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Marketing Plan for International Expansion of Tim Hortons in Portugal

Inês Castanheira Marques dos Santos

Master's (MSc) in Marketing

Supervisor:
Ph.D, Professor Ricardo Jorge Godinho Bilro, Assistant Professor (with Habilitation), Department of
Marketing, Operations and General Management at Iscte Business School

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BUSINESS
SCHOOL

Department of Marketing, Operations and General Management

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Dedication and Acknowledgements

As I reach the end of this academic journey, I would like to express my deepest gratitude to all those who supported and inspired me throughout this process.

First and foremost, I would like to thank Professor Ricardo Godinho Bilro for his continuous guidance, insightful feedback, and encouragement. His academic rigor and genuine dedication were instrumental in shaping this thesis. I am truly grateful for the opportunity to learn under his supervision.

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Resumo

Este projeto propõe um plano de marketing detalhado para a entrada da marca canadiana Tim Hortons no mercado português. Com base numa análise do ambiente externo, revisão da literatura e inquérito aplicado ao público-alvo, o estudo identifica oportunidades e desafios associados à internacionalização de uma cadeia de cafetarias num mercado tradicional como o português. A proposta estratégica assenta na adaptação cultural do menu, posicionamento competitivo baseado em valor acessível, presença omnicanal (loja física, drive-thru e delivery), e uma comunicação digital centrada na sensibilização da marca. O estudo sugere a entrada através de franchising e destaca a importância da localização, da experiência do consumidor e da integração com valores locais, como a sustentabilidade e a conveniência. As conclusões oferecem um roadmap prático e aplicável para a implementação da marca em Portugal.

Palavras-chave: Tim Hortons, internacionalização, plano de marketing, mercado português, cafetarias, consumo de café
Códigos JEL: M31 (Marketing), F23 (Multinational Firms; International Business)

Abstract

This project presents a comprehensive marketing plan for Tim Hortons' entry into the Portuguese market. Based on an analysis of the external environment, literature review, and survey data from the target audience, the study identifies the main opportunities and challenges of expanding a coffee chain into a culturally rich and traditional market like Portugal. The proposed strategy focuses on cultural adaptation of the menu, a value-based competitive positioning, omnichannel presence (physical store, drive-thru, and delivery), and a digital-first communication campaign to build brand awareness. Franchising is recommended as the preferred entry mode, and emphasis is placed on location, customer experience, and alignment with local values such as sustainability and convenience. The findings offer a practical and actionable roadmap for implementing the brand in Portugal.

Keywords: Tim Hortons, internationalization, marketing plan, Portuguese market, coffee chains, coffee consumption
JEL Codes: M31 (Marketing), F23 (Multinational Firms; International Business)

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Glossary of Acronyms

COO – Country of Origin

F&B – Food and Beverage

HoReCa – Hotels, Restaurants and Cafés

OLI – Ownership, Location, Internalization

QSR – Quick-Service Restaurant

1. Introduction

Coffee holds a central role in Portuguese culture, not just as a product, but as a symbol of everyday life. It is consumed at all hours, from the morning *bica* to the afternoon *galão*, and is often tied to social rituals, familiar cafés, and the value of time shared. However, while the traditional café model still dominates, urban consumers, especially younger generations, are increasingly open to more diverse, branded, and experience-driven alternatives. This evolving landscape offers a unique opportunity for international brands that can combine cultural sensitivity with differentiated value propositions.

In this context, the international expansion of Tim Hortons into Portugal represents a strategically relevant move. Tim Hortons is Canada's leading coffee and bake shop chain, with a strong identity built on warmth, community, and affordability. With an existing footprint across North America and parts of Europe, including Spain, the brand has the operational capacity and consumer appeal to enter the Portuguese market successfully. Its blend of accessible pricing, product variety, digital loyalty, and Canadian heritage can offer something new in a highly habitual market, if properly localized.

This thesis presents a full international market entry plan for Tim Hortons into Portugal, developed as a Business Plan for an Innovative Project within the framework as part of the master's in marketing. Through a combination of secondary data and primary research, it analyzes the target market, identifies key opportunities and challenges, defines a positioning strategy, and outlines a complete marketing mix (7Ps) tailored to the local reality. The plan also includes a phased implementation roadmap, visual brand assets, customer journey flows, and KPIs to monitor success.

The objectives of this project are: (i) to evaluate the attractiveness of the Portuguese market for Tim Hortons; (ii) to understand consumer expectations regarding international coffee chains; (iii) to benchmark competitors and identify white space for differentiation; (iv) to propose a localized and creative 7Ps strategy adapted to Portuguese culture; and (v) to design an implementation and rollout plan that ensures feasibility and brand alignment.

In summary, the thesis has concluded that Tim Hortons has a high potential to succeed in Portugal by aligning the brand values with the consumption culture of the Portuguese. The key strategic recommendations that the thesis has made to Tim Hortons to succeed in Portugal are: (i) to adapt the product offerings to the taste of the Portuguese while maintaining the Canadian identity of the company, (ii) to ensure the value-for-money proposition of the company, (iii) to ensure the accessibility of the company's stores in Portugal, and (iv) to follow a franchising model to operate in Portugal.

This document is structured into eight chapters. Following this introduction, Chapter 2 presents a literature review focused on internationalization, cultural adaptation, and strategic

marketing planning. Chapter 3 explains the methodology used, combining qualitative benchmarking and quantitative survey data. Chapter 4 analyses the macro and microenvironment of the Portuguese market. Chapter 5 introduces Tim Hortons and explores its readiness for the Portuguese context. Chapter 6 provides a summary of consumer insights and research findings. Chapter 7 presents the implementation strategy, including the full marketing mix, rollout roadmap, and visual and digital assets. Chapter 8 concludes the project with strategic recommendations, limitations, and ideas for future managerial or business development opportunities.

This project reflects both an academic challenge and a personal passion for brand strategy, consumer culture, and international business. By proposing a creative and market-driven expansion plan, the thesis aims to demonstrate how global brands can enter traditional markets with both relevance and originality.

2. Literature Review: Relevance for This Project

The literature reviewed in this chapter offers a structured theoretical base to inform the development of a practical market entry project. Rather than seeking to contribute to theory development, this project adopts established frameworks in international business and marketing to inform strategic decision-making in a real-world context.

Theories of internationalization are used to understand how service-based food and beverage brands enter new markets, characterized by uncertainty and cultural distance. The theories are also used to understand how Tim Hortons' expansion into Portugal might be conceived as a process of learning, with potential benefits from local network relations.

In addition, the chapter examines market entry strategies, with particular attention to franchising and hybrid entry modes, to assess how Tim Hortons can balance control, risk exposure, and local market responsiveness when entering the Portuguese market.

Literature on standardization/adaptation also plays a role in the decision on the structure of the marketing strategies, supporting the idea of a hybrid approach, where the essential elements of the brand are standardized, while certain elements of the marketing mix are adapted according to the consumers' needs.

Research on consumer behavior related to the coffee and QSR market is also reviewed, as it will be used as a basis for the identification of the target segments, value propositions, and positioning, considering the social aspects related to the consumption of coffee.

Together, these perspectives provide an applied analytical framework that underpins the subsequent market analysis and marketing plan, ensuring that the proposed expansion of Tim Hortons into Portugal is grounded in theory and directly translatable into strategic and operational decisions.

2.1 Internationalization of Food and Beverage Brands

The internationalization of firms has been a widely studied phenomenon from an international business perspective, and earlier studies on this topic highlighted the incremental approach towards internationalization through experiential learning. One of the most popular approaches to internationalization is the Uppsala internationalization model, developed by Johanson and Vahlne (1977). The Uppsala model proposes that firms internationalize in an incremental manner through learning and gaining specific knowledge about the international markets, thereby reducing the uncertainty and perceived risks associated with internationalization. Firms start their internationalization journey in markets with low psychic distance and then move towards markets with higher psychic distance.

Subsequent developments of the Uppsala model emphasize the importance of learning and reducing uncertainty in the process of internationalization. According to Johanson and Vahlne (2009), the process of internationalization should be viewed as a network process, where relationships with suppliers, franchisees, and local partners are important sources of knowledge and resources. This is more applicable to the modern global business environment, where internationalization is not necessarily a step-by-step process.

Internationalization in the service-oriented sectors, like the food and beverage (F&B) industry, has its own set of challenges when compared to manufacturing industries. This is because services are intangible, and their production and consumption occur simultaneously. Moreover, services involve a significant amount of customer interaction, which makes them more vulnerable to cultural and institutional differences (Erramilli & Rao, 1993). As Erramilli and Rao (1993) argue, these factors make internationalization more complex and limit the transferability of business models.

Complementing the process-oriented perspective of the Uppsala model, the Eclectic Paradigm (OLI framework) presented by Dunning (1988) offers a structural approach to the question of why the internationalization of the enterprise occurs through foreign direct investment. According to this approach, the internationalization of the enterprise occurs when the enterprise possesses ownership advantages, location advantages, and internalization advantages. In the context of the OLI framework, ownership advantages are particularly relevant to multinational enterprises operating in the service-intensive food and beverage industry.

Empirical studies suggest that the internationalization strategies of service and manufacturing organizations differ substantially, especially due to the higher uncertainty, intangibility, and customer involvement in service organizations. According to Brouthers and Brouthers (2003), service organizations experience higher difficulties in maintaining the security of specific assets and service quality in the foreign market, which makes the role of risk management and trust in internationalization strategies critical. In the case of service-intensive industries like the food and beverage business, the customer experience and service quality play a critical role in the value creation process, which makes the transfer of standardized business models to the international market particularly difficult.

The literature above suggests that the process of internationalization in the F&B industry is a dynamic, learning-intensive process, and is influenced by firm-specific capabilities as well as contextual market conditions. The theoretical perspectives discussed above are relevant while analyzing the potential for Tim Hortons' expansion in Portugal, a country with a tradition of coffee consumption.

2.2 Market Entry Strategies for Global Expansion

The choice of an effective market entry strategy is considered a critical decision in the process of international expansion, as it has a direct impact on the degree of control, risk, and commitment involved in managing foreign markets. The literature on international business has conceptualized the choice of entry mode as a strategic trade-off between uncertainty minimization and asset protection for firms (Anderson & Gatignon, 1986). From a transaction cost perspective, firms aim to minimize opportunistic costs while entering foreign markets.

The different market entry modes that have been identified in the literature include exporting, licensing, franchising, joint ventures, and wholly owned subsidiaries. The different market entry modes vary substantially in terms of their organizational structure, control, and investment. High-control market entry modes, such as the wholly owned subsidiary mode, allow the company to internalize the business and provide full strategic control, but they also require substantial investment in capital and entail higher risks in terms of political, economic, and operational risks. On the contrary, the use of low-control market entry modes, such as licensing and franchising, allows the company to quickly enter the market and requires fewer resources, but it also results in the loss of control over the business. To synthesize the differences in the market entry modes, Figure 1 shows the different market entry modes in terms of their respective levels of control and investment.

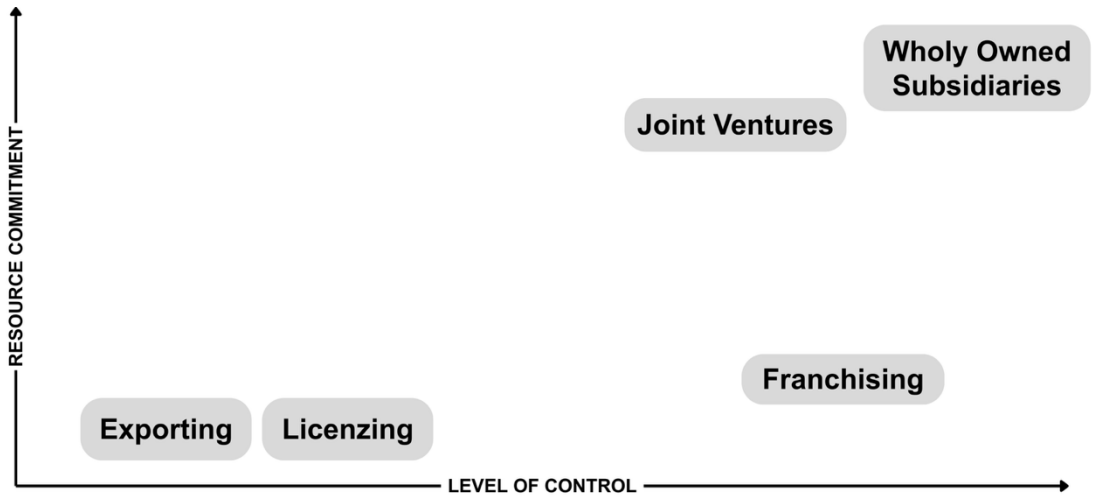


Figure 1 Classification of international market entry modes based on level of control and resource commitment

Source: Adapted from Anderson and Gatignon (1986); Erramilli and Rao (1993).

As illustrated in Figure 1, franchising occupies an intermediate strategic position between low-control and high-control entry modes, helping to explain its widespread adoption in service-based industries that require both scalability and brand consistency.

In the service industries, particularly in the food and beverage and quick service restaurant industries, the most popular internationalization strategy adopted by companies is franchising. Research on service firms suggests that the franchising strategy is best adopted in industries where the business environment is highly interactive, localized, and requires specific knowledge (Erramilli & Rao, 1993). In the hospitality and food service industries, the franchising strategy helps companies tap into the expertise of local partners in areas such as real estate, regulations, and consumer behavior, while maintaining standardized systems.

Such trends are also observed while analyzing other service sectors. The empirical study conducted in the hospitality industry confirms the importance of franchising as an internationalization strategy. Contractor and Kundu (1998) illustrated that service companies often adopt cooperative entry modes, including franchising and strategic alliances, to effectively manage risk-sharing and flexibility in international operations. As per the literature on service internationalization, service companies face a challenge to maintain consistency in their brand identity and service quality while adapting to local environments (Erramilli & Rao, 1993).

Although this mode of entry is advantageous, it is also characterized by several challenges. For instance, a lack of control over the quality of services and the way the business is executed may lead to a dilution of the brand if effective governance is not in place. Hennart (2009) argues that a lack of alignment of interests between the franchisor and the franchisee may lead to agency costs, especially in industries where services play a critical role in value creation. To address these challenges, international restaurant firms have adopted a hybrid approach where they enter foreign markets through a combination of franchising and company-owned outlets.

Alternative entry modes may be more appropriate in markets characterized by high institutional complexity or regulatory barriers. Joint ventures, for example, allow firms to share risk and benefit from local partner expertise but also involve coordination challenges and potential conflicts over strategic decision-making. Wholly owned subsidiaries, while offering maximum control, are typically reserved for strategically critical markets due to their high capital intensity and long-term commitment requirements.

Within the coffee industry, franchising is argued to be a balanced approach to global expansion, as indicated by the literature. In this case, entry mode is affected by various factors, including cultural distance, competitiveness of the market, and the level of uncertainty surrounding the service delivery (Brouthers & Brouthers, 2003). These theoretical insights provide a strong basis for the analysis of the potential expansion of Tim Hortons into the Portuguese market, where the need to leverage local market knowledge with brand consistency and cost efficiency is a critical success factor for market entry.

2.3 Standardization vs Adaptation in Global Marketing

As discussed in the above sections, the internationalization of food and beverage (F&B) brands entails various critical decisions concerning entry modes, governance, and service delivery. However, apart from these factors, the internationalization of brands also entails various strategic issues concerning the marketing strategies adopted in the international market. In the service-oriented industry like the F&B sector, where the consumption pattern is highly embedded in the cultural context and the experience plays a vital role, the firms need to take critical decisions concerning the marketing strategies adopted in the international market, whether they need to adopt the same marketing strategies in the international market or not.

Under this framework, the standardization-adaptation debate is arguably one of the most established debates in the international marketing discipline. While standardization entails the use of similar marketing strategies in different national markets, adaptation involves the modification of some of the elements of the marketing mix to suit different markets.

The initial arguments for standardization were advanced by Levitt (1983), who argued that globalization and technological advancements were creating a more homogeneous consumer profile. This implied that companies could reap benefits in terms of economies of scale and costs, and a global brand image, by standardizing their marketing strategies and products. However, subsequent studies have refuted this notion by arguing that consumer behavior is significantly affected by cultural, social, and institutional factors.

Douglas and Wind (1987) strongly argue against the concept of totally globalized markets, as they contend that the idea of global consumers is only a myth, as the consumption patterns, cultural values, and regulatory systems differ from one country to another, which makes the totally standardized approach less effective. This study indicates that ignoring the specifics of the market may have a negative impact on the performance of the business in foreign markets.

Rather than treating standardization and adaptation as mutually exclusive strategies, later research proposes a continuum-based approach. Jain (1989) conceptualizes international marketing strategy as ranging from complete standardization to full adaptation, with firms positioning themselves along this continuum depending on market conditions. This perspective underscores the importance of strategic flexibility and context-sensitive decision-making in international marketing.

This view is supported by empirical research. Cavusgil, Zou, and Naidu (1993) provide empirical support for the contingency-based view that adaptation of products and promotion strategies can have a positive impact on performance in the context of high uncertainty and cultural distance in international markets. The study suggests that adaptation is important in situations where consumer behavior is significantly different.

This strategic problem is especially evident in the food and beverage industry, where consumer choices are deeply ingrained in cultural and social practices. Askegaard and Madsen (1998) demonstrate that food consumption is characterized by a complex interplay between globalization and local traditions, giving rise to a heterogeneous pattern of consumer expectations. In other words, standardization in food-related products may not be fully attainable. At the same time, over-adapting may undermine brand identity and the overall consistency of the value proposition.

To address the tension between these two demands, international brands are increasingly using a hybrid approach that integrates standardized core elements such as brand identity, values, and systems with localized versions of peripheral elements such as product range, communication style, and pricing systems. Özsomer and Prussia (2000) argue that successful international marketing strategies depend on the firm's capacity to balance global integration and local responsiveness, both in terms of capabilities and constraints.

Overall, the literature indicates that neither full standardization nor full adaptation is a universally optimal approach. Rather, the ability of firms to strategically manage the level of adaptation required is key to success in international markets. These findings form a relevant theoretical basis for assessing how Tim Hortons can balance global brand consistency with local coffee consumption habits and cultural expectations in the Portuguese market.

2.4 Consumer Behavior in Coffee and QSR Markets

Consumer behavior in the coffee and quick-service restaurant (QSR) industry is driven by a set of complex dynamics between habitual consumption, experiential value, and context. Unlike most fast-moving consumer goods, coffee consumption is often habitual yet also serves a symbolic and social purpose. Consequently, consumer decision-making in this industry goes beyond the functional parameters of price and convenience to incorporate experiential and contextual considerations.

Studies on food consumption emphasize that food and drink habits are significantly affected by cultural factors, social practices, and situational contexts. Rozin (2006) suggests that food habits represent an integration of biological needs, psychological responses, and cultural meanings, indicating that food habits are quite different in various societies. In markets where coffee consumption is a regular practice, consumer preferences are not only driven by taste but also by established habits and expectations related to café use.

The social aspect of coffee consumption has been extensively explored in the literature using the notion of "third places", first coined by Oldenburg (1999). Third places refer to informal public gathering spaces that are distinct from both home and work and have an important role in facilitating socializing. Cafes and coffee shops are often third places where

consumers can create a space for socializing, unwinding, and even working. As such, coffee brands can be judged not only on their quality but also on the experience they create.

The importance of the service environment, or servicecape, has been extensively examined in hospitality and QSR research. Environmental elements such as layout, décor, lighting, and music influence customers' emotional responses and behavioral intentions. Ryu and Jang (2008), through the development of the DINESCAPE scale - a multidimensional framework that evaluates customers' perceptions of the physical dining environment - demonstrate that aspects like cleanliness, ambient conditions, spatial layout, and aesthetic appeal significantly affect customer satisfaction and revisit intentions. Similarly, Lin and Mattila (2010) find that congruence between restaurant atmosphere and service encounters positively influences customer emotions and overall satisfaction. Price sensitivity also plays a critical role in coffee and QSR consumption, particularly given the high frequency of purchase associated with these products. While some consumers are willing to pay a premium for enhanced experiential value, others prioritize affordability and efficiency. The literature suggests that consumers assess value holistically, weighing monetary cost against experiential benefits such as ambience, service quality, and brand image. For example, Sweeney and Soutar (2001) emphasize that perceived value is a multi-dimensional construct involving not only price but also emotional and social value. In the context of hospitality, Ryu et al. (2008) demonstrate that perceived experiential value - shaped by the dining environment and service quality - has a direct impact on customer satisfaction and behavioral intentions. Likewise, Wu and Liang (2009) demonstrate that ambience and brand image are significant drivers of customers' overall value perceptions in fast service restaurants. The emphasis here is on the importance of value rather than price in developing customer loyalty.

In addition, consumer behavior in coffee markets differs across consumer segments. For instance, younger consumers may focus more on experiential attributes, social interaction, and digital connectivity, while habitual consumers may focus more on speed, accessibility, and consistency. Therefore, international coffee brands must understand consumer behavior in coffee markets as they expand into new markets.

Overall, the literature indicates that consumer behavior in coffee and QSR markets is influenced by a combination of habit, experience, social context, and perceived value. For international brands, success depends on the ability to align standardized operational models with local consumption practices and expectations. These insights are particularly relevant for the analysis of Tim Hortons' potential expansion into Portugal, where coffee consumption is frequent, socially embedded, and characterized by strong local traditions.

2.5 Country of Origin Effects and Global Brand Perception

Country of origin (COO) effects refer to the influence that a product or brand's perceived national origin exerts on consumers' evaluations, attitudes, and purchase intentions. The concept has been extensively studied in international marketing, as consumers often use country-related cues as heuristics when assessing product quality, credibility, and symbolic value, particularly in situations characterized by information asymmetry.

Early research by Bilkey and Nes (1982) established that country of origin functions as an extrinsic product attribute that can significantly shape consumer perceptions, independently of objective product characteristics. Their review demonstrated that consumers frequently associate specific countries with competencies, quality standards, or cultural meanings, which in turn affect brand evaluations. This effect is especially relevant in international markets, where foreign brands may be evaluated through stereotypical country images rather than direct consumption experience.

Subsequent studies expanded the COO literature by examining how country image interacts with product categories. Roth and Romeo (1992) argue that country-of-origin effects are strongest when there is a perceived fit between a country's image and the product category. For example, countries associated with craftsmanship, tradition, or culinary expertise may enjoy a competitive advantage in food and beverage markets. Conversely, a perceived mismatch between country image and product category may weaken brand evaluations and purchase intentions.

More recent research has emphasized that country-of-origin effects are multidimensional and context dependent. Verlegh and Steenkamp (1999) propose that COO influences consumers through cognitive, affective, and normative mechanisms. From a cognitive perspective, country cues serve as signals of quality and reliability; affectively, they evoke emotions and symbolic associations; normatively, they may activate social norms or ethnocentric tendencies. This multidimensional view highlights that COO effects extend beyond rational quality assessments to encompass emotional and identity-related responses.

In the context of global branding, scholars argue that the relevance of COO cues has evolved rather than disappeared. While globalization has increased consumers' exposure to international brands, country associations continue to play a role in shaping brand meaning and differentiation. Papadopoulos and Heslop (2002) suggest that strong global brands can either leverage positive country associations or strategically downplay national origins when country image is weak or ambiguous. As a result, firms may adopt deliberate positioning strategies that emphasize, neutralize, or reframe COO cues.

COO effects are particularly salient in the food and beverage sector, where consumption is closely linked to notions of authenticity, tradition, and cultural identity. Consumers often

associate food products with national cultures and culinary heritage, making COO cues especially influential in shaping perceived authenticity and trust. In coffee markets, national associations may relate to both producing countries and brand-origin countries, adding a layer of complexity to consumer evaluations.

For international coffee chains, managing country of origin perceptions involves balancing global brand identity with local market expectations. Brands originating from countries without a strong coffee heritage may face initial skepticism, but this can be mitigated through consistent quality, localized adaptation, and experiential branding. Understanding how COO cues interact with brand positioning and consumer expectations is, therefore, critical when entering markets with strong local coffee cultures.

Overall, the literature indicates that country of origin effects remains a relevant factor in global brand perception, particularly in culturally embedded consumption contexts such as coffee and foodservice. These insights provide a valuable framework for analyzing how Tim Hortons' Canadian origin may influence consumer perceptions in Portugal and how strategic branding decisions can shape market acceptance.

2.6 Branding and Value Proposition in International Expansion

The competitive rivalry in the coffee industry and quick-service restaurants (QSRs) is generally high. In addition, the cost of switching from one product to another is generally low. From a strategic management perspective, industry analysis models clearly indicate that differences in organizational performance among industry players are often influenced not only by differences in their internal capabilities but also by industry structure (Porter, 1979, 1980). In the coffee industry and quick-service restaurants, these competitive forces are high since customers can easily make comparisons, competitors can easily imitate successful strategies, and customer response to convenience is high.

Competitive rivalry is fueled, in part, by the presence of high-density competitive clusters, where organizations compete for habitual and high-frequency consumption. In such cases, differentiation based on a unique value offering becomes essential. Porter's generic strategies imply that organizations generally compete based on cost leadership (value menus, promotions, and efficiency), differentiation (experience, product innovation, and brand meaning), or focus (targeting a segment or occasion) (Porter, 1980). In the case of coffee and QSR brands, efficiency-based differentiation and experience-based differentiation are likely to occur, especially in markets where café culture is deeply embedded in society.

Competitive intensity is also shaped by barriers to entry and the ability of new entrants to scale quickly. While opening a single independent café may be relatively easy, competing at scale requires capabilities in supply chain, brand building, site selection, and consistent service

delivery. This aligns with the resource-based view, which argues that sustained advantage depends on the possession and execution of valuable and difficult-to-imitate resources and capabilities (Barney, 1991). In coffee and QSR, such resources may include strong brand equity, franchising know-how, operational routines, data-driven location strategy, and proprietary product or process systems.

Another important structural factor is the rise of franchising and network expansion, which can influence competitive conditions within the restaurant industry. Franchising enables faster growth and local market penetration while preserving a degree of brand control and operational consistency. Evidence suggests that franchising involvement can meaningfully shape competitive dynamics and the competitive environment faced by restaurant firms (Sun & Lee, 2021). This is particularly relevant for international chains entering new markets, where franchising can reduce capital intensity and accelerate expansion.

In addition, competition in coffee and QSR has become increasingly influenced by digital platforms and online reputation systems. Online reviews and ratings affect consumer choice and can intensify competitive pressure, especially when consumers compare alternatives before visiting. Recent research proposes analytical approaches for assessing restaurant competitiveness using online reviews, highlighting how attributes such as service, environment, and price contribute to competitive positioning over time (Wu et al., 2024). At the same time, competitive intensity can also incentivize strategic behaviors related to online reputation, as competition has been shown to influence firms' incentives to engage in review manipulation behaviors (Li et al., 2023). Together, these findings underline that digital reputation is not merely a communication tool, but an active component of competitive strategy in hospitality markets.

Apart from competition with direct rivals, the industry is further affected by substitutes as well as consumption occasions. In coffee retailing, substitutes might include home coffee equipment, coffee sold in convenience stores, and bakery cafes. In QSR retailing, substitutes might include casual dining, delivery-only brands, and grocery ready-to-eat food. The threat of substitutes in coffee retailing is high as consumers might easily shift between different options depending on consumption occasions, price considerations, and value considerations (Porter, 1979). Thus, coffee retailing brands that successfully compete with rivals do so by "owning" consumption occasions.

Overall, the literature suggests that the coffee and QSR industry is structurally competitive, requiring firms to develop both operational efficiency and adaptive capabilities to respond to evolving consumer expectations and competitive moves. Dynamic capabilities, such as the ability to sense market shifts, seize new opportunities, and reconfigure resources, are therefore particularly important in fast-moving service markets (Teece et al., 1997). These insights provide a relevant foundation for analyzing Tim Hortons' market entry into Portugal, where the

presence of strong local coffee habits and established competitors likely increases rivalry, making differentiation and operational execution central to successful market penetration.

3. Methodology

In this project, a mixed-methods research approach will be employed, combining both secondary and primary sources of information, to develop a marketing plan based on available data regarding the potential entry of Tim Hortons into the Portuguese market. The research design will help in understanding the market, the customers, and drawing strategic inferences, but not to test any theories.

3.1 Research Design

The research follows a descriptive and exploratory design. Descriptive research is used to outline market characteristics, consumer profiles, and consumption habits, while exploratory elements support the identification of opportunities, perceptions, and potential strategic gaps in the Portuguese coffee and quick-service restaurant market. The study is cross-sectional, as data are collected at a single point in time.

3.2 Secondary Data Collection

In this stage, secondary data was employed to lay the groundwork for the context in which the project is being conducted, specifically in relation to the macro and meso environments in the Portuguese market and the international market position of Tim Hortons.

This entailed various categories of data with specific purposes. Firstly, (i) academic sources offered the context for various concepts in relation to internationalization strategies, consumer behavior, and brand positioning in the food and beverage market, which formed the basis for the theoretical framework in the literature review and the rationale for the market entry model. In addition, (ii) quantitative data on the volume of coffee consumption in the market, out-of-home behavior, price sensitivity, and generational trends were collected from industry reports published by Statista, Euromonitor, and NielsenIQ, which formed the groundwork for the external market analysis in Chapter 4. Moreover, (iii) data on the company, both quantitative and qualitative in nature, were collected from various sources such as annual reports and brand websites from Tim Hortons and its parent company, Restaurant Brands International (RBI), which formed the basis for the brand analysis in Chapter 5. Lastly, (iv) competitive intelligence was gathered through secondary observation methods, which included using Google Maps reviews, menu and pricing analysis, and visual branding of direct and indirect competitors to inform the creation of the benchmarking table and several critical decisions on the 7Ps marketing strategy.

The application of secondary data analysis in this project was not only systematic and purposeful but also ensured consistency in analysis throughout the project, shaped the primary research instrument, and validated critical assumptions in the marketing strategy.

3.3 Primary Data Collection: Consumer Survey

This sub-section will outline the main methods used to collect primary data for this research project, including the aims and structure of the online consumer survey.

Primary quantitative data collection was conducted through an online consumer survey to support secondary research and provide market-specific insights. The online consumer survey aimed to assess the coffee consumption behaviors, brand associations, service standards, and interest in Tim Hortons as a market entrant among Portuguese consumers.

3.3.1 Survey Instrument

The questionnaire was prepared, grounded in the concepts that emerged by reviewing the literature, and structured into themes:

- Demographic characteristics, such as age group, gender, employment status, and residency.
- Coffee drinking habits, Coffee drinking frequency, Types of coffee preferred, Places of purchase of coffee.
- Brand loyalty and competition, with emphasis on local coffee shops and global coffee franchises.
- Service Expectations - Such as service speed, friendliness of service staff, seating availability and ease of access.
- Price Sensitivity and Willingness to Pay.
- Brand awareness and perception of Tim Hortons, including familiarity, prior experiences, and trial intention of Tim Hortons in Portugal.

Many questions were designed to be closed-ended to ensure easy quantification of the study's results. These were in the form of multiple-choice and Likert scaling, depending on the question. This ensures that the answers can be compared and an easy statistical description of the results is possible in the future. The full survey instrument is provided in Appendix A.

3.3.2 Sampling and Data Collection Procedure

The online survey used a convenience sampling, addressing the population living in Portugal. To reach a wide diversity of ages, working status, and geographical positioning, web questionnaires were distributed using social media and direct sharing.

The total number of valid responses collected was 100. Participation was purely on a voluntary basis, and the responses were anonymized to ensure the ethics of data collection were maintained. The sample size is adequate to perform an exploratory market analysis within the scope of an applied marketing project.

The questionnaire was checked before full distribution for clarity, logical flow, and relevance of questions. Minor rewards and changes in the response options were made to increase understanding and consistency. The questionnaire incorporated skip logic to ensure that respondents were only presented with questions relevant to their level of brand awareness and prior experience.

3.4 Data Analysis Approach

At this stage of the methodology, data analysis procedures are defined but not executed. Exporting the survey data to perform the descriptive statistics for analysis was done for quantitative analysis. Results for consumer behavior, preferences, and market potential patterns based on frequency distribution, percentage, and cross-tabulation will be highlighted. The results of this analysis are presented and interpreted in a subsequent section of the project, where findings are linked to strategic implications for Tim Hortons' market entry into Portugal. The insights derived from this analysis directly inform the strategic decisions presented in the implementation chapter.

3.5 Methodological Limitations

As with any research project, it is important to note that there are some limitations to this research. One of these is that convenience sampling is used, which means that it is not necessarily representative of all Portuguese people. Another limitation is that it is based on self-reported data, which may be prone to response bias. Finally, it should be noted that not all subjects are coffee drinkers, which may limit the usefulness of some opinion-based answers. Furthermore, as Tim Hortons is not yet represented in Portugal, most of the participants were not familiar with the brand, and therefore, the perceptions are based on the description of the brand as presented in the survey. Despite this, as the research is exploratory

and strategic in nature, the chosen methodology is suitable for the creation of informed marketing recommendations.

4. External Environment Analysis

4.1 Political factors

Portugal has a stable democratic government with policies that favor foreign investment and promote economic development.

In the food and beverage industry, Portugal has stringent health-and-safety regulations. All businesses with an operating license in Portugal are expected to comply with these regulations and labor laws. The corporate tax rate in Portugal is 21% on top of the municipal tax surcharge, which might increase the rate by 1.5%. While this is the standard Value Added Tax rate, however, 23% applies to most goods and services, including food and beverages. Regarding trade agreements, Portugal, being a member state of the European Union, enjoys the rights and privileges that the other countries enjoy in free trade agreements. These include the other countries with which it has trade agreements, as these agreements permit it to bring raw materials and equipment required for operation without paying taxes. Besides that, Portugal has incentives for Foreign Businesses, numerous tax incentives, and other grants were extended to foreign investment as an economic strategy to promote innovation and job creation in the Portuguese public sector by the national government.

4.2 Economic factors

The macro environment of Portugal, in terms of the years 2025-2026, depicts a moderate stability in terms of growth, inflation, and a healthy labor market. Such an environment would be conducive to businesses that offer services to consumers, like coffee shops and quick-service restaurants.

Based on projections from the Bank of Portugal, it is expected that the rate of growth in real GDP will be around 1.9 % in 2025, with a slight acceleration to 2.3 % in 2026, mainly driven by private consumption, rising wages, and investment in services. The growth outlook is still moderately positive despite global uncertainties, indicating a stable business environment.

The inflation rate, which had been high in preceding years, is predicted to normalize and stabilize at 2.1% in 2026, in line with the European Central Bank's medium-term inflation target. This is attributed to declining energy prices and lower external cost pressures, which create a more stable and predictable consumer environment and boost purchasing confidence.

In the labor market, the unemployment rate fell to 5.7 % in November 2025, one of the lowest rates recorded in the last two decades. This is consistent with the view of a robust and flexible workforce, with favorable implications for disposable income.

Regarding wealth indicators, it is estimated that the GDP per capita in Portugal will amount to approximately USD 22,951 by the end of 2026, a fact that demonstrates a gradual improvement in the country's economy and an increase in productivity levels. Although this amount is still below the average in the Eurozone, it indicates a rise in purchasing power for urban professionals and middle-class consumers.

Another factor that contributes to economic performance is tourism. It is estimated that tourism contributes 15 % to Portugal's GDP. The country receives millions of tourists annually, mostly to cities such as Lisbon, Porto, and other popular spots. This provides a huge commercial opportunity for international brands to establish themselves and reap the benefits of the exposure. Tim Hortons can, therefore, consider areas with high tourism to set up their outlets and reap from the potential customers.

Lastly, increased disposable income among the younger population, especially in metropolitan cities, provides a potential opportunity for Tim Hortons to establish itself. The Portuguese market is likely to benefit from innovative food and beverage outlets due to the increased number of young professionals seeking convenient food options.

4.3 Social factors

Coffee consumption is an integral part of the Portuguese culture; on average, each person consumes 5.05 kg of coffee annually (Helgi Library, 2024). Traditionally, coffee variants like espresso, such as "*bica*" have been popular among the population; however, the youth have started to be more accepting of foreign coffee cultures and other varieties. This change is also a reflection of the change in the general public's behavior and attitudes. Cafés in Portugal, particularly in cities such as Lisbon and Porto, are not only coffee stores but also serve as "third places" for people to socialize and be part of the community, as emphasized by Oldenburg (1999). This is a very important concept, especially with regards to Portugal and its coffee culture, since coffee shops have become meeting points for students and young professionals and remote workers, and so on. Thus, there is a huge potential for Tim Hortons to enter the market with its coffee culture, provided it complies with the contextual requirements and standards.

4.4 Technological factors

Investment in automation of coffee machines and state-of-the-art point-of-sale systems is likely to improve efficiency and experience for customers. In Portugal alone, social media has a phenomenal reach, making it ideal for marketing and customer interaction.

App-integrated loyalty programs are popular among Portuguese customers, which is an opportunity for Tim Hortons to attract repeat usage via digital rewards and customized offers.

4.5 Environmental factors

Sustainability has become a greater priority for consumers in Portugal, with demands for eco-packing and fair-trade coffee rising. Waste management regulations in force in Portugal include important rules for the business community, such as banning certain single-use plastics.

Climate change is threatening the ability to grow coffee globally, placing burdens on supply chains that affect pricing. Furthermore, there is also a national agenda for shifting toward renewable energy, including incentives for companies willing to buffer their carbon footprint.

Corporate Social Responsibility remains a core pillar voiced by consumers willing to follow brands linked with environmental sustainability and community support. A move toward sustainable practices would enhance Tim Hortons' competitive position.

4.6 Legal factors

The food safety and hygiene regulations that apply in Portugal are mainly set by the European Union legislation, which provides standardized regulations for all member states. This legislation provides specific guidelines on how to handle food and its labeling, and it should always be observed by any food business that wants to operate in Portugal. All factors would be considered by Tim Hortons while recruiting on remuneration, working hours, and employee benefits, as enacted in employment laws.

All these agreements and operations control are related to local franchising or licensing laws. Intellectual property protection in Portuguese substantial means making sure that trademarks and proprietary business features are well secured.

5. Company Analysis

5.1 Brand presentation

Tim Hortons was founded in 1964 by the Canadian hockey player Tim Horton and businessman Ron Joyce in Hamilton, Ontario, Canada. The chain used to have a primary association with coffee and doughnuts, having those as their signature items. Tim Hortons went on to expand rapidly across Canada through the years and became woven into the fabric of Canadian culture. In the late 1990s, it became the biggest quick-service restaurant chain in Canada, surpassing even worldwide chains such as McDonald's for the number of outlets.

Core to Tim Hortons is a focus on high-quality products, excellent customer service, and an inviting atmosphere. It strongly advocates for community involvement through the Tim Hortons Foundation with various charities and local causes. The care in the quality of the products and community has forged very strong emotional bonds with customers, turning it into an intrinsic part of the fabric of Canadian life.

The product offering at Tim Hortons over the years had changed significantly, but it would still be loved for its coffee and doughnuts. Of course, through the years of evolution, not only does this company offer coffees and doughnuts, but it also offers sandwiches and soups, together with baked goods and specialty iced beverages, iced lattes, among others. Menu variability, including plant-based foods, reflects the response to consumer cravings and dietary values.

It has been subjected to tremendous changes in the line of offerings-from a simple coffee-and-doughnut outlet to a full-service fast-food chain. All this is the result of proper forecasting of customer needs and shifts in the marketplace. The spread of Tim Hortons across international markets such as the US, the UK, and Spain, with its latest entwinement being Portugal, underscores the strategic direction of using the strength of its brand while adapting itself to cultures and tastes.

In Canada, Tim Hortons has a place in popular culture. Often affectionately called "Timmies," it is not just a coffee shop but part of everyday life, symbolizing a sense of community and comfort. The brand aspires to this cultural integration within its international markets to be a trusted and familiar presence in new communities.

In the case of the international expansion of Tim Hortons, the focus is on the brand’s values while providing the necessary customizations to suit the tastes of the local market. This has already been done in countries such as the UK and Spain.

These characteristics are particularly relevant from the perspective of the Portuguese market, as the country has a culture that appreciates familiarity, affordability, and a strong coffee culture. Such a market is often characterized by a strong country-of-origin effect.

According to Bilkey and Nes (1982), country-of-origin is a crucial extrinsic product cue that significantly impacts the perceptions of consumers. Additionally, as emphasized by Verlegh and Steenkamp (1999), this effect is not limited to the rational domain; it also encompasses the emotional and symbolic domains.

In this context, it can be suggested that the country-of-origin effect of Tim Hortons, being Canadian, might result in a mix of curiosity and suspicion among the Portuguese consumers. Therefore, it becomes essential to position the brand appropriately so that its country-of-origin effect is leveraged favorably.



Figure 2 The first Tim Hortons opened in May 1964.

5.1.1 Customers

Tim Hortons has developed a diversified customer base in its core markets, including the United States, the United Kingdom, Spain, and Canada. The customers of Tim Hortons include those who are loyal to consuming coffee and look for a cost-effective and consistent beverage, and those who occasionally visit Tim Hortons because of their association with Canadian culture and people-centric approach. Tim Hortons has developed a reputation for providing quality coffee at a low cost and is highly embedded in local cultures.

Demographic profile

Tim Hortons' target consumers generally fall within the following broad demographic segments:

- Age group: Between 18 and 55 years old, mostly comprising working professionals, students, and families.

- Income level: Middle-income group consumers who seek a good quality-price trade-off in their coffee experience.
- Occupation: Office employees, blue-collar workers, students, and retired people who seek a convenient and familiar brand experience.
- Location: City centers, suburbs, and transit points where Tim Hortons' outlets are often part of their daily routine.

Customer segments

Based on the behavioral and lifestyle characteristics of the customers, the major customer segments can be described as follows:

- Daily commuters: Consumers looking for convenient and affordable coffee offerings, with drive-thru services or mobile ordering being part of the experience.
- Budget-conscious consumers: Consumers who are drawn to promotions, loyalty programs, and value-for-money offerings.
- Community-oriented customers: Consumers who see Tim Hortons as a community space and are drawn to the community-oriented initiatives of the company.
- Trend seekers: Consumers who are involved with the seasonal offerings, limited-time offerings, and influencer marketing activities of the company.
- Health-conscious consumers: Consumers who are interested in plant-based offerings, sustainability, and responsible sourcing.

5.1.2 Communication

The communication of Tim Hortons is grounded in a welcoming brand that is supposedly community-oriented, national, and quality-driven. The brand's voice is consistent and has a warmer, more approachable, and reliable feel to build customer acquaintance and trust.

Visual identity plays an essential part in Tim Hortons' communication strategy. The logo representing the brand reflects a timeless and approachable image in red with a simple yet easily recognizable script in it. The brand's marketing strategy mainly resorted to visual storytelling in their advertisement campaigns that show Canadian roots, using snow, hockey, and maple leaves most of the time. These visuals create and reinforce a big image about Tim Hortons as a haven of comfort and community, both in Canada and all its international markets.

In the Portuguese context, this communication approach can support brand awareness building and differentiation in a market dominated by local cafés with limited structured brand communication.

Figure 3 Tim Hortons logo

Another very important trait in Tim Hortons' communication is personalization. It allows the creation of a belonging through various initiatives such as customer stories and loyalty-based engagement. Such community-based initiatives further make Tim Hortons a giver rather than just being a brand: a community initiative such as "Smile Cookies," for example, involves giving a certain portion to charities, solidifying it further. It's just showing the brand's ethos: not just being a coffee shop but a part of the neighborhood it operates in.



Figure 4 Smile Cookie campaign

Lastly, Tim Hortons also communicates with its consumers via packaging. Saying that eco-sensitivity is the focus, the company has moved towards sustainable materials as the wider consumers now look to make environmentally conscious product choices. From "Proudly Brewed" and "Made Fresh" packaging messages, the emphasis will be on the quality aspect. It further reverberates with its valued customers as reflected in brand value.

5.1.3 Marketing and digital communication strategy

Tim Hortons' marketing strategy focuses on creating impactful campaigns that drive engagement, build loyalty, and extend the brand's reach. It blends traditional marketing

methods with modern, data-driven approaches to stay relevant in today's competitive landscape.

Tim Hortons communicates heritage by celebrating its most iconic products through ad campaigns: coffee, doughnuts, and Timbits. Seasonal and sponsored promotions-think seasonal flavors or partnerships with sports organizations-drive buzz and keep the brand top of mind. This frequently targets key emotional touchpoints to ensure relevance at large.

Social media platforms like Instagram, Facebook, and Twitter help in its digital strategy and connect it with its customers by further amplifying its campaigns. It interacts with the audience through behind-the-scenes videos, user-generated content, and online polls. The brand shows humor and uses stories to create authenticity in digital communication and thereby makes itself more relatable to its target group.

Along with brand storytelling and social interaction, Tim Hortons incorporates its loyalty initiative, Tims Rewards, as a key digital resource to enhance customer connections. Instead of operating only as a reward system, the program facilitates data-driven decisions by gathering insights on buying behaviors and the frequency of visits. This enables the brand to customize promotions and incentives for various customer segments, enhancing routine consumption while also producing insights that can guide future communication and campaign strategies.

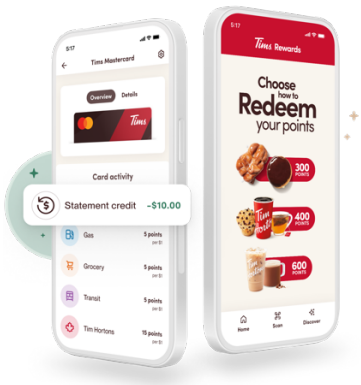


Figure 5 Tims Rewards

The collaborations with influencers have also helped Tim Hortons reach the younger audience, even the niche communities. It creates meaningful content blog posts, recipe ideas, and videos that allow the brand to connect with the customer on a personal basis and leverage brand loyalty.

This digital-first strategy is especially relevant for the Portuguese market, where younger consumers and urban populations increasingly rely on digital platforms for brand discovery, promotions, and convenience-driven consumption.



Figure 6 Justin Bieber's Timbiebs collaboration

5.1.4 Market

Tim Hortons is one among the few operators in the highly competitive global market in which its strongest markets include Canada, the United States, and the United Kingdom. Besides these regions, there is a plan for entering other European markets such as Spain into its fold. The coffee industry and quick-service restaurant development are fast-growing, with increasing consumption shifting from bland to premium coffee, convenience, and healthy menu selections. Such a dynamic creates a foundation for the continued growth and expansion strategy employed by Tim Hortons.

Increasingly, competition in the global market for coffee is being provided by well-established brands such as Starbucks, Dunkin', and McDonald's, all of which also provide somewhat similar products like coffee, baked goods, and quick meals. Tim Hortons, however, has taken an extra step by branding itself as a Canadian company, Canadian-oriented, and consistent in product quality. Its value proposition is mainly that of affordability and comfort, to relate well to all kinds of consumers, especially in markets where there is interest in Canadian heritage.

This is quite promising since the market for Tim Hortons keeps growing especially at the United States and UK level, where the brand has really established itself. The market of the United States is one among the largest within the confines of Tim Hortons, where there is an increasing number of people clamoring for affordable but high-quality coffee and fast-service meals. In the UK, however, the premise by which Tim Hortons is selling its wares is as an alternative to that of Starbucks, that shares most of its products with the latter but focuses on its Canadian roots, which ultimately has piqued local interest.

Apart from its classic coffee offers, Tim Hortons is taking advantage of growing consumers' interest in plant-based options, healthier eating habits, and environmentally sustainable practices. This effort can be seen in product innovations, such as plant beverages and plant

food, along with initiatives in sustainable sourcing and eco-friendly packaging. Tim Hortons is well on its way to continuous growth despite the competitive environment due to its strong brand identity and commitment to offering the best quality products at reasonable prices. The brand's growth strategy involves entering markets sharing the same demographic and consumer culture and adapting its menu to suit local tastes.

5.1.5 Competitors and positioning

Portugal's coffee market is an older, established, and highly competitive sector, and has a very rich coffee culture. Tim Hortons' major competitors can be classified into national brands and multinational coffee chains.

Delta Cafés is the leading player in Portugal's coffee market, dominating both retail and HoReCa market segments. It has a strong reputation built around high-quality coffee, which resonates deeply with Portuguese culture. Its long-established distribution network allows it to be the default coffee supplier for many cafes and restaurants, creating a very strong emotional bond between Portuguese consumers and the brand that acts as a very strong entry barrier for foreign brands. Among other national competitors is Nicola Cafes, an established brand reputed for its historical and traditional appeal, whose market largely comprises the elderly who value heritage and quality in their choice of coffee. Sical, a brand under Nestlé, puts forward a combination of averred traditional and modern coffee experiences to compete with retail and cafés alike using Nestlé's handling channel. Also, some emerging specialty coffee brands, like Aroma Lisboa, are gaining notoriety among the younger generation of quality consumers interested in third-wave coffee trends, sustainability, and artisanally produced coffee.

In terms of international competitors, Starbucks is the most widely recognized coffee brand in Portugal, acting as a premium lifestyle-oriented café. It attracts mainly a younger clientele and expatriates who appreciate personalization, ambience, and convenience. Due to its higher price point, however, it operates as a niche player compared to local competitors. Nevertheless, McCafé, which is operated by McDonald's, primarily competes on value and accessibility, dishing out low-cost espresso-based drinks while effectively catering to Portuguese tastes with traditional items like pastel de nata. And so, this is attracting those consumers who are looking to have their drink: quickly with good cost savings on their part, Costa Coffee, a UK-based chain now has a presence in Portugal; limited, but gradually growing upward, positioning in between McCafé and Starbucks, just above it in quality and experience, aimed at the urban professional. On the other hand, Nespresso and Nestlé outlets, though retail-oriented in nature, compete head-on in the high-end home coffee market, targeting

affluent consumers that prefer high-end coffee experiences for consumption at home rather than in cafés.

The following table summarizes the positioning of Tim Hortons in comparison with its two main market references: international premium chains (e.g. Starbucks) and traditional Portuguese cafés.

Brand	Price Level	Menu Adaptation	Digital Presence	Store Format
Starbucks	Premium	Low	High	Urban cafés
Local Cafés	Low	Full	Low	Traditional
Tim Hortons	Value-based	Medium-High	Medium-High	Flexible

Table 1 Strategic positioning of Tim Hortons compared to key competitors in Portugal

Tim Hortons faces two entrenched competitors in the Portuguese coffee market: international premium chains like Starbucks, and traditional local cafés that have become embedded in the fabric of their customers' routines. Starbucks is marketed as a lifestyle premium brand with premium pricing and limited adaptations to local menu items and relies heavily on its digital ecosystem. Local cafés offer consumers authentic, affordable espresso-based drinks, often in simple and familiar cafes, but lack consistency, brand equity, and innovation.

Tim Hortons has an opportunity to strategically occupy a middle space; a value-experience that encompasses convenience, quality, and emotional warmth. By connecting its Canadian identity to Portuguese rituals, *bica* is served, snacks are local, and it is offered at competitive prices, the brand can appeal to a wide customer base that identifies something familiar, but different. Tim Hortons is positioned to build an experience that is more affordable than Starbucks and a more branded, uniform experience than a typical café. It creates a unique position as the “international brand that feels local.”

6. Survey Analysis

6.1 Respondents' profile

Among questionnaire respondents, the greatest proportion consists of young respondents, while those chiefly surveyed are in the 18-24-year-old age group, closely followed by 25-34-year-olds. Most of the respondents are based in Lisbon, which is understandable since it is the capital and represents one of the strongest markets in the country in terms of coffee drinking and the willingness to try new gastronomic experiences. In terms of the respondents' occupational status, the sample indicates that most of the respondents are students and young professionals. This group is usually price-sensitive, which could have significant implications for the positioning strategy that Tim Hortons could follow.

6.2 Coffee consumption habits

Coffee is a daily routine for most respondents, with the majority consuming coffee daily. This means that drinking coffee is a habitual part of Portuguese culture, and this could be an opportunity for Tim Hortons to become incorporated into this existing habit. The most popular locations for coffee purchases are supermarkets (for domestic use), local bakeries and cafes, and lastly, coffee makers and vending machines at offices and universities. This suggests the Portuguese are used to drinking coffee both indoors and outdoors. Tim Hortons must provide a unique product that surpasses the conventional experience of neighborhood cafes to compete. In contrast to the lighter filtered coffee that is common in North America, espresso is a short, strong coffee that is preferred by most Portuguese consumers. Tim Hortons may face difficulties as a result, as it would have to modify its menu to include coffee selections that better suit Portuguese preferences.

6.3 Factors in coffee buying decisions

The most important factors for consumers when choosing where to buy coffee are flavor/quality, price, and convenience (location, speed of service). This would suggest that to enter the Portuguese market, Tim Hortons needs to get its products to taste according to local tastes, to offer competitively priced products compared to local cafes and to be conveniently located or offer services like drive-thru and delivery to attract consumers who are seeking convenience. This is in line with the Sweeney & Soutar model of perceived value, which states that consumers assess not only the functional aspects of a product, such as the price, but also the emotional and social aspects. In terms of hospitality, Ryu and Jang (2008) also stress that

environmental factors such as ambience, cleanliness, and aesthetic qualities are important factors that impact customer satisfaction and behavioral intentions. This finding is also reflected in the results of the survey, as many respondents mentioned service and environment as important factors of a valuable coffee shop experience.

6.4 Brand recognition of Tim Hortons

The survey showed that there is a lack of brand awareness of Tim Hortons among Portuguese consumers. A vast majority of respondents admitted that they had never heard of the brand, which means that there is no penetration of the brand in the local market. Among those who knew of the brand, opinions were mostly positive, although they tended to lean more towards a fast-food restaurant rather than a coffee shop. This is particularly important in the context of the café culture of Portugal, where consumers tend to prefer traditional coffee shops over commercial ones.

6.5 Interest in the brand and consumer expectations

The survey findings indicate that, despite low levels of brand awareness, a substantial proportion of respondents expressed a willingness to try Tim Hortons if the brand were to enter the Portuguese market. This suggests the presence of latent curiosity towards new international coffee concepts, particularly among younger consumers. Acceptable price points for a medium-sized coffee were predominantly identified within the range of €1.50 to €2.49, reinforcing the importance of a value-based pricing strategy aligned with local market standards. To remain competitive, Tim Hortons would therefore need to position its pricing close to those that of traditional cafés and mass-market competitors.

In terms of service expectations, respondents placed the greatest importance on friendly and efficient service, as well as the availability of a comfortable environment suitable for socializing, studying, or remote work. These preferences highlight the dual role of coffee shops in Portugal as both functional consumption spaces and informal social environments. Consequently, the in-store experience should balance speed and convenience with atmosphere and comfort to meet consumer expectations.

6.6 Competition and consumer preferences

Regarding competitive perceptions, respondents most frequently identified international chains such as Starbucks as providers of premium and more elaborate coffee experiences, while brands such as Delta Q and Nespresso were primarily associated with at-home coffee

consumption. Local *cafés* and pastry shops were perceived as the dominant choice for daily and routine coffee consumption, reflecting their strong integration into Portuguese consumption habits.

Notably, the results also indicate that many respondents do not demonstrate strong loyalty to a single coffee brand, instead favoring habitual visits to neighborhood cafés. This pattern suggests an opportunity for Tim Hortons to position itself within this space by offering a differentiated yet familiar value proposition. By combining the operational efficiency, consistency, and convenience of an international chain with elements of warmth, accessibility, and local relevance typically associated with Portuguese *cafés*, Tim Hortons may be able to establish habitual consumption and gradually build customer loyalty in the market.

6.7 Overall conclusions and next steps

The opportunities presented to Tim Hortons in the Portuguese market are as follows: The clientele appears to be open to and curious about trying the brand; its coffee culture is well-established, thus providing an extensive market; the young, especially students, appreciate convenience, speed, and the ambience that Tim Hortons can provide; and the growing delivery and "to-go" coffee consumption can be seen as a competitive advantage. The potential challenges that Tim Hortons may face include low brand awareness, the dominance of local and traditional coffee shops as direct competitors, the national preference for espresso-based coffee rather than North American-style coffee, and the price sensitivity that may affect the pricing strategy.

Recommendations on the entry strategy are menu diversification, having an array of espresso and other products that will show quality and, at the same time, match the locals' taste preferences. Invest in digital marketing campaigns and create strategies that will introduce the brand to the Portuguese audience through social media, partnerships, and tasting events. Having a strategic location, focus on maintaining locations in areas with substantial foot traffic of students and professionals within cities and universities. Offer a differentiated experience, because of the very inviting environments created, the establishment would not only sell coffee but would also sell an experience of mingling traditional Portuguese concepts with the modern touch of Tim Hortons. Consider alternative models, and investigate drive-thru and delivery options, therefore enabling access to the products.

7. Implementation

7.1 Marketing mix

For Tim Hortons to penetrate the Portuguese market effectively, it must have a complete marketing mix strategy articulated, changed, and calibrated for local tastes, competition, and culture.



Figure 7 Tim Hortons Portugal Moodboard: Brand Identity and Cultural Integration

Serving as a visual aid that supports the strategic recommendations in this section, this moodboard is a synthesis of the Tim Hortons brand identity with Portuguese culture and café aesthetics. The images convey the customer experience, localization cues, and brand positioning envisaged for the Portuguese market.

7.1.1 Product

The product strategy of Tim Hortons in Portugal will have to find a balance between authenticity and cultural adaptation. Therefore, the objective will be to launch the products in a manner that is most relevant and appealing to the Portuguese culture, at the same time preserving the authenticity of the Canadian brand. Therefore, the priority will be to highlight the espresso-based coffee products such as *bica*, *galão*, and *meia de leite*, not only because they

are in demand in Portugal but also because they can be easily assimilated into the coffee culture of the Portuguese. This strategy is consistent with the adaptation perspective, as presented by Askegaard & Madsen (1998), who emphasize the importance of the cultural embeddedness of food consumption, arguing that standardized products are often not appropriate.

The iconic products of Tim Hortons, such as the Double Double, Iced Capp, Timbits, and breakfast sandwiches, can be used as a unique selling point that helps consumers connect with the heritage and uniqueness of the Tim Hortons brand. These products will likely attract the youth and early adopters of the brand. To make it more interesting and encourage consumers to try out the products, it is recommended that pre-defined bundles of products be created. For instance, a coffee and *pastel de nata* set, or breakfast sets before 11 am with a coffee and a sandwich or pastry, can help in streamlining consumer decisions and providing value-based entry points for new customers. However, these sets must be created not just as value-for-money propositions but also as tools to educate customers on the brand's entire product offering.

7.1.2 Price

The price is an important factor that plays a vital role in positioning Tim Hortons in the Portuguese market, as Portuguese are price-sensitive, especially when it comes to coffee. Price sensitivity is particularly relevant in coffee and quick-service restaurant markets, especially for habitual products. Wu & Liang (2009) clearly illustrate that, as far as coffee is concerned, it is not the price of the coffee that determines the overall value of the coffee experience, but rather the trade-off between affordability and ambience. Hence, the pricing strategy must reflect a value-for-money approach.

The company should focus on the value and affordability of its product rather than its uniqueness. The key reference products, such as espresso-based beverages, filter coffee, and pastries, should be priced within the range of €1.00 to €2.50. This is a fair price considering the neighborhood cafes.

Specialty products, like signature drinks, Canadian imports, and co-branded seasonal products, may have a slightly higher price point based on their uniqueness, quality, and/or scarcity. However, it is also vital that tiered pricing bundles be implemented to drive the value proposition and volume. This may include discounted coffee and pastry bundles, breakfast bundles prior to 11 AM, and student-centric menus in high-traffic locations such as campuses and metro stations.

This pricing strategy will ensure that Tim Hortons maintains its competitiveness while continuing to deliver on the brand promise of comfort, quality, and community at a fair price.

7.1.3 Place

It would be within urban population centers that have a high density of student demographics, young professionals, and tourism. Lisbon and Porto are the best cities to be for the initial launch because they are city areas with a lot of economic activity, café culture, and have proven records of being receptive to international brands. High footfall areas include locations around universities, transport hubs, shopping districts, and coworking spaces. Tim Hortons will go with contemporary settings for social interaction and remote work, distinguishing itself from traditional coffee shops. Bringing in sort of suburban drive-thru options and using delivery partners like Glovo and Uber Eats will help target the convenience-seeker segment and take the brand far from the physical store.

7.1.4 Promotion

The promotional strategy must focus on building brand awareness from scratch, creating curiosity, and establishing emotional resonance. In this case, survey results indicated that Tim Hortons was poorly recognized in Portugal, thus necessitating a very strong digital-first launch campaign. A mix of social media marketing, influencer partnerships, and micro-events such as free tasting pop-ups and partnerships with local universities should be concocted to launch the branding campaign and stir word-of-mouth.

One of the key elements of the promotional campaign should be storytelling, focusing on the Canadian roots of the brand, its values of being a part of the community, and its dedication to quality and sustainability. This story has the potential to be especially appealing to the younger generation of Portuguese consumers, who are looking for authenticity, ethics, and purpose-driven brands. By focusing on themes of community, social responsibility, and inclusiveness, Tim Hortons can develop an emotional connection with the youth, associating the brand with values that transcend mere consumption.

This positioning can be further reinforced through community-based initiatives. For example, the Smile Cookie program can be replicated through partnerships with Portuguese charities or NGOs, thus further reinforcing the goodwill and brand credibility in a culturally relevant manner.

At the same time, brand loyalty must be the focal point. Tim Hortons must develop a localized version of its existing rewards system, named Tims Rewards Portugal. It will be implemented through a branded mobile app, available in Portuguese, enabling customers to collect points on every hot beverage or pastry consumed, points management, real-time personalized offers, and digital receipt management. Offers may include “Buy 3 *galões*, get 1 *pastel de nata* free” or birthday surprises via push notifications. Partnering with Glovo and Uber

Eats will help to develop an omnichannel strategy, enabling customers to earn bonus points on delivery orders and extending the brand's presence beyond physical stores.

The loyalty program could also be leveraged to further the brand storytelling through the "Coffee for a Cause" program, where the consumer has the option to donate their points to chosen Portuguese NGOs. Not only does this help create emotional engagement and brand purpose, but it also resonates well with the value systems of socially responsible Portuguese consumers. Thus, Tims Rewards Portugal has the potential to become an important component of the overall consumer loyalty equation.



Figure 8 Mockup of the Tims Rewards App interface adapted to the Portuguese Market

To create immediate awareness and stimulate cultural resonance, Tim Hortons should roll out a tangible and emotionally resonant campaign titled "*Tuga* Meets Timmies." This campaign would serve as both a promotional launch and a symbolic introduction to the Portuguese market. It would be executed in Lisbon and Porto using pop-up cafes and mobile coffee trucks, offering free samples of *bica* and Timbits. These events would include traditional Portuguese music and decor, combining the red and beige Canadian identity with *azulejo* patterns.

Influencer partnerships would not only be promotional vehicles but also co-creative content makers that assist in the storytelling of the brand's entry in real-time. Digitally, AR filters on Instagram and TikTok enable users to try on Tim Hortons aprons, design their own version of a TimbPastel (*pastel de nata* Timbit), or participate in a challenge to "Canadianize" a Portuguese breakfast. At the same time, a digital storytelling series could be launched with micro-interviews of Canadians and Portuguese sampling each other's traditional coffees for the first time.

This form of experiential marketing allows Portuguese consumers not just to taste the brand but to actively participate in its narrative - fostering emotional engagement, social sharing, and cultural resonance from day one.

7.1.5 People

People representing the brand will form a very decisive part of its success in Portugal. The staff should be equipped to not only provide efficient and friendly service but also to be an embodiment of warm, community-centric values that are quintessentially Tim Hortons. Baristas should be well knowledgeable of the local coffee culture as well as the spirit of the brand, ready to guide the customer through the menu and suggest personalized recommendations.

Local hiring can be viewed as necessary for cultural sensitivity and building customer trust. Staff uniforms, chat, and in-store music should represent an environment merging the local with international nuances. Continuous training programs shall focus on customer service excellence, multilingual communication, and digital service literacy to guarantee a consistent experience.

Simultaneously, the brand will start a digital storytelling campaign, financing micro-interviews of Canadians and Portuguese customers trying their traditional coffee for the first time. Experiential marketing allows consumers to do more than taste the brand but be part of its story. A distinct training program, to be called “Tims Welcome”, will be designed for Portugal. This training program would train staff not just on the preparation of coffee and service speed, but also on storytelling, explaining the backstory of the Double Double, sharing why a Smile Cookie has meaning, and, where applicable, interacting with customers in Portuguese and English. Uniforms would be contemporary yet localized: neat red aprons over neutral colors, with some identifying design elements such as a tile-print name tag or even a small Portuguese flag patch for a national element. Tim Hortons could create a "Tims Ambassadors" crew - the best of the best employees conducting local community events and being the representative local faces of the brand. This emphasis on people ensures the service experience feels personal, welcoming, and harmonized with both Canadian roots and Portuguese warmth.

7.1.6 Process

In Portugal, coffee drinking is habitual and highly social, and the in-store experience must balance speed with ambience. Clear, user-friendly menu options, displayed alongside Portuguese translations, efficient queue management, and mobile ordering should have priority. Service inside the establishment should be fast enough to get on with the day, but slow enough to ensure the sociable coffee culture is maintained.

For digital orders, consistency and accuracy are non-negotiables, whether pick-up or delivery. Using the mobile app with real-time tracking and loyalty rewards will help operational efficiencies and make the customer happier. Also, communication channels should be transparent about preparation methods, allergen information, and ethical sourcing to meet growing customer expectations for health-conscious and responsible consumption.

Beyond operational efficiency, another critical aspect of the process strategy is sustainability, which is becoming a central expectation among Portuguese consumers, particularly younger ones in urban areas, who are beginning to recognize brands' environmental impacts. If Tim Hortons wants to properly take these consumers' values and align with its long-term brand equity and values, its first and foremost task is to incorporate sustainability into its operational practices and brand communications efforts from Day 1.

One of the major initiatives that could be adopted is to use completely compostable and recyclable packaging for cups, lids, straws, and bags, and to clearly label them with disposal instructions in Portuguese. This would involve forming partnerships with local composting and recycling firms, so that not only are the materials sustainable in principle, but they are also disposed of properly in the Portuguese waste management system. This would help to minimize harm to the environment and, at the same time, establish the brand as responsible and progressive.



Figure 9 Visual representation of the Tim Hortons green cup sustainability badge

In addition, customers who bring their own reusable cups can be offered discounted pricing or bonus Tims rewards points through the Tims Rewards app, thereby leveraging both sustainability and digital engagement.

In addition to the packaging, Tim Hortons Portugal can develop partnerships with local environmental NGOs, initiating programs such as “1 Coffee = 1 Tree”, where part of the revenue generated by selected beverages goes towards reforestation efforts in Portugal. Such

partnerships could be part of seasonal promotions (e.g., Earth Week), increasing recognition and emotional appeal with the community.

With the implementation of such practices, Tim Hortons is culturally relevant in an emerging market where social responsibility is no longer a “nice to have”; it is simply expected. Most importantly, it establishes the brand as more than just a coffee seller in the context of Portugal’s environmental transition; it is a contributor.

7.1.7 Physical Evidence

Finally, physical evidence will play an important role in building credibility and making a long-lasting first impression. The store ambience must balance Tim Hortons' recognizable touchpoints, its red signature logo, and wooden-toned, cozy interiors, with Portuguese architectural or ornamentation that creates the sense of local affinity. Bilingual branding must be articulated on posters, packaging, cups, and signage, and they also have sustainability (compostable materials, recycling initiative).

Free Wi-Fi, ample seating, and an inviting ambience with warm lighting and local artwork can render Tim Hortons a desirable "third place" to study, meet, or relax. Branded elements like eco-friendly mugs, employee uniforms, and take-away bags assist in consistency and brand personality across all consumer touchpoints, both offline and online.

The physical environments of Portuguese Tim Hortons stores must have a well-thought-out design that meets the local sensibilities but respects the cozy, warm, and approachable layout of their typical store.

Store interiors should include a natural wood finish, warm lighting, and neutral canvas with unique references to Portuguese culture – oxide color accents along counter edges and wall panels, decorative azulejo tiles along the counter, framed illustrations of popular cafés in Lisbon, or terracotta pieces connected to the famous roofing tiles of Portugal. A distinctive feature could be an "*Esplanada* Lounge": a semi-outdoor area with mosaic tables and iron chairs to capture the feeling of sitting on a traditional café terrace, which aims to reinforce more communal, slower times with coffee.

Packaging and signage should include bilingual text, and takeout products such as cups and paper bags can be designed for each season associated with Portuguese traditions, or in time with local expressions of Portuguese cultural heritage (for instance, *Festas de Lisboa*, *São João - Santos Populares Festas*). Sustainability is key here, so packaging materials should be compostable, and clear communication will need to maximize recycling based on Portuguese consumer habits that increasingly align with eco-conscious choices.

Through intentional, immersive design, Tim Hortons stores will see the knowledge and experience at play be elevated, so that from day one, they become authentic and accessible "third spaces" that feel local.



Figure 10 Interior Design Concept for Tim Hortons Portugal

7.2 Franchise Support Structure

Franchising is the recommended mode of entry for Tim Hortons to enter the Portuguese market, considering its potential to minimize financial risk and maximize local responsiveness. Consistent with the franchising literature (Erramilli & Rao, 1993), the franchising mode is most appropriate for service-oriented industries where efficiency and local responsiveness are important considerations. This mode will enable Tim Hortons to exert control over brand identity and quality standards while leveraging the knowledge and understanding of the local market and culture.

To help provide a standard for quality, service, and brand experience across multiple locations, Tim Hortons should implement a strong support system for the community of Portuguese franchisees. A central training "hub" in Lisbon would act as a home base for onboarding all new franchisees, baristas, and managers, providing technical and culturally

relevant training based on those local expectations of service. All franchise units would also receive weekly reports of performance and would have access to an operations consultant who would provide personalized instruction on customer experience, managing the store, and local marketing activations.

A centralized supply chain system will ensure that all stores have a uniform product standard but allow some limited customization by region. Tim Hortons should also provide marketing toolkits every quarter, each kit containing ready-made social media assets, variety briefs, and promotional calendars that reflect June holidays and cultural events. This combination of centralized control and local empowerment will help franchisees move quickly and operate above the brand's umbrella of values and strategic priorities.

7.3 Phased rollout plan and strategic KPIs

Tim Hortons should go in with a three-pronged, gradual rollout plan that would allow it to enter the market strategically and sustainably: Launch & Learn, Optimize & Localize, and Expand & Scale. This timeline would allow the brand to gradually seep into the Portuguese market while responding dynamically to consumer feedback and performance data.

In the first phase, covering the initial six months, Tim Hortons must launch 2 to 3 flagship stores situated in high-traffic areas of Lisbon and Porto. These *cafés* would be considered test sites focusing on the reception of the brand and operational logistics. Simultaneously, launch the "*Tuga* Meets Timmies" brand campaign to create buzz, build local awareness, and foster an emotional connection. This period should also be dedicated to establishing the first franchising partnerships and support systems, along with collecting valuable data on foot traffic, app engagement, customer satisfaction, and early brand sentiment.

The second phase has months 7-12, which should focus on optimizing and localizing the brand based on findings from Phase 1. It is important for the menu changes to track preferred items by customers, and highlighting successful items, such as the *bica* and pastel de nata. Delivery partnerships with platforms such as Uber Eats and Glovo should be activated, and loyalty programs like Tim's Rewards must be launched and promoted. Digital communications strategies can be localized, attempting to create geo-targeted content that captures the audience's attention in the moment. At this stage, some key metrics to engage will be repeat purchase rates, the percentage of delivery orders and loyalty program uptake.

Finally, the third phase, beginning in year two, should center around regional expansion and brand scaling. Based on validated performance, the brand should expand into other urban centers such as Coimbra, Braga, and Faro. This stage can also introduce new store formats, including drive-thrus, university kiosks, and airport cafés. In parallel, national-level initiatives like Smile Cookie Week should be implemented, reinforcing Tim Hortons' community-oriented

positioning. Performance metrics for this phase should include the return on investment (ROI) by location, the franchise network growth, the cost to acquire a customer, and Net Promoter Score (NPS).

This timeline gives Tim Hortons assurance that they will enter Portugal operationally savvy, as well as culturally smart, transforming from an outsider to a beloved local brand.

8. Conclusion

The main objective of this thesis was to design an integrated and culturally adapted marketing plan for Tim Hortons' infiltration into the Portuguese market, which is known for its rich coffee heritage, price sensitivity, and fiercely local brand loyalty. Through an extensive literature review, external environmental analysis, and original primary data collection, this thesis has looked not only at the potential of this expansion but also at the exact strategies required to secure its success.

The findings reveal that Portuguese consumers hold coffee as more than just a beverage - it is a deeply social and emotional ritual. While this situation may be a problem for foreign entrants, it opens great opportunities for brands that align themselves with the local context. With an organization that embraces community identity, a good lineage of products, and experience in internationalization, Tim Hortons may have what it takes to succeed-if it chooses to engage with the country humbly through strategy and culture.

The strategic recommendations developed in this thesis emphasize four core pillars:

- **Cultural Customization**

Tim Hortons needs to adapt its menu to Portuguese tastes by adding foods like *bica*, *galão*, and *pastel de nata*, while also discreetly showcasing its Canadian character with Timbits and Iced Capps. Emotional and sensory engagement can result from this harmony between tradition and innovation.

- **Competitive Pricing and Accessibility**

Value-for-money, not premium exclusivity, should be reflected in pricing in a market where reasonably priced, high-quality coffee predominates. With strategically located storefronts in Lisbon and Porto, drive-thrus, and solid delivery relationships, the brand needs to reach customers where they are.

- **Digital and Brand Awareness Campaigns**

Tim Hortons' low level of brand recognition in Portugal means that the launch needs to be supported by narratives that emphasize the company's history and core principles. Trust and curiosity can be increased by collaborating with local influencers, implementing social-first marketing strategies, and providing programs like the Smile Cookie campaign that are tailored to Portuguese communities.

- **Franchising as an Entry Model**

To reduce financial risk and to take advantage of local operational, location-scouting, and customer service skills, a franchising model is advised. To maintain brand integrity, this model needs to be backed by stringent quality standards and a strong training program.

This thesis presents the growth as a long-term relationship with the Portuguese people, rather than only an economic choice, going beyond the marketing mix. The objective is to

provide a complementary experience that blends the friendliness and warmth that characterize Portuguese café culture with the effectiveness of international service, rather than to displace neighborhood cafés.

The limitations of this research, despite the clear and practical approach it provides, include the fact that, although informative, the survey carried out had a small sample of the population, mostly from urban areas and younger in age, and thus could not be generalized to the whole of the Portuguese population. Furthermore, the research on the preferences of the consumer was carried out in a pre-launch scenario, and it is possible that the responses could be different when the brand is physically present in the market. Another limitation could be the lack of financial modeling, which would be important in determining the financial viability of the strategies proposed. The thesis also assumes that the franchising process will be smooth, which could be difficult in practice. Finally, the research on the coffee category, as a category, could be seasonal, which was not fully explored in the research carried out. However, by carrying out research on the financial viability of the strategies, the growth of the brand on a global scale, and interviews with the industry and the consumers in different regions and seasons, the research could be built upon.

In conclusion, Tim Hortons' internationalization into Portugal is more than just a market expansion strategy; it's a chance to forge cultural ties, establish new customs, and demonstrate that even a multinational corporation can feel local if it pays attention, learns, and leads with intention.

This thesis is a celebration of that possibility - and a testament to the power of strategy rooted in empathy, insight, and creativity.

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10. Appendices

10.1 Appendix A - Consumer Survey Questionnaire

This appendix contains the questionnaire used to gather primary data on consumer preferences and brand perceptions in the Portuguese coffee market. The survey was conducted online using Google Forms. All data collected was anonymous and solely for academic research.

Consumer Preferences and Brand Perception in the Portuguese Coffee Market

Introduction

Thank you for participating in this survey. The purpose of this questionnaire is to collect data on consumer preferences, coffee consumption habits, and brand perceptions in the Portuguese coffee market. This research is conducted as part of a master's dissertation assessing the potential expansion of Tim Hortons into Portugal. Participation is voluntary and anonymous, and all responses are used exclusively for academic research purposes. The survey takes approximately 5 to 10 minutes to complete.

Section 1 – Demographic Characteristics

What is your age group?

☐ Under 18

☐ 18–24

☐ 25–34

☐ 35–44

☐ 45–54

☐ 55+

What is your gender?

☐ Male

☐ Female

☐ Prefer not to say

Where do you currently live?

☐ Lisbon

☐ Porto

☐ Another city in Portugal

☐ Outside Portugal

What is your employment status?

☐ Student

☐ Employed

☐ Self-employed

☐ Unemployed

☐ Retired

Section 2 – Coffee Consumption Habits

How often do you drink coffee?

☐ Daily

☐ A few times per week

☐ Occasionally

☐ Rarely or never

Where do you usually buy your coffee? (Select all that apply)

☐ Local cafés

☐ Coffee chains, for example Starbucks or Costa Coffee

☐ Supermarkets for home consumption

☐ Vending machines

☐ Convenience stores or gas stations

What type of coffee do you usually consume? (Select all that apply)

☐ Espresso

☐ Americano

☐ Cappuccino

☐ Latte

☐ Iced coffee

☐ Other: _____

Which factors are most important when choosing a coffee shop or brand? (Select all that apply)

☐ Price

☐ Taste and quality

☐ Convenience, such as location or delivery

☐ Brand reputation

☐ Sustainability practices

Section 3 – Brand Awareness and Prior Experience

Have you ever heard of Tim Hortons?

☐ Yes

☐ No

(If "No", respondents were automatically directed to Section 5 – Pricing and Service Expectations.)

Have you ever tried Tim Hortons coffee or products?

☐ Yes

☐ No

How would you describe your overall perception of Tim Hortons?

☐ Very positive

☐ Somewhat positive

☐ Neutral

☐ Somewhat negative

☐ Very negative

How do you primarily associate Tim Hortons?

☐ Coffee

☐ Donuts or pastries

☐ Fast food

☐ I do not know enough about the brand

Section 4 – Competition and Brand Preferences

Which type of coffee outlets do you usually prefer?

☐ Independent local cafés

☐ International coffee chains

☐ Both equally

☐ No specific preference

Which coffee brands do you visit most often? (Select all that apply)

☐ Starbucks

☐ Costa Coffee

☐ Delta Q branded cafés

☐ Local independent cafés

☐ Other: _____

Section 5 – Pricing and Service Expectations

How much are you typically willing to pay for a medium-sized coffee at a coffee shop?

☐ Less than €1.50

☐ €1.50–€2.49

☐ €2.50–€3.49

☐ €3.50–€4.49

☐ More than €4.50

Which service aspects do you value most when buying coffee? (Select up to three)

☐ Speed of service

☐ Friendliness of staff

☐ Comfortable seating or workspace

☐ Loyalty programs or rewards

☐ Drive-thru availability

☐ Delivery availability

Section 6 – Market Potential and Purchase Intention

How likely would you be to visit Tim Hortons if it opened in Portugal?

☐ Very likely

☐ Likely

☐ Neutral

☐ Unlikely

☐ Very unlikely

Would you be interested in trying Tim Hortons if it opened near you?

☐ Yes, definitely

☐ Maybe, depending on price and location

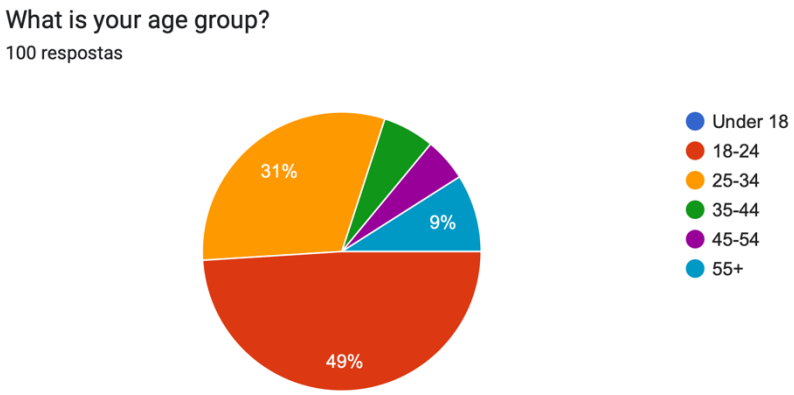
☐ No, I prefer other brands

End of Questionnaire

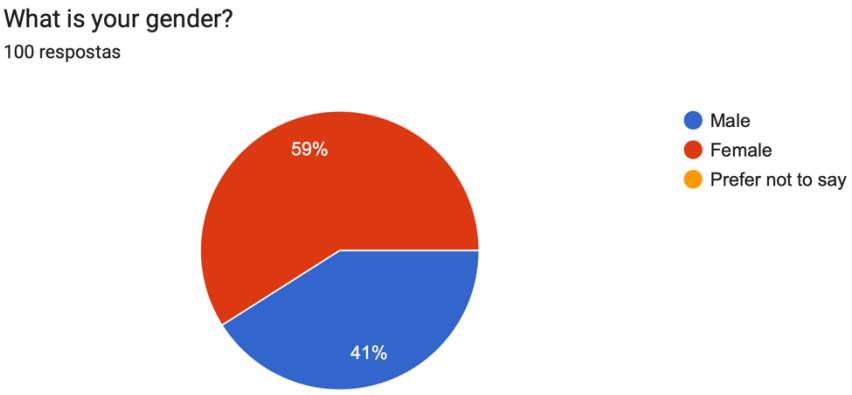
Thank you for your time and participation. Your responses contribute valuable insights into consumer behavior in the Portuguese coffee market.

10.2 Appendix B - Survey Results

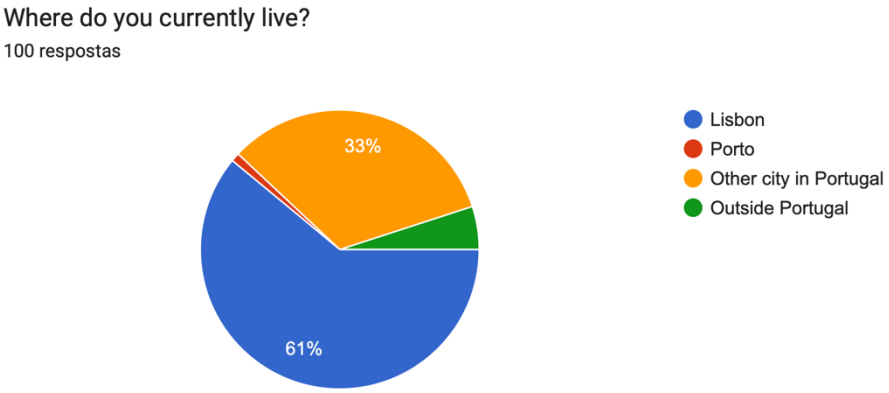
Age Distribution of Respondents (n = 100)



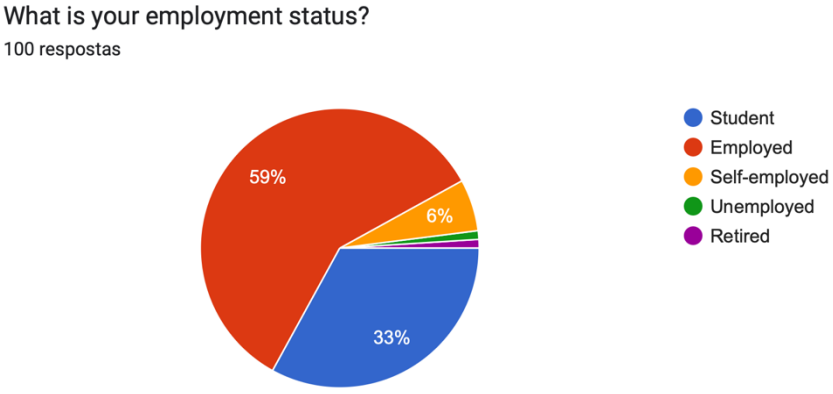
Gender Distribution of Respondents (n = 100)



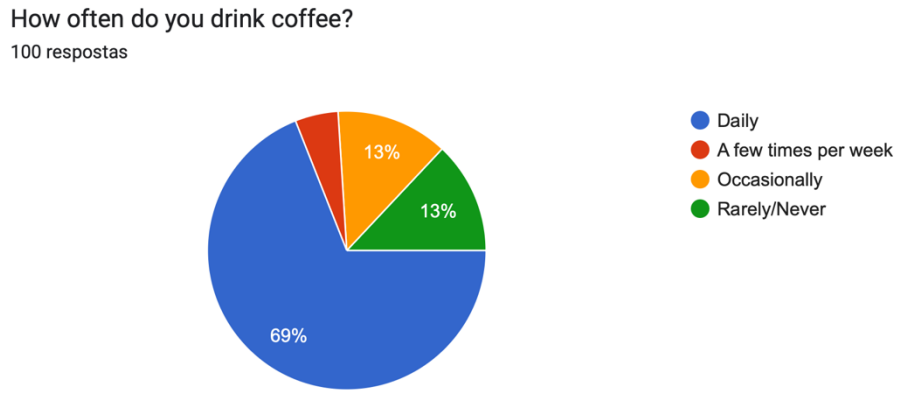
Current Place of Residence of Respondents (n = 100)



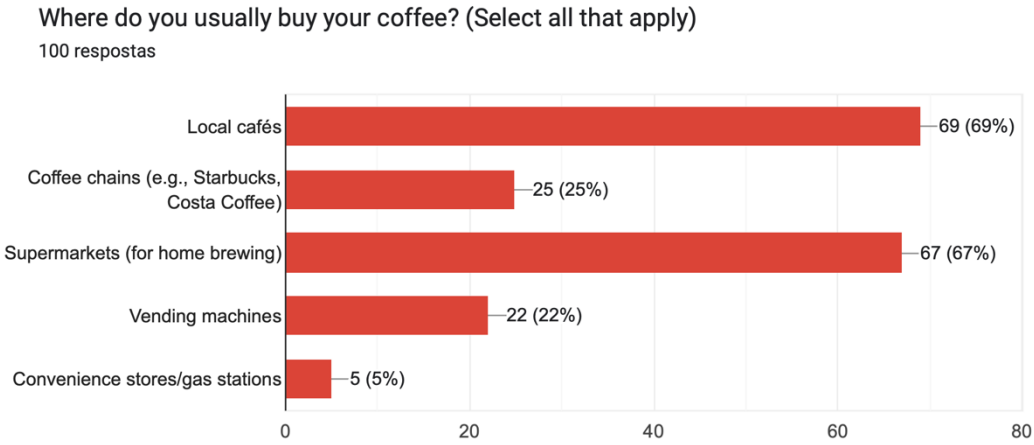
Employment Status of Respondents (n = 100)



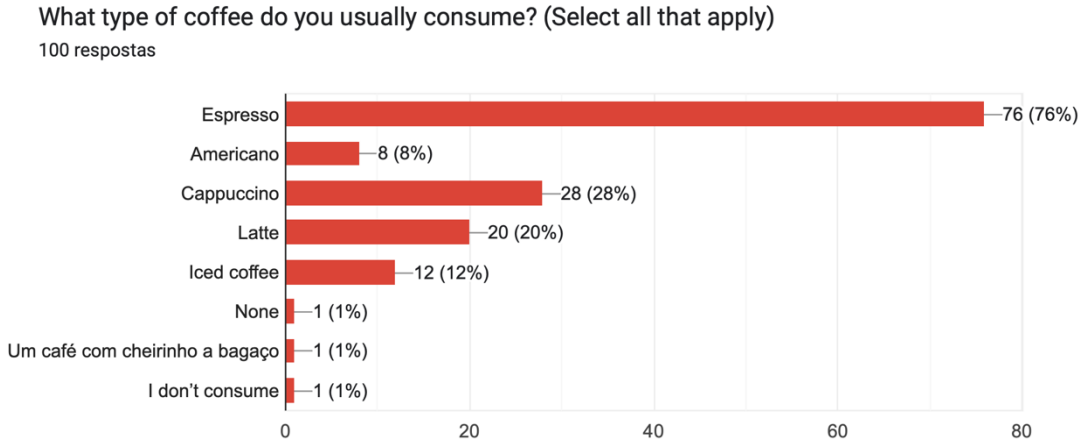
Frequency of Coffee Consumption (n = 100)



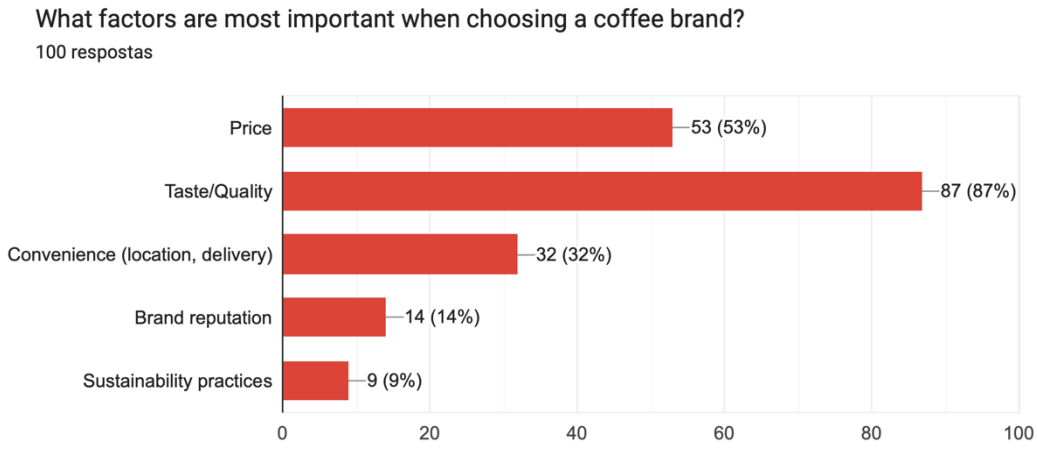
Usual Place of Coffee Purchase (Multiple Answers Allowed, n = 100)



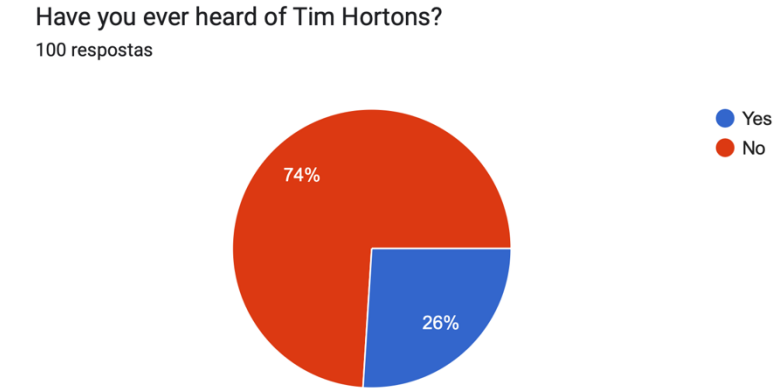
Types of Coffee Usually Consumed (Multiple Answers Allowed, n = 100)



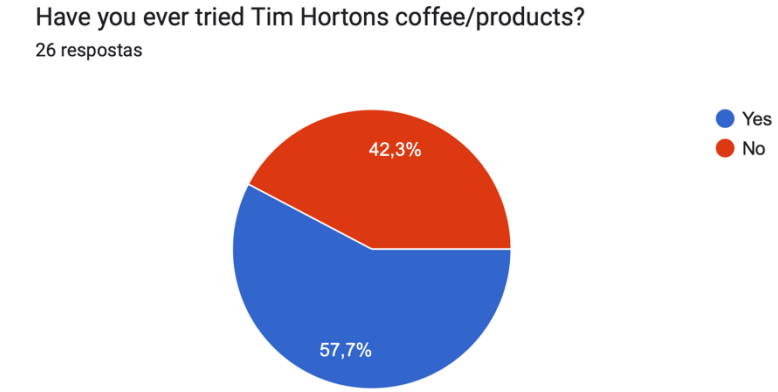
Key Factors Influencing Coffee Brand Choice (n = 100)



Awareness of the Tim Hortons Brand (n = 100)

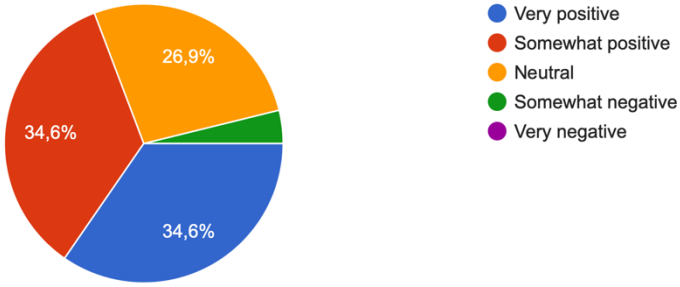


Previous Experience with Tim Hortons Products (n = 26)



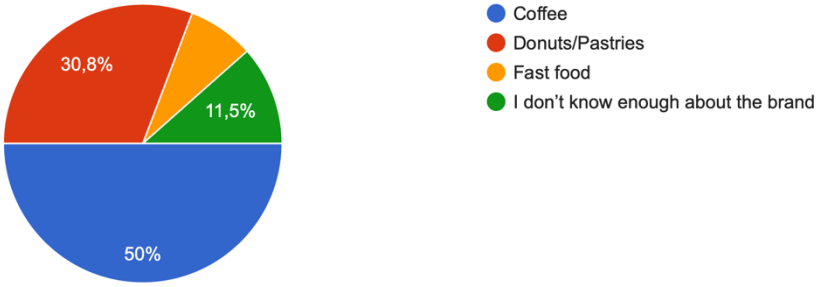
Perception of the Tim Hortons Brand (n = 26)

How would you describe your perception of Tim Hortons?
26 respostas



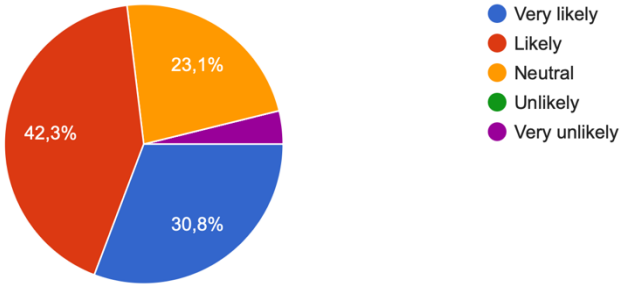
Primary Brand Associations with Tim Hortons (n = 26)

How do you primarily associate Tim Hortons?
26 respostas

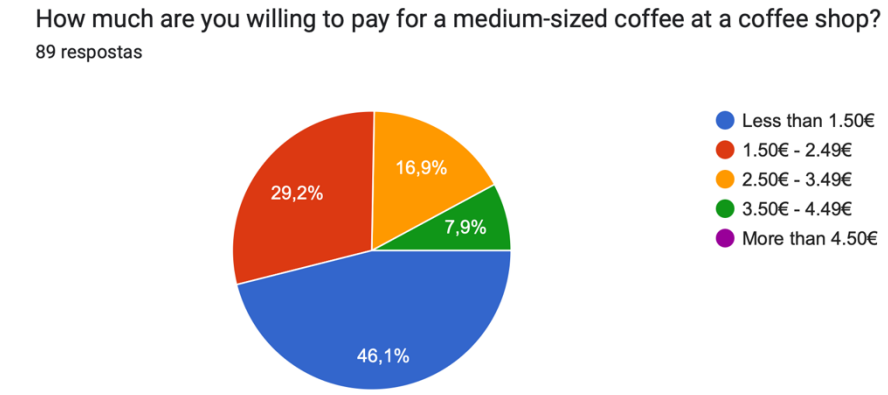


Likelihood of Visiting Tim Hortons if Available Locally (n = 26)

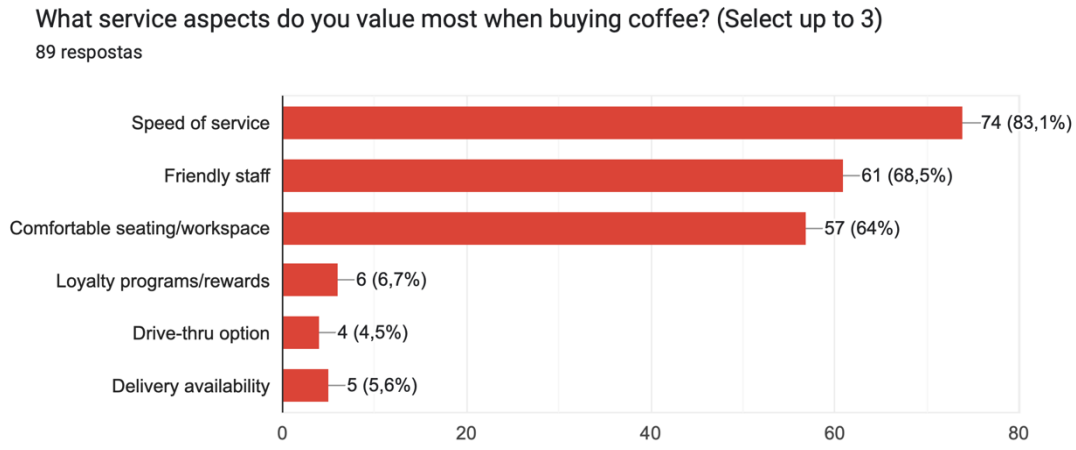
How likely are you to visit Tim Hortons regularly if it opens near you?
26 respostas



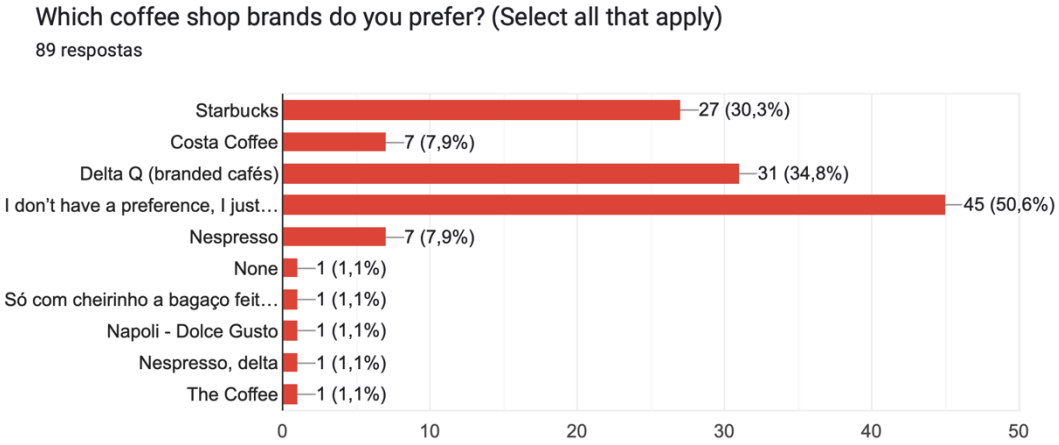
Willingness to Pay for a Medium-Sized Coffee (n = 89)



Most Valued Service Attributes When Purchasing Coffee (Multiple Answers Allowed, n = 89)



Preferred Coffee Shop Brands (Multiple Answers Allowed, n = 89)



Interest in Trying Tim Hortons if It Opened in Portugal (n = 89)

