



Practical guide: Enter the UAE market

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What entering the UAE involves

Entering the UAE is four decisions taken in the wrong order by most businesses.

Whether anyone here wants what you sell, at your price. How a buyer will reach you and who will sell to them. What the business will spend before the first invoice, and for how many months. And which legal structure suits all three.

The structure question is the one businesses start with, because it is the one every adviser they meet is selling. It is the last of the four, and answering it first locks in decisions the other three should have made.

What this guide covers

The commercial side of entry. Testing demand, choosing a route to market, costing the first two years, and the sequence that keeps the spending reversible for as long as possible.

Free zone against mainland, licensing and visas are covered in a separate guide in this series.

The pattern that costs the most

A licence, an office and a country manager appointed in the first quarter, on the strength of a market that has never been tested with a real buyer. Two years later the entity is closed, and nobody involved can say whether the market was wrong or the approach was.



What most entry plans get wrong

Entry is usually approved on a paper that describes the opportunity and skips the cost of being wrong. Four things to put in front of the board first.

2026 is a slower year than the last one

The Central Bank of the UAE forecasts real GDP growth of 1.7% for 2026 and non-hydrocarbon growth of 1.9%, against 6.2% and 6.8% actually delivered in 2025. It attributes the slowdown to regional maritime disruption and forecasts a rebound to 9.8% in 2027.

A plan built on last year's growth rate will miss in its first year and be judged on that.

You are not early

2,709 new member companies joined Dubai Chamber of Commerce in March 2026 alone. Whatever you sell, somebody here already sells something close to it.

Employment carries obligations at 20 staff

Emiratisation targets apply to private companies with 20 to 49 employees across 14 sectors, and separately to every company with 50 or more. Penalties run to AED 108,000 for a missed hire in the smaller bracket and AED 10,000 a month for each unfilled position in the larger.

Your assumptions do not travel

Buying units, decision speed, payment terms and the channels that reach a buyer are all different here. The assumptions that are wrong are usually the ones nobody wrote down.

Structure is the last of the four questions, and answering it first locks in decisions the other three should have made.



Four questions to answer before you commit

01 · Is there demand, or only opportunity

Opportunity is a large market with money in it. Demand is people searching for what you sell, at your price, this month.

Test it with search volume in English and Arabic, import data for your category, and the age of the competitors already serving it. A category full of businesses that have all survived five years has demand. One full of two-year-old entrants has attention.

02 · Who actually decides

The person who signs here is frequently not the person your sales process is built around. Family businesses concentrate decisions at the top. Government and semi-government buyers run long, formal processes with mandatory registration.

Map the buying unit before you build anything to reach it.

03 · Which route to market

Direct gives control and costs the most before revenue. **Distributor or agent** buys reach and local relationships, and hands over the customer relationship. **Partner or reseller** sits between the two. **Marketplace** tests demand at low cost and tells you little about a large-value buyer.

Most businesses should test through the cheapest route and commit to the most expensive one only once the first has produced buyers.

04 · What it costs to first revenue

Licence, visas, office or flexi-desk, a person, legal and accounting, translation, trademark registration, travel, and marketing spend. Then the number of months before an invoice is paid.

That total, multiplied by two, is the figure the board should approve.



Six stages, and when to stop

Stage 1 · Desk test, four weeks

Search demand, category size, competitors and their age, regulatory barriers, and a first cost estimate. Time only, no committed spend.

Stage 2 · On the ground, two visits

Fifteen conversations with people who would buy, and five with people who already sell here. Not a trade mission and not a conference.

Stop here unless at least five of the fifteen described a problem you solve, in their own words, without you prompting them.

Stage 3 · Structure and licence

Chosen to fit the route to market decided at stage 2, and the customers you intend to invoice.

Stage 4 · Route to market and first customers

The cheapest viable route, run for two quarters, with a named person accountable for the number.

Stop here unless you have paying customers who found you through the route you built, rather than through the owner's own contacts.

Stage 5 · Presence and hiring

Local headcount, office, and the employment obligations that come with it. This is the first expensive stage, and it should follow evidence rather than optimism.

Stage 6 · Scale

Second channel, second emirate, or the wider GCC. Saudi Arabia, Qatar and Oman are separate markets with their own answers to the four questions on page 4.

Keep the spending reversible for as long as the evidence is thin.



Actions before you commit money

01

Test demand before you test structure

Four weeks at a desk. Search volume in English and Arabic, category imports, the competitors already here and how long they have lasted.

Every adviser you meet sells structure. Almost nobody sells you the answer to whether the market wants what you have.

02

Have fifteen conversations with real buyers

People who would sign, in their own offices, describing how they buy this today and what it costs them. Two visits, a week each.

Conferences and trade missions produce goodwill and business cards. They produce almost no usable evidence about demand.

03

Cost the first 24 months

Licence, visas, premises, one person, legal and accounting, translation, trademark, travel and marketing. Then the months until an invoice is paid.

Businesses cost the licence because it is the number a setup agent quotes. It is rarely the largest item on the list.

04

Read the agency law before you sign a distributor

Federal Law No. 3 of 2022, in force since 15 June 2023, lets a foreign company register directly and allows a registered agreement to end on one year's notice, or half the term if shorter.

Registering an agency is a decision that is difficult to reverse. Take advice before the handshake.

Actions before you commit money

05

Register the trademark before you announce

The UAE registers on a first to file basis. The business that files your name first owns it here, whatever you own at home.

File in the classes you will trade in, and in Arabic transliteration as well as in English, before any launch announcement.

06

Decide who owns it and where they sit

A named person with authority to decide, spending real time here. A director visiting quarterly is a sponsor rather than an owner.

Entries fail more often on absent ownership than on strategy. The market punishes slow decisions.

07

Check the obligations at your planned headcount

Emiratization applies from 20 employees in 14 sectors. Corporate tax at 9% applies above AED 375,000 of taxable profit, with small business relief available to businesses under AED 3 million in revenue until the end of 2029.

Model these at the headcount and revenue in your plan, rather than at today's.

08

Write the exit condition at the start

The revenue, the customer count and the date at which the business stops. Agreed and minuted before the first dirham is spent.

Without it, a market entry is defended by whoever proposed it for as long as their career allows.

A worked example

A made-up UK specialist flooring manufacturer, turnover GBP 9 million, selling to commercial fit-out contractors. The figures are invented and used to show the method.

The plan as first written

A Dubai mainland entity, a warehouse, a country manager at AED 45,000 a month, and a launch at a trade exhibition. Budget approved at GBP 400,000 over 18 months.

The case rested on the size of the UAE construction market and on three enquiries received from the region in the previous year.

What the desk test found

Demand existed, and four of the six specifications the company competes on were already met by two established regional manufacturers at 30% lower delivered cost.

The three enquiries had all come from the same UK architect working on a Dubai project.

What changed

Two visits before anything else. Fifteen conversations with contractors and specifiers, at a cost of about GBP 14,000.

The finding. Nine of the fifteen raised lead times without prompting, and none raised the technical specification the company had built its case on.

The route changed. Stocking through an existing regional distributor rather than a warehouse and an entity, which cut the cost to first revenue from GBP 400,000 to GBP 62,000.

The agreement was written short. A two-year term with defined volumes, on advice, in the knowledge that a registered agency is difficult to unwind.

The exit condition. AED 2.4 million of orders within eight quarters, or the arrangement ends.



The one-page entry decision sheet

Complete the top half before any spend is approved. Complete the table at the end of stage 2. Take the whole sheet to the board rather than a paper describing the opportunity.

THE EVIDENCE OF DEMAND · SEARCH · IMPORTS · COMPETITOR AGE · DATED

WHO DECIDES IN A BUYING BUSINESS · AND HOW LONG THEIR PROCESS TAKES

ROUTE TO MARKET CHOSEN · AND THE CHEAPER ROUTE REJECTED, WITH THE REASON

NAMED OWNER · WHERE THEY ARE BASED · HOURS A WEEK

COST TO FIRST REVENUE	MONTH 1 TO 6	MONTH 7 TO 12	MONTH 13 TO 24	TOTAL
Structure, licence, visas				
People				
Premises and logistics				
Legal, tax, trademark				
Marketing and travel				

AFTER STAGE 2 · DATE · THE FIVE BUYERS WHO DESCRIBED THE PROBLEM UNPROMPTED

AFTER STAGE 4 · DATE · PAYING CUSTOMERS FOUND THROUGH THE ROUTE RATHER THAN CONTACTS

EXIT CONDITION · REVENUE · CUSTOMERS · DATE · AGREED BY · MINUTED ON

Mistakes to avoid and where to check

Six mistakes I see most often

- ☐ Choosing a structure before testing whether anyone here wants the product.
- ☐ Treating inbound enquiries from the region as evidence of a market.
- ☐ Costing the licence and calling that the cost of entry.
- ☐ Signing a distributor agreement without advice on the agency law.
- ☐ Announcing a launch before the trademark is filed here.
- ☐ Running the entry from head office with a director who visits quarterly.

Important

I am a marketer rather than a lawyer, a tax adviser or a company formation agent, and nothing here is legal, tax or regulatory advice. It sets out the commercial sequence, which is the part usually missed. Every point that affects your own position should be confirmed with a qualified adviser, and UAE regulations change frequently.

Sources

Growth figures from the Central Bank of the UAE Quarterly Economic Review, June 2026, data cutoff 12 May 2026. Real GDP growth of 1.7% is forecast for 2026 and 9.8% for 2027. Non-hydrocarbon growth is forecast at 1.9% and 4.5%, against 6.2% and 6.8% recorded for 2025. Company registrations from Dubai Chamber of Commerce, March 2026. Emiratisation obligations and penalties from the Ministry of Human Resources and Emiratisation. At 20 to 49 employees across 14 sectors, one Emirati a year, with AED 108,000 charged for a missed 2025 hire. At 50 or more employees, 2% a year in skilled roles, with AED 10,000 a month for each unfilled position from 1 July 2026. Distributor and agency position from Federal Law No. 3 of 2022, in force 15 June 2023. Corporate tax from Federal Decree-Law No. 47 of 2022 and Ministerial Decision No. 131 of 2026. All checked 22 August 2026.

Where to check

Central Bank of the UAE, centralbank.ae. Ministry of Human Resources and Emiratisation, mohre.gov.ae, and nafis.gov.ae. Ministry of Economy, moec.gov.ae, for trademarks and commercial agencies. Federal Tax Authority, tax.gov.ae.

Related reading

Related guides in this series: Set up a business in Dubai, free zone or mainland; Small business relief and your growth plan; and Set a marketing budget, at ataylorcmo.com/guides.



Conclusion

Test demand at a desk for four weeks, then have fifteen conversations with people who would sign. Only then choose a route to market, and only then a structure.

Cost the first 24 months rather than the licence, file the trademark before you announce, name an owner who is here, and write the exit condition into the minutes before the first dirham is spent.

Next step

I offer a 30 minute discovery call at no charge, on whether the UAE is the right market for your business and what entry should cost.

Book at ataylorcmo.com, or write to adam@ataylorcmo.com.



Adam Taylor

MSc, FCIM, CDMP. A marketing leader with more than 20 years of international experience driving growth, market expansion and competitive positioning across luxury retail, real estate, free zones, automotive and mega-events.

I work as a fractional chief marketing officer for owners, executives and boards in the UAE, the UK and internationally. My career includes Group Head of Marketing at Emaar, Director of Events and Entertainment at Expo 2020 Dubai, and marketing leadership of a UAE free zone, with more than 5,000 events and activations delivered for premium brands.

Credentials

MSc Marketing. Fellow of the Chartered Institute of Marketing. Certified Digital Marketing Professional.

Experience

More than 20 years across the UAE, the wider Middle East, the UK and global markets.

Specialisms

Marketing strategy, brand positioning, UAE market entry, growth and marketing return on investment, events and experiential, and board governance.

Brands and organisations

Emaar · Expo 2020 Dubai · The Dubai Mall · IFZA · Al Tayar Motors · Ferrari · Gucci · Harvey Nichols · Bloomingdale's · Dolce and Gabbana

Contact

If you have a question about this guide, or want a second opinion on whether the UAE is the right market for your business, write or call. I reply within one working day.



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