated from southern Iran to the Arab coast of the Persian Gulf. In fact, Iranian groups living on the coast of the Persian Gulf have generally looked more to the United Arab Emirates (UAE) than to Iranian groups inland (Potter, 2009). They have maintained a "dual existence", owning houses in two or more countries and speaking multiple languages (Nadjmabadi, 2010). This has been a source of economic benefit to both Iran and the UAE, at least until the recent political unrest in the region. Many Iranians and Emirati citizens of Iranian origin in Dubai and other UAE cities come from towns in the department (shahrestiin) known as Larestan, and from towns in the Iranian province of Hormozgan. These populations are generally called Larestani, from the name of the region, or by the name of their town of origin: Evazi, Khonji, Bastaki, etc. In the UAE they are also described by the interchangeable Farsi terms: Khodmooni and Achami; the former means "of our own kind", or in a broader sense "those familiar to us". These Farsi terms emerged in the Arab areas of the Persian Gulf and show the strong mutual attachment of Larestani transnational immigrant families and UAE native families.

Keywords

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bring to light much needed, new scholarly and practical knowledge on how entrepreneurship, culture, and family dynamics influence the development of good governance and sustainability in immigrant family businesses.

Case Study: The al-Awadhi Brothers: The Story of Two Emirati Entrepreneurs

Maryam Khazaeli, Mary Barrett

For centuries, families of transnational Sunni Arabs, or Persians both Sunni and Shiite, have migrated from southern Iran to the Arab coast of the Persian Gulf. In fact, Iranian groups living on the coast of the Persian Gulf have generally looked more to the United Arab Emirates (UAE) than to Iranian groups inland (Potter, 2009). They have maintained a "dual existence", owning houses in two or more countries and speaking multiple languages (Nadjmabadi, 2010). This has been a source of economic benefit to both Iran and the UAE, at least until the recent political unrest in the region. Many Iranians and Emirati citizens of Iranian origin in Dubai and other UAE cities come from towns in the department (*shahrestân*) known as Larestan, and from towns in the Iranian province of Hormozgân. These populations are generally called Larestani, from the name of the region, or by the name of their town of origin: Evazi, Khonji, Bastaki, etc. In the UAE they are also described by the interchangeable Farsi terms: *Khodmooni* and *Achami*; the former means "of our own kind", or in a broader sense "those familiar to us". These Farsi terms emerged in the Arab areas of the Persian Gulf and show the strong mutual attachment of Larestani transnational immigrant families and UAE native families.

The Larestani's shipping skills and access to the lucrative markets of Africa and Asia have strongly shaped Dubai's economy (Davidson, 2008). By around 1900, Dubai had become the most attractive business environment in the region and accordingly benefited from a stream of skilled migrant business people from the unstable Persian coast. This UAE tradition of welcoming entrepreneurs long predates its oil exports (Davidson, 2008). Also around 1900, around 30 of the most adaptable of the immigrant Iranian family businesses in Dubai slowly developed to become global conglomerates (Jassim Jaidah, 2008).

Two brothers, Mohamed Parham al-Awadhi and Payman Parham al-Awadhi, are descendants of the entrepreneurs who travelled and traded across the Persian Gulf. The story of the business they created in 2010, Wild Peeta, shows

how the family, a primary element of the UAE's collective culture, has evolved to encompass online networks. The brothers developed a gourmet *shawarma*, transforming this local Levantine dish into an international business. A *shawarma* consists of lamb, goat, chicken, beef, or mixed meats that are grilled on a spit then wrapped in pita bread. The brothers also founded Qabeela New Media, the first UAE example of a new genre of social TV.

Mohamed, aged 38, who speaks five languages and has travelled worldwide, attributes his interest and talent in business to his family origins: "I come from a line of entrepreneurs. My great grandparents were Bedouins and travellers. My grandfather had a trading business in commodities, sugar, and food. He used to trade across the Gulf, particularly the UAE, Iran, and India."

After a successful management career at an Emirati bank, Mohamed's father started his own business. Mohamed explains how it influenced the brothers' early business learning:

My father opened up the Hello Kitty stores in the Middle East. Any vacation we had he made us work with him in his shop in Bazaar, Old Souq. My vacation memories are of getting up in the morning and walking to the Bazaar and walking back to the house in the afternoon. We grew up in that business environment though we did not get paid. We did everything and learnt a lot about business concepts in practice. From a very young age we learned how to take responsibility and it was built into us to do business.

The business idea that the brothers developed also came from their family origins. As Mohamed says: "My father started making us food from the dishes he had experienced in different countries. That is how we were exposed to international cuisine."

After studying business in the United States the brothers came home and started working in the family business. However, this only lasted two years before the brothers felt the need to start their own business careers, despite the fact that their father would be displeased, their lack of experience in other areas, and the preference among international companies to employ non-Emiratis:

We had our own identity and our own ideas about strategy in the family business. But we were under my father's rule. It was his way of doing things and it was the way he did it for years. We got to a point where we asked ourselves: "What is our potential? Is it limited to working in a small family business?" That was when we started working for multinational companies. At that time every company was looking for Western nationalities, not Emiratis. I persisted until I found a job in a Dutch medical company. I did not know anything about it except marketing, which I had graduated in.

Mohamed describes how 10 years of working with international companies in different industries helped them understand big, sophisticated retailing firms in the Middle East: "We wanted to learn from hundred-year-old companies and the systems they have. How they developed over time into the way they are now"

It also taught them the courage and discipline needed for entrepreneurship: "We had difficult times. But that gave us not fearlessness but this attitude that you shouldn't give up. When you fail you will learn and you move up."

Their international experience and their childhood memories led them to a new vision of the humble *shawarma*:

When we walked back from my father's shop in Old Souq, we used to pass a very small shawarma shop. It was a big part of our childhood. We started writing our business plan using everything we had learnt while working in our family business and from those big brands and international companies we worked in.

They spent eight or nine tough years working on their business plan for Wild Peeta:

We talked to banks, family members, and friends. They either said it is not going to work or it is too risky. We did not have the money to start our company. Nobody believed in us. We were just two guys who had this silly idea of making a business out of shawarma.

Government support finally helped Mohamed and Payman get their business plan approved. Afterwards they still had to compete for retail space in the shopping malls that have replaced the *souqs* of 40 years ago:

None of the malls returned our calls. Or if they did, they said: "It is [just] a local Emirati brand; you don't have any international franchises." But we had great support from our followers on social media. Whenever we asked for help getting information they supported us.

Guided by their trader grandparents' entrepreneurial spirit, the brothers aimed to create a brand, not just sell *shawarmas*. At the time of writing, Wild Peeta had 10,000 followers on Twitter and Facebook, updating the traditional *souq* into an online customer community that give the brothers regular feedback. This sense of community also originated in their family business. Mohamed recalls a board meeting in the U.S. where every member enjoyed talking to his father, not just about business but about everything. "Business happens through relationships", Mohamed says. "Making relationships with customers is rooted in Arab business culture." Nevertheless, the brothers are astonished that Wild Peeta is among the UAE's top five social media brands:

We set up Facebook and Twitter accounts when we started the business. We were just going to use them to talk about the journey of two Emirati brothers starting their crazy shawarma place in Dubai and the experiences we went through. People started to follow us on Twitter.

Although UAE residents comprise more than 85% expatriates, there are few opportunities for them to build relationships with Emirati nationals. Wild Peeta fills this gap through its social media presence, "Open Space at Wild Peeta". This in turn develops the business:

Wild Peeta and its customers meet online on Twitter and Facebook and offline at Wild Peeta. Wild Peeta has become a focal point, a place to meet. Social media helped us a lot as we grew and grew and grew. We call the customers "our family". They are lawyers, students, teachers, CEOs, or mothers – all sorts of people but they are connected. This is the privilege of Wild Peeta – that it connects people.

Wild Peeta shows how the entrepreneurial spirit of earlier generations survives in two individuals who value the collective culture of family business. This entrepreneurial attitude is vital to the Gulf countries, which have few other resources. As Mohamed says:

The Gulf [Arab] countries are very young countries and there is no history of industry. Very few things were produced here. It was all imported; the Gulf was a trading hub for importing and exporting, as our grandparents did. Now it is time to change and evolve.

Mohamed does not aim to transfer his business to the next generation in his family. Nevertheless, he is helping the current generation develop as entrepreneurs, just as his grandfathers did with him:

We spend a lot of our time with future entrepreneurs, whether at the university or with people actually starting up a business. Any experience or information we have we pass it to them, whether in marketing or logistics or finance.

The entrepreneurial spirit of Mohamed and Payman's forebears appears to be in good shape.