

Beer Brand Equity, Consumption Pattern & Consumer Preferences in Kathmandu Valley, Nepal

Consumer Preferences in Nepal

- **Preferred Packaging:**
650 ml bottle – chosen by 66.73%
- **Drinking Occasion:**
36.61% drink occasionally (events/gatherings)
- **Preferred ABV Range:**
Most prefer 6–7% ABV



Purchase Behavior

- **Top Buying Point:**
65.16% buy from liquor stores
- **Average Spend/Month:**
Majority spend NPR 501–2,000
- **Most Consumed Quantity:**
2 bottles/cans per session – 44.29%



Brand Recall & Influence

- **Promotion Recall is Low:**
78.3% don't recall any brand activity
- **Most Effective Offers:**
82.24% prefer discount coupons
- **Main Info Source:**
89% rely on word of mouth



Date: 2025-05-19

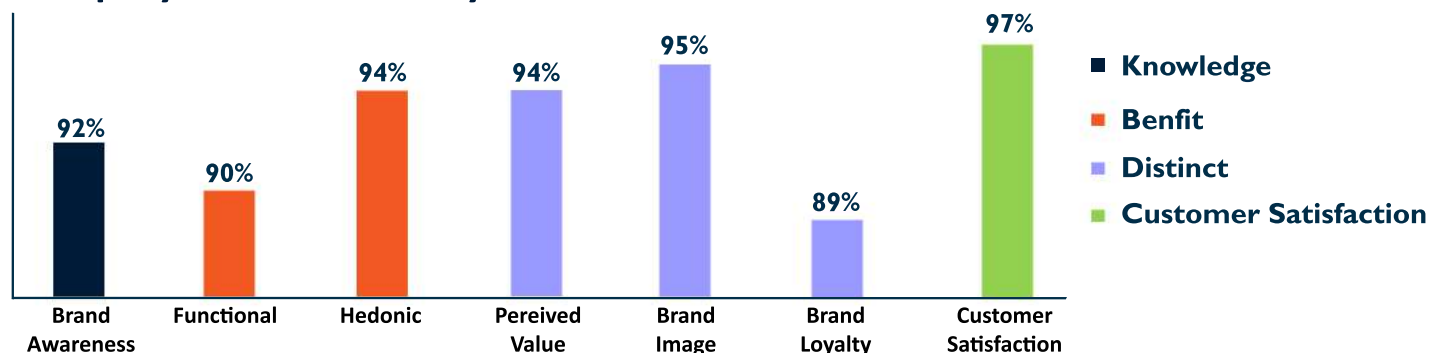
1. Objective

The study aims to evaluate brand equity by examining key dimensions such as brand awareness, functional, hedonic, perceived value, brand image, brand loyalty, and customer satisfaction. Additionally, it seeks to measure the premium potential and repurchase potential. It also assess both the Net Value Score (NVS) and Net Promoter Score (NPS). The research also explores consumer behavior, including consumption patterns, purchase decision drivers, media consumption habits, and demographic as well as socio-economic classifications.

2. Methodology

The study employs a quantitative survey utilizing Computer Aided Personal Interviewing (CAPI) to ensure accuracy and efficiency in data collection. A total of **508** respondents are interviewed across the **Kathmandu Valley**. The sample comprised individuals aged 21 and above who had purchased and consumed beer within the past three months, aligning with the study's target criteria.

3. Brand Equity of Beer Industry



- The overall brand awareness stands at 92%, calculated as an average of key indicators: 84% of respondents state being highly aware of the brand, 97% mentioned they have "heard a lot" about it, and 96% could easily recognize it. This high awareness level reflects strong brand visibility, recall, and familiarity, indicating that the brand holds a prominent position in the minds of consumers.

- The functional attributes stands at 90%, derived from key performance indicators: 95% of respondents find the product smooth while drinking, 80% appreciate its pleasant aroma, and 94% state it fits their personal preference.

- The overall hedonic attribute stands at 94%, based on the average of three key emotional responses: 93% of respondents mention it makes them feel refreshed, 93% state it makes them feel happy, and 95% mention it makes them feel relaxed.

- The perceived value of the product stands at 94%, based on an average of key perceptions: 93% of consumers believe it offers good value for money, 95% consider it a good purchase decision, and 94% feel it is worth the money paid. This reflects a strong alignment between price and consumer expectations.

- The overall brand image is rated at 95%, drawn from strong individual indicators: 97% view it as a trusted brand, 92% find it consistent, and 97% associate it with a good reputation. These figures highlight a well-established and reliable brand presence in the market.

- Brand loyalty stands at 80%, based on an average of 97% of consumers intending to continue using the brand in the future, 94% willing to recommend it to others, and 77% identifying as loyal customers. This suggests a solid foundation of advocacy and repeat usage, though with room to strengthen long-term attachment.

- Overall customer satisfaction reaches a high of 97%, derived from 98% satisfaction with product quality, 96% experiencing a satisfying drinking experience, and 97% feeling happy about their decision to consume the product. This indicates exceptional performance in meeting and exceeding consumer expectations.

- These findings collectively point to a strong market position for the brand, backed by high awareness, emotional appeal, positive perception, and customer satisfaction, fostering trust, advocacy, and brand loyalty.

4. Premium Potential

A notable **66%** of respondents indicated a willingness to pay a **premium** for the beer, reflecting its strong perceived value and the brand's potential to position itself within a higher price segment. This also suggests an opportunity for the beer brand to differentiate itself through quality-focused messaging and premium packaging.



66% of the respondents are willing to pay premium for their beer brand.

5. Repurchase Potential

An impressive 98% of respondents expressed an intention to repurchase the product, underscoring high levels of consumer satisfaction, loyalty, and sustained demand. This strong repurchase intent reflects the brand's ability to consistently meet customer expectations, positioning it favorably for long-term market success.



98% of the respondents express an intention to repurchase.

6. Net Value Score (NVS)

The Net Value Score (NVS) for the beer industry stands at 69%, indicating a strong overall perception of value among consumers. This score reflects that a majority of customers believe they are receiving good value for the price paid, in comparison to similar products from a different brand.

7. Net Promoter Score (NPS)

The Net Promoter Score (NPS) for the beer industry is recorded at 35%. This score indicates that the beer consumers are most likely to recommend their brand to their friends, family and colleagues.

8. Consumption Pattern & Purchase Decision

Preferred Beer Packaging

- The majority of consumers prefer the 650 ml bottled beer, with 66.73% favoring it, indicating a strong inclination toward value-for-volume consumption. The 500 ml canned beer follows with 20.87%, showing moderate popularity, likely due to its convenience and modern appeal.

- In contrast, the 330 ml bottles attract only 12.01%, suggesting limited demand. This trend suggests that brands should prioritize 650 ml offerings while leveraging cans to target niche, on-the-go consumers.

Consumption of beer in one drinking session

Most respondents tend to consume **two bottles or cans per session (44.29%)**, followed by three to four units (28.94%), and one unit (18.5%). A smaller group consumes five or more units, while 1.18% say it depends on the occasion. The data reflects moderate-to-high volume drinking patterns, highlighting opportunities for multi-pack promotions or volume discounts to encourage bulk purchasing behavior.

Purchase Location

- The study reveals that beer is predominantly purchased from liquor stores or beer shops (65.16%), followed by supermarkets (18.11%) and local convenience stores (12.99%), while purchases from bars (1.18%), restaurants (0.98%), and online platforms (0.20%) remain minimal.

Note: The result only specifies the place of purchase, and it does not indicate where the product is purchased and consumed.



Spending on Beer per month

- Respondents' spending centers in the NPR 501–2,000 range (39.17%), followed by NPR 2,001–3,500 (27.36%), indicating a mid-tier purchasing capacity. Only 10.63% spend NPR 3,501–5,000, and a very small segment exceeds that.

- Meanwhile, 8.27% spend less than NPR 500, and 7.87% are unsure of their expenses. Brands targeting this price-sensitive market should focus on affordability, combo offers, and volume-based pricing strategies.



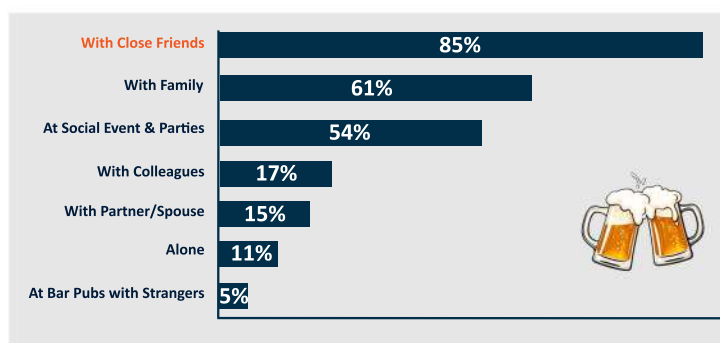
Consumption of Beer

The majority of beer consumers prefer to drink occasionally, such as during **special events or gatherings**, as indicated by **36.61%** of respondents. This is followed by 25.59% who consume beer two to three times a month, and 17.13% who do so once a month. Whereas smaller segment consumes beer more frequently.

Preferred Alcohol Level (ABV)

Consumers show a clear preference for mid-range alcohol content in beer, with **6% ABV** being the most favored (**25.98%**), followed closely by 7% ABV (25%). Preferences for 5% ABV are also notable at 16.93%.

Companionship While Consuming Beer



The study shows that beer is predominantly consumed in social settings, with **85%** of respondents preferring to drink with **close friends**. Family gatherings are also popular at 61%, followed by social events and parties at 54%. Fewer individuals drink with colleagues (17%), with a partner or spouse (15%), alone (11%), or at bars/pubs with strangers (5%), highlighting a strong inclination toward familiar and intimate social groups.

Preferred Place to Consume Beer

Beer consumption is most common at a **friend's or family's home (69%)** and at one's own home (63%). Holiday accommodations such as hotels and motels are also significant venues (54%). Other common places include general restaurants (39%) and standard restaurants (30%).



Recall of Brand Activities

A significant **78.3%** of respondents did not remember any recent brand-related activities, indicating low recall. Only 6.9% recalled Holi events, 6.7% remembered posters/banners, and 4.5% noted concerts.

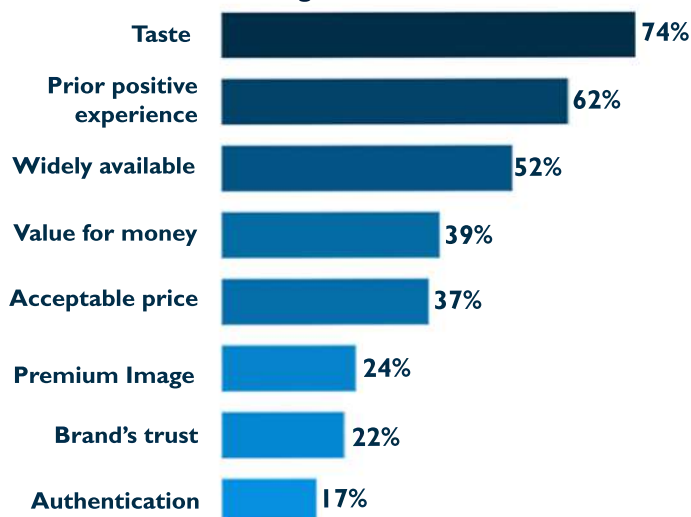


Attracting Promotional Offers

82.24% of consumers favored gift vouchers or discount coupons, making them the most effective sales promotion tool. In contrast, branded glassware (13.08%) and bottle openers (4.67%) showed limited appeal. This indicates a strong consumer preference for monetary value promotions over branded merchandise, useful for driving short-term sales uplift.

Reasons for consideration

The top drivers for beer consideration are **taste (74%)**, positive past experience (62%), and availability (52%). Other influential factors include value for money (39%) and acceptable price (37%). Brand-related attributes like premium image (24%), trust (22%), and authenticity (17%) are secondary. These findings stress the importance of product quality, pricing strategy, and distribution reach in consumer decision-making.



Get information on Beer

The study reveals that **word of mouth** dominates as the leading source of information at **89%**, reflecting high influence of peer communication. Other channels like social media (10%), liquor stores (7%), and advertising (1%) have limited impact. This underlines the need to leverage earned media, brand advocacy, and referral marketing to enhance brand awareness and trust.

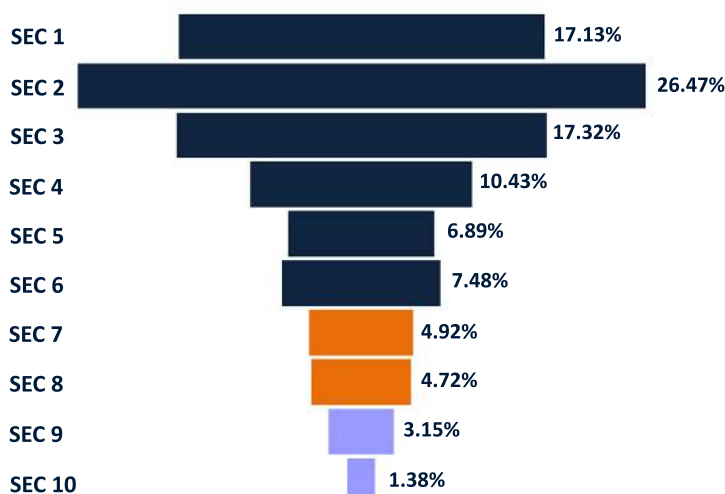


6. Demographics

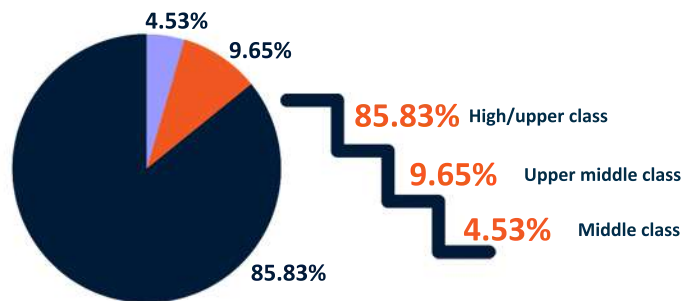
From the selected sample of **508** respondents, the gender distribution was evenly split, with **50%** male and **50%** female. The majority of participants fell within the **21–30 age group**, identifying it as the most active age segment in beer consumption. In terms of educational attainment, **63.2%** had completed a **Bachelor's degree or equivalent**, indicating a well-educated consumer base. Regarding employment, **50%** of respondents were **employed full-time**, and **57.9%** reported a monthly income above **NPR 100,000**, suggesting a financially stable demographic. In terms of ethnicity, the Newar community accounted for the largest share at 35.2%, followed by Chhetri at 26.1%, reflecting the cultural composition of the consumer sample.

Socio-Economic Classification

Among the 508 respondents surveyed, most belong to the upper middle (85.83%) socio-economic class, determined by household income, education, and occupation levels of the chief earner. This demographic concentration provides valuable insight into the purchasing power and lifestyle preferences of the target market. It also indicates a consumer segment that is likely to prioritize quality, brand reputation, and aspirational value in their purchase decisions.



Socio-Economic Classification



7. Conclusion



The beer market in Kathmandu Valley shows strong brand equity, with high scores in brand image (95%), perceived value (94%), and taste-driven preference (74%). Consumers favor 650 ml bottles (66.73%) and retail purchases (65.16%), with discount offers (82.24%) being the most effective promotion. However, low recall of brand activities (78.3% don't recall any) highlights a gap in visibility. With a well-educated, high-income, and upper-middle-class consumer base, brands have clear opportunities to enhance recall through advocacy, visibility, and targeted engagement.



Avant Garde Solutions Pvt. Ltd.

Sankhamul, Kathmandu, Nepal

info@avantgarde.com.np

www.avantgarde.com.np

+977 1 5242340 | 5912340



Discover more factsheets — just scan!