

Marketing in the UAE

Mandip Dulay looks at how to address an emerging market.

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Whilst marketing principles and tactics are broadly understood and commonly applied across industries and buyer-profiles, market nuances do exist and must be considered prior to embarking on a brand and marketing journey.

Marketing in its modern form emerged in advanced economies in conjunction with the rise of the consumer culture in the 17th and 18th century, with modern marketing being realised in decades following the industrial revolution. Divergent to this, most businesses across the Emirate were in an embryonic phase over three decades ago, with the notion of operational functions being limited to finance and human resources, as the discipline of cash management and access to resource were seen as the only core functions to operate a business.

Marketing, business development, client service and brand management were terms that organisations had limited understanding of or need for, given that almost every commercial opportunity or transaction was secured through personal relationships and word-of-mouth referrals, which leans to the cultural influence of the country.

As access to choices and preferences developed, so did the economic landscape, which introduced a concept of competition, giving rise to the need for marketing and business development which first emerged in the mid-'90s.

Today, the need for marketing has risen ten-fold, as fluctuations in market forces drive diversification, new market entrants and involves working with new



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innovative businesses who trade in a knowledge economy as opposed to relationships alone.

Considerations

When developing a marketing strategy in an emerging economy, marketers must take into consideration four key elements:

- Changes in market forces which includes the diversification trend and government initiatives,
- New market entrants who were traditionally not in your industry,
- How to manage the balance of a relationship to sales approach,
- Developing compelling propositions in a knowledge-driven and concentrated

economy which is being positioned as an international hub with key trade links into leading economies, such as India.

Credible brands within the UAE are those who contribute to the wider evolution of the economy and society, aligning its organisation's growth strategy with the governments vision, so that firms can remain relevant and immersive with the needs of modern businesses. A typical example of this would be Vision 2030, which will drive smart cities fuelled by artificial intelligence, exploration and technological advancement.

Such initiatives are challenging the professional services industry to consider its own business model. Is it relevant for accounting and legal firms to continue delivering its services through fixed human capital alone? A real debate at present is how the use of artificial intelligence can be applied to auditing algorithms. Whilst a future reality, it is also a current consideration enabling firms to differentiate their brand, whilst remaining aligned to the country's ambition along with fulfilling the needs of today's modern business. Alongside this, organisations continue to place a significant importance on cost optimisation and operational efficiency, therefore raising the ongoing debate of the physical workforce vs the digital workforce who operate remotely, reducing fixed recurring costs.

Marketing to these challenges requires smart data driven choices, with core propositions being positioned in an omni-challenge environment, whilst adapting the tone and channel for the



multitude of audiences available across the country.

Furthermore, the industry is experiencing new market entrants who once did not appear as direct competitors. The flourishing youth asset of the country is turning to its creative technological flair, coupled with the geographical proximity of countries such as India and China, that combined are offering new self-care solutions to address commodity-based services. Therefore, marketers must consider these new challenges and identify solutions and price-points which address the needs of the market and wider client base.

As the economy diversifies, so too does the buyer, who represents a savvy professional fuelled with information, knowledge and awareness of the services and solutions which they require. This new emergence is driving away the notion of relationship-based transactions to a sales-driven approach, where firms are needing to position themselves amongst the wider choice in the market. This sales-cycle shift requires marketers to unlock the new skills required of its profession, which will enable them to continue building a sustainable and profitable pipeline of work.

Finally, as market choices increase, we are experiencing the initiation of consolidation between firms and brands, which will drive a firmer approach to marketing in order to remain front-of-mind amongst your target audience.

Other elements to consider include the approach which emerging markets take, driven by a transformation of market, client base and competition.

Furthermore, you must consider:

- Having a digital-first approach, which is essential as the country is projected to have an internet-usage penetration rate of 80% in 2019, with it currently having the highest mobile penetration rate in the world at 173%.
- The UAE has topped the Facebook penetration rate globally, thereby challenging former recruitment challenges such as LinkedIn. The country is leading in the internet economy; therefore, this must be a key driving force for marketers.
- The convergence of legacy founders and generation next must be considered amongst your client base. The patriarchs of businesses have built their organisational foundations in an era of no tech; however, this segment of client is key to business decisions, therefore you must consider how your message will reach them, along with ensuring you place a significant importance on driving a physical client experience.
- Client-centricity is an important factor; however, we are experiencing an increase in awareness of what this represents by way of bottom-line organisational value, therefore the emergence of client experience is starting to appear.
- About 80% of the country's residents are foreign expatriates, with a majority coming from developing countries, therefore the notion of key accounts and client experience is new. Marketers must ensure organisational programmes are tailored for a wide range of internal audience, for these to be relevant and leveraged effectively.

The transient nature of this region should also be considered, as today's client may not be the client of tomorrow with people moving far more fluidly in this region than any other.

The challenge going forward

Organisations must continue to remain innovative and creative in their service solutions, ensuring an agile approach to new service propositions which align to the market and evolving economic trends.

Access to talent remains an ongoing challenge, therefore firms need to consider leveraging their geographical position and consider shared-service solutions for low-value operational roles, which will allow for further investment in strategic marketing professionals and/or agencies who can deliver beyond the campaign and can drive real strategic growth, further positioning the need for marketing as a growth agent.

Firms will need to find other ways of remaining relevant and compelling as thought leadership alone will not support firms in standing-out in a market full of knowledge and insights.

The balance between relationship selling and active sales positioning will need to be carefully considered and managed in order to transition to the new way of working, which will require marketers to think and act differently.

Market consolidation will create a concentrated set of solution providers who will have limited characteristics by which to distinguish themselves, therefore marketers will need to elevate beyond creativity to become a visionary who supports the development of a leading strategy to remain affluent and affable in the market.

In conclusion, the UAE is rapidly evolving and emerging into a smart-driven nation which is fuelled by innovation and aspiration, therefore marketers must remain informed, creative, agile and strategic in their approach in order to continue developing and realigning their approach to remain relevant and future ready.



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