Socio-demographic analysis

Total population

Analyzing this graph, we can see a constant growth until 1914 where the number of people went up reaching 6 million people, then the trend slows down for a few years, then showing continuous accelerations and breaks until the 2000s. After those years we can notice a stabilization of the total population of around 10 million people.

The graph shows a few turning points for example in the early and middle of the 1900s where the line first slows down, then has rapid growth with a strong acceleration. Graph

Population density

The graph displays a constant growth until 1950 reaching up 90 people per km^2, followed by a more fluctuating trend which lasts until the present day, with stronger ups and downs. A constant decreasing density is predicted, going from 115 people per km^2 in the 2000s to 95 people per km^2 in the 2100s.

Graph

Immigration

Starting from 1990 we always have a positive slope, indicating that the number of immigrants has always kept increasing until the present days, going from a little more than 400000 in 1990, to almost a million in 2020.

The trend is not linear: there are years in which immigration stopped or even decreased, this is the case of years between 2005 and 2010, where the graph shows a decreasing slope. Then after 2010 the trend started once again to go up, but not at the same pace as before 2005 and after 2015. It is in fact clear that the two portions of the line are not linear, meaning that in those years the number of immigrants still went up, but after 2015 started to increase more rapidly.

Graph

Poverty rate

The graph generally slopes downward, until present days, in an almost-linear path: from 2003 to 2011 the poverty rate went from 22% to 17%, with a period of inversion, during which it goes up again reaching almost 20%; the trend subsequently becomes more unpredictable, for example between 2018 and 2021 it moved from 17% to 16%, then from 16% to 19% and then back to 16% in 2021.

Graph

Life expectancy

The graph generally moves upwards, following a linear trend, and can be divided into three sections: the first is the smallest one and goes from 1940 to 1950, the second one goes from 1950 to 1970, and the last one goes from 1970 to present days.

The first section of the graph is the most unstable one, as we start from 52 years and then instantly drop to 47 years old in 1943, then we see a rapid increase of life expectancy reaching almost 56 years old.

The second section of the graph shows continuous ups and downs of a small dimension, indicating that the expectancy was still increasing but at a really slow pace. There are still small but violent movements, but not that significant to affect the general trend of the graph.

The third and last section is the most regular one, always increasing, slowing down a little bit but still moving upwards. There are no relevant deviations, the graph only moves up linearly.

Graph

Interpretation

We can say that the modern history of Portugal can be divided into three major blocks: before 1970, from 1970 to 2014 and from 2014 to the present day.

The first block is characterized by an underdeveloped economy, with the main activity of Portugal being agriculture, which consequently employed most of the Portuguese population. The level of industrialization was very low, limited to small factories not able to carry out large-scale production. The modest revenues did not allow the development of the tertiary sector and services. These reasons and the absence of a solid banking market did not allow Portugal to make investments both domestically and abroad, further debilitating revenues.

The second block is the period in which Portugal initiated a whole series of reforms that allowed it to have constant economic growth to this day.

The Carnation Revolution (1974) put an end to the dictatorship of Estado Novo by establishing a democratic government that subsequently carried out an agrarian reform for the decentralization of agricultural land and the nationalization of services and industries; integration into the EU, with the consequent adoption of the euro, has allowed Portugal to enter new markets and develop the commercial sector, making it more stable and brought it on the same level of other member states; finally, following the global financial crisis of 2008, Portugal approved a series of reforms, such as the Austerity Reforms, aimed at lowering public deficit and regaining investor confidence in the Portuguese market.

The third and last block is the one after economic reforms, thanks to which Portugal is increasingly asserting itself within the EU; its leading sectors are tourism, which attracts dozens and dozens of visitors a year, the export of their products, thanks to considerable developments of the infrastructures necessary to trade, and finally the financial investments undertaken by governments both domestically and abroad.

Economic development and growth were accompanied by a careful immigration policy, which was intended to efficiently manage migration flows to Portugal. The reforms that had the most significant impact were:

- Immigration Law (1991) which provided a general framework for the regulation of immigration in Portugal, setting out the requirements and rules that foreigners must comply with in order to live on Portuguese territory.
- Law No. 23/2007 (2007) which updated the 1991 law by making the process of applying for residence and recognition of rights easier.

- Law 26/2016 (2016) whose aim was to protect the rights of migrants by strengthening guarantees of access to public services and fighting to break down any kind of discrimination.
- Law No. 47/2019 (2019) issued with the aim of simplifying the granting of residence permits.

Despite this, between 2005 and 2010 the number of migrants decreased, as the global crisis of 2008 forced Portugal to adopt more restrictive measures, such as making the process of obtaining a residence permit more difficult.

Economic growth has also had positive effects on improving health and education services:

- In the health sector regulations in order to raise awareness and reduce mortality were carried out: the improvement of health conditions, with investments made in infrastructures, improved the healthcare's quality; the government also implemented systematic vaccination program to minimize the transmission of infectious diseases; the access to health services got easier in order to grant universal access to hospital facilities; regarding international collaboration, Portugal has been able to create stable relationships with other MS, whose aid made investments and improvements of infrastructures possible.
- In the field of education, Portugal has approved a series of measures including: Law 46/1986 (1986) which laid the foundations of the Portuguese education system establishing compulsory school attendance up to the age of 15 and, above all, free education; Law 30/2002 (2002), which introduced the teacher evaluation system, revisiting the training criteria for school staff; Law 7/2009 (2009) which reaffirms the rights and duties of teachers by also outlining future career opportunities.

Real GDP and its growth rate, real GDP per capita and its growth rate

Real GDP and its growth rate are useful indicators for understanding the overall trajectory of the economy. As the graph shows, from 1989 to 2023, Portugal's real GDP has generally followed an upward trend, reflecting periods of robust economic growth. From the late 1980s to the early 2000s, there was a more or less continuous increase, suggesting a phase of rapid development, probably due to industrialization, the expansion of the services sectors, and the integration into the European Union. However, the data also reveal periods of stagnation and contraction, especially from 2008 to 2014, corresponding to the global financial crisis and subsequent Eurozone debt crisis, whereby growth rates turned negative, such as -3.1% in 2009 and -4.1% in 2012. Nevertheless, the situation improved in the following years until 2020, where there was a sudden drop of -8.3%, reflecting the economic impact of the Covid-19 pandemic, which caused a significant contraction due to lockdowns and decline in global demand. From 2021 onward, a strong recovery emerged, with growth rates rebounding to 5.7% in 2021 and 6.8% in 2022, indicating a revitalization of economic activity.

Graph

Parallel to this, the GDP per capita and its growth rate provide a deeper understanding of how economic development affects overall prosperity and living standards. Portugal saw consistent growth in real GDP per capita during the late 1990s, with annual increases averaging around 3-4% from 1995 to 2000, reflecting economic expansion and the benefits of European Union integration. The early 2000s marked a period of slower growth, with GDP per capita growth rates dipping to 0.23% in 2002 and even showing some declines, such as -1.28% in 2003. However, steady improvements resumed in the mid-2000s, peaking at 2.33% in 2007. This positive trend was soon interrupted by the 2008 global financial crisis, which resulted in stagnation and a subsequent decline, leading to a -3.22% drop in 2009. This challenging period extended over several years as the Eurozone debt crisis unfolded, with real GDP per capita shrinking by -3.72% in 2012.

From 2014 onwards, there was a more consistent upward trend, peaking at 3.45% in 2017, indicating a period of recovery. In 2019, GDP per capita continued to grow by 2.5%, but the Covid-19 pandemic in 2020 led to a sharp

8.5% contraction as economic activity and individual income levels declined significantly. The economy recovered in 2021, with GDP per capita rising by 5.3%, as restrictions eased and economic activity resumed. This upward trend continued into 2022, with a robust growth rate of 6.4%, but slowed to 1.5% in 2023. This deceleration could indicate a more uneven distribution of economic gains across sectors or regions, but could also reflect the challenges of sustaining rapid post-pandemic recovery among ongoing global economic uncertainties.

Data

Employment and Unemployment

Economic growth directly affects job creation and sustains high employment levels. Overall, occupation has risen steadily, while the unemployment rate has fluctuated. In particular, during the 2008-2014 Eurozone crisis, the unemployment rate flew up due to reduced consumer spending and lower investment, peaking at 16% in 2013. It then declined but rose again (without reaching the previous peak) in 2020 with the Covid-19 pandemic, which also caused a drop in the labor force participation rate, as many individuals exited the job market among widespread uncertainty and temporary business closures. Recovery began in 2021, with employment reaching 5.11 million by 2023, the highest level in recent years, and is expected to continue growing.

The labor force participation rate rebounded to 76.37% in 2022, the highest level recorded during the observed period (data available until 2022), indicating a recovery in economic confidence and a return of workers who had left the labor market during the pandemic. However 2023 showed a slight unemployment increase, suggesting that the number of job seekers is growing faster than number of jobs' positions created in certain sectors; sectoral mismatches and regional disparities may be alternative explications, as available jobs do not align perfectly with the skills of the labor force and some areas are recovering faster than others.

(total unemployment rate)

Inflation rates

Inflation rates in Portugal from 1989 to 2023 exhibit significant fluctuations: they indeed elevated during the late 1980s, but then began to stabilize in the early 1990s as Portugal implemented monetary policies to prepare for its integration into the European Monetary Union.

Throughout the 2000s, inflation rates were generally stable, mainly staying between 2% and 3%. However, in the years 2008-2014, with the global financial crisis and subsequent Eurozone debt crisis, significant variations were experienced, with periods of deflationary pressure, especially around 2009 (-0.9%) and 2014 (-0.16%), which coincided with austerity measures and reduced domestic demand.

Up until 2020, inflation rates were relatively stable, maintaining low levels. With the Covid-19 pandemic in 2020, there was another dip in inflation rates (-0.12%) as lockdowns and economic uncertainty influenced consumer demand negatively. However, this was followed by a rapid rates' increase, especially in 2022 (8.1%), driven primarily by supply chain disruptions and rising energy and gas prices, largely due to the geopolitical tensions stemming from the war in Ukraine and the ongoing effects of the pandemic. In recent years, inflation rates have started to moderate, even though they remain above pre-pandemic levels (around 2%).

Graph (inflation rate)which coincides with Data

Imports and exports

Another important aspect of Portugal's economy is its trade dynamics, including imports, exports, and the trade balance. The value of goods imported in Portugal has increased over the years especially in the last few ones, reaching approximately $113.48 billion in 2023. Main import partners are Spain, which accounted for 31% of total imports in 2022, followed by Germany (11%), France (6%), China (5%), and Italy (5%). Exports have also grown, with $83.9 billion worth of goods exported in 2023. Spain remains the top destination for Portugal's exports, receiving 25% of the total goods exported in 2022, followed by France (12%), Germany (11%), and some non-EU markets, such as the United States (7%), and the United Kingdom (5%). Among the top exported food and beverage products, olive oil, port wine, and fresh raspberries stand out, reinforcing Portugal's strong position in the international market for high-quality agricultural goods. It is therefore evident that snacks, which are the main focus of this analysis, do not rank among the major contributors to the country's export revenue. Despite this growth in exports, the data highlight a persistent trade deficit, which has widened over the years, reaching around $29.57 billion in 2023, indicating that Portugal's imports consistently exceed its exports.

import of goods	main import partners	export of goods	main export partners	trade balance of goods

Conclusion

Overall, Portugal's economy has shown resilience and recovery capabilities, especially after major downturns, such as the global financial crisis and subsequent Eurozone debt crisis, and the Covid-19 pandemic. However, ongoing challenges include addressing the increasing unemployment rate, managing inflation, and rectifying the persistent trade deficit.

Market Outline, supply side

The Portuguese snack market, valued at €2,209.7 million in 2024, has evolved significantly in recent years, driven by a growing preference for health-conscious products and a global shift toward sustainability and ethical production. While traditional snacks remain popular, consumers are increasingly opting for products that align with modern dietary trends, such as organic, low-calorie, and locally sourced options.

The market is divided into four key sub-sectors—confectionery, ice cream, savory snacks, and sweet biscuits, snack bars, and fruit snacks—each contributing in a balanced way to its overall value. Since 2015, the market has grown by approximately 67.64%, increasing from €1,318.1 million.

Market sizes in mln € retail value of other European countries in 2024

Austria 2,780.2	Italy 12,264.0
France 17,999.4	Netherlands 5,403.8
Germany 25,635.1	Portugal 2,209.7
Greece 1,459.1	Spain 10,163.4

Competitor Landscape

In this competitive space, international giants such as Unilever, Mondelez, PepsiCo, Ferrero, and Nestlé dominate with extensive product portfolios and well-established brands, making up to 33.5% of the overall Portuguese snack market (2024). However, local companies like Viera de Castro continue to play an important role (altogether adding up to 5.6% in 2024), leveraging their knowledge of Portuguese consumer preferences and offering products that cater to regional tastes. Regulatory pressures, particularly around health labeling and sustainability, are also shaping the market, forcing companies to innovate and adapt.

To better understand Portugal's competitive landscape, it is essential to examine the key players more closely:

- Unilever: Unilever is a market leader, holding 17.0% of the market share (2024), reflecting steady growth from 15.1% in 2015. Known primarily for its dominance in the ice cream sector (63.9%), Unilever's brands like Magnum and Cornetto are ever-present in supermarkets. The company's ability to cater to premium and indulgent consumer segments has helped it maintain a competitive edge, despite the shifting market dynamics towards healthier options.

- Mondelez International: known for its strong presence in the global snack industry, Mondelez has seen a decline in its market share in Portugal, from 9.0% in 2015 to 5.2% in 2024. Despite this, its brands, such as Oreo and Milka for the sweet tooth, as well as TUC and Triunfo in the savory section, continue to perform well.

- Ferrero: with brands like Ferrero Rocher, Kinder, and Mon Chéri, Ferrero has managed to grow its market share, increasing from 4% in 2019 to 4.9% in 2024. Ferrero's premium branding and reputation for quality make it a formidable competitor in the confectionery space (holding 17.5% of this sub-market in 2024). Furthermore, its steady innovation in seasonal products (e.g., holiday chocolates) reinforces its position.

- PepsiCo: PepsiCo holds the highest share of the savory snack market in Portugal, commanding 17.4%. Known for its iconic brands like Lay's and

Cheetos, PepsiCo competes indirectly with Viera de Castro through the salty snack segment. Its products enjoy widespread availability across supermarkets and convenience stores, making it a strong player in the broader snack category.

- Nestlé: holding 2.6% of the snack market, Nestlé mainly competes in Confectionery (8.5%) with brands like Kit Kat and Smarties. Though smaller in terms of market share compared to its global competitors, Nestlé benefits from strong consumer trust and a reputation for family-friendly, high-quality snacks.

Product Innovation and Trends

The key market trends in 2024 were:

- Health and Wellness: Consumers are increasingly seeking healthier snacks, such as sugar-free or gluten-free options .
- Indulgence: Indulgent treats, like chocolate biscuits, are still in demand despite the economic pressure .
- Sustainability: Green packaging and eco-friendly initiatives are critical in product development .

Competitors in the Portuguese market, both local and international, have been quick to adapt to waves of innovation, launching new products that align with trends and/or lifestyle choices like veganism, low-sugar snacks, and eco-friendly packaging.

For example, Mondelez has introduced low-sugar versions and plant-based alternatives of its popular Oreo and Milka brands, capitalizing on the global trend toward reducing sugar consumption without sacrificing flavor. Additionally, Ferrero has been experimenting with vegan-friendly products under its Kinder line, catering to the growing demand for plant-based alternatives.

In terms of sustainability, the two companies are actively promoting their efforts to source ingredients through fair trade or sustainable agriculture programs. These initiatives, like Mondelez's Cocoa Life Program, not only enhance brand image but also resonate with consumers who are making more ethical purchasing decisions.

Eco-friendly packaging is another area of innovation. Nestlé and PepsiCo have made significant strides in this space, with the latter committing to using 100% recyclable packaging across its snack lines by 2025, while the former has introduced packaging made from biodegradable materials, a move that appeals to environmentally conscious consumers.

Meanwhile, Imperial has positioned itself as a health enhancing alternative, labeling a selection of products with branding such as "*Chocolate x Colesterol*" and "*Chocolate x Cardiovascular disease*", to highlight their potential health benefits.

Marketing and Advertising Strategies

Marketing and advertising play a crucial role in shaping brand perception and driving sales within the competitive snack market. The major market players have different approaches to their marketing strategies:

- Unilever focuses heavily on digital advertising and influencer marketing, particularly with its ice cream brands like Magnum and Ben & Jerry's. These campaigns are often designed to align with social causes, leveraging influencer partnerships to enhance brand visibility across social platforms.
- Mondelez, for example, utilizes a balanced mix of TV ads, especially during high-consumption seasons, and social media campaigns to reach younger audiences. Brands like Oreo and Milka are frequently featured in influencer collaborations on platforms like Instagram and TikTok, where they engage with their primary audience of millennials and Gen Z consumers.
- PepsiCo has leaned heavily on digital marketing to enhance consumer engagement, leveraging innovative strategies tailored to online platforms.The Lay's brand has been particularly successful with interactive digital campaigns, such as social media challenges and the "Do Us a Flavor" contest, which thrives off customer interaction. These campaigns are designed to engage younger audiences through platforms like Instagram, TikTok, and Twitter, tapping into viral trends and social media engagement

Interesting outliner: Kellanova. This company joined the Portuguese snack market only last year but already holds a share worthy of attention: 0.8%, placing it 17th overall. The company has made a significant impact in both the savory snacks segment, where it ranks 6th in the country, holding a solid 2% of the market, and in the Sweet Biscuits, Snack Bars and Fruit Snacks as well (1.3%).

Brand Analysis: Vieira de Castro Productos Alimentares

Brand/Company Identity

Vieira de Castro remains a family-owned business, focusing on local markets while emphasizing its distinction from larger multinational corporations. It operates with a singular subsidiary in Jordan and avoids the aggressive expansion strategies of global competitors.

Product Market:

Portugal's snack market in 2024 is characterized by a growing polarization between health- conscious products and indulgent treats . Vieira de Castro, though deeply rooted in tradition, has stepped into areas of innovation with the project CLabel+ ("clean label") to promote ongoing growth, by introducing the *Bem-estar* ("*Wellness*") category, providing a vast choice of products, from no-sugar, to lactose-free and fiber-rich, addressing different consumer needs. The broader market sees consumers balancing indulgence with affordability, reflecting the company's strategy of offering premium, affordable snacks under €7.50. Additionally, the trend towards eco-friendly and sustainable practices is strong, which Vieira de Castro follows by introducing more environmentally friendly packaging .

In a market where consumers are cautious with spending, the snack sector, including biscuits, almonds, and chocolates, key product categories for Vieira, continues to perform well. The sweet biscuits segment, in particular, has seen positive growth in both volume and value, reflecting Vieira's strength in this product category. In addition, almonds, part of the savory snacks category, are continuously innovated, with a focus on sustainability, premium positioning, and new flavors .

Products:

Vieira de Castro's primary products include biscuits, almonds, and chocolates. These offerings tap into both the indulgence and health-conscious trends shaping the Portuguese market, with an emphasis on producing snacks that are affordable yet high-quality .

- Differentiation strategy
- Accessible price
- Easy to buy locally, even through shipments.

Target Audience

As noted from the company's presence on LinkedIn, Vieira de Castro targets a broad consumer base that spans various age groups and socioeconomic segments. This wide- ranging appeal matches the broader snack market trend where consumers, despite inflation, seek affordable indulgence, complemented by the rise in private label brands and health- conscious options .

Distribution Channels

The company sells its products both online and in supermarkets, following broader trends in Portugal where supermarkets and local grocers dominate snack sales . As snacks' retail through e-commerce remains limited, Vieira de Castro maintains a strong presence in physical stores, a key channel for impulse buys and everyday indulgences.

Competitors

Viera de Castro, particularly dominant in the Sweet Biscuits, Snack Bars and Fruit Snacks, and Confectionery sectors, faces direct competition from both local and international brands. Some of the company's most formidable competitors include well-known brands such as Mondelez (with products like Oreo, Milka), Ferrero (with Kinder and Ferrero Rocher), and Nestlé (with Kit Kat). These brands not only boast a significant market presence but also have the advantage of strong brand recognition, vast distribution networks, and robust marketing efforts.

Moreover, a number of Portuguese companies, such as Imperial and Lusiteca, produce similar products in the sweet biscuits and confectionery space, offering stiff competition on a local level.

Viera de Castro holds 1.0% of the Portuguese snack market. While this market share is modest in comparison to the international giants, the company is well-positioned within the sweet biscuits and snack bars categories, going head-to-head with Mondelez's sub-brands. Viera de Castro's products are known for their quality and Portuguese heritage, which resonate well with local consumers.

A more suitable comparison could be drawn with respect to its main Portuguese competitors, holding similar or minor share values:

- Imperial Produtos Alimentares SA: Making up for 1.0% of the market, and up to 3.5% in the Confectionery section, compared to Vieira de Castro's 1%.

- Lusiteca, which registered a steady decline (from 1.2% in 2015 to 0.7% in 2024), also predominantly present in Confectionery (2.6% in 2024), although registering a considerable decline over the last 10 years.

Both of them are mostly active in the Confectionery department.