

ALCOHOL CONSUMPTION FISCAL YEAR 2083/84

Key Drivers Impacting Alcohol Consumption in the FY 2083/84

- 75% expect no change in alcohol consumption despite higher excise duty.
- 36% expect reduced alcohol consumption due to inflation from the Middle East conflict.
- 37% expect reduced alcohol consumption driven by DUI/legal risk awareness.



Overall Consumption Pattern & Switching Behavior in the FY 2083/84

- Most respondents expect overall consumption to remain unchanged.
- 50% cite increased drinking capacity as a driver of higher alcohol consumption frequency.
- 38% expect reduced alcohol consumption due to habitual & tolerance reduction.



Preference for Alcohol Consumption Location in the FY 2083/84

- 55% of respondents expect to consume alcohol mostly at home.
- Respondents say drinking at home feels safe, comfortable, & stress-free.
- Alcohol consumption increases during parties and celebrations due to the festive atmosphere.
- Drinking in Café / Restaurant is associated with enjoyment & spending quality time with friends.



Date: 2026-06-13

1. Objective

The study aims to assess the expected changes in the alcohol consumption in the FY 2083/84 due to hike in excise duty. It examines the expected changes in the alcohol consumption in the FY 2083/84 due to inflation caused by middle east conflict. It assesses the expected changes in the alcohol consumption in the FY 2083/84 due to increased DUI checks / police monitoring. It seeks to identify the expected changes in the alcohol consumption in the FY 2083/84 due to two days government holiday (Saturday & Sunday). It also explores the expected changes in the alcohol consumption in the FY 2083/84 due to recent government salary increase and identifies expected changes in overall consumption, switching behavior, and preferred drinking locations.

2. Methodology

- Approach: Quantitative Survey with few open-ended questions
- Survey Mode: Computer Aided Personal Interview (CAPI)
- Tools used: Digital Data Collection Platform
- Sample Size: 200 respondents
- Location covered: Kathmandu Valley
- Length of Interview (LOI): 10 mins
- Screening Criteria: Male respondents who have been consuming alcohol for more than 12 months and above the age group of 21. Respondents who do not work in, and do not have household members working in, market research, marketing/ advertising/ public relations, mass media, or the alcohol beverage industry.



200



Kathmandu



10 mins

Quantitative
survey

CAPI

3. Major Findings and Insights

Impact of Excise Duty Increase

- Majority of respondents' alcohol consumption frequency will remain the same in the FY 2083/84 due to increase in excise duty.
- 80% of respondents stated social influence as the reason that will increase their alcohol consumption frequency.
- Majority of respondents (91%) will decrease their alcohol consumption frequency due to price & inflation pressure.

Impact of Inflation Driven by Middle East Conflict

- 36% of respondents will decrease their alcohol consumption frequency mainly due to cost burden.
- Only 3% of respondents will increase their alcohol consumption frequency mainly due to habitual consumption pattern.
- Majority of respondents' (70%) alcohol consumption frequency will remain the same due to habit & routine stability.



36% of respondents are reducing alcohol consumption due to inflation.

Impact of Increased DUI Checks / Police Monitoring

- Majority of respondents (83%) reported no change in alcohol consumption frequency due to responsible drinking behavior.
- 3% of respondents will increase their alcohol consumption frequency due to habitual consumption pattern.
- Majority of respondents (71%) stated DUI / Legal Risk Awareness as the reason that will decrease their alcohol consumption frequency.



71% of respondents will reduce alcohol consumption due to DUI/legal risk awareness.

Impact of Two Days Government Holiday (Saturday & Sunday)

- Majority of respondents' (61%) alcohol consumption frequency will increase mainly due to availability of extra free time.
- Only 4% of respondents will decrease their alcohol consumption frequency mainly due to self-regulation & control
- Majority of respondents' (89%) alcohol consumption frequency will remain the same due to stable habit & routine.



61% of respondents will increase alcohol consumption due to extra free time.

Impact of Government Salary Increase

- Majority of respondents' (59%) alcohol consumption frequency will remain the same mainly due to stable consumption habit.
- 74% of respondents will increase their alcohol consumption frequency due to higher spending capacity.
- Only 8% of respondents will decrease their alcohol consumption frequency mainly due to savings oriented financial priority.



74% of respondents will increase alcohol consumption due to higher spending capacity.

Changes in Overall Alcohol Consumption

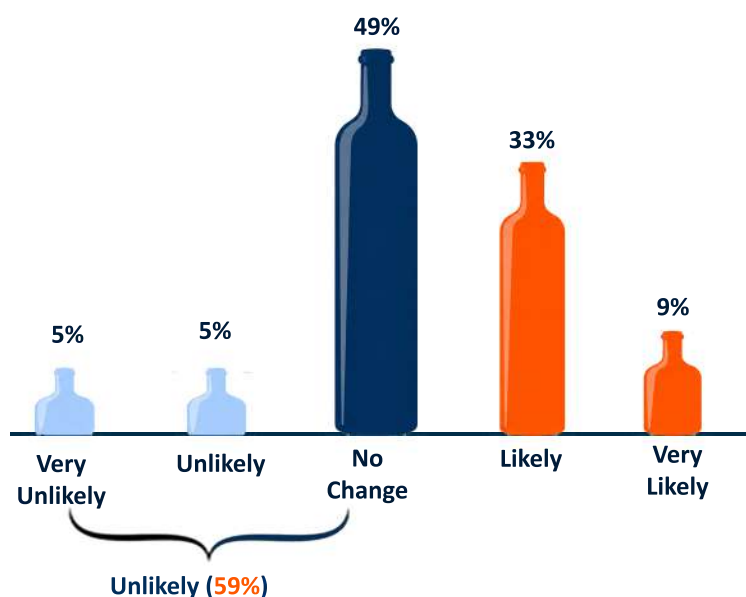
- Majority of respondents' (41%) overall alcohol consumption frequency will remain the same mainly due to behavioral control & moderation.
- 50% of respondents stated increase in drinking capacity as the reason that will increase their overall frequency of alcohol consumption.
- Majority of respondents' (67%) stated habitual & tolerance reduction as the reason that will decrease their overall alcohol consumption frequency.



67% of respondents will reduce alcohol consumption due to habitual moderation and tolerance control.

Likelihood of Downgrading to Cheaper Alcohol Due to Increase in Price

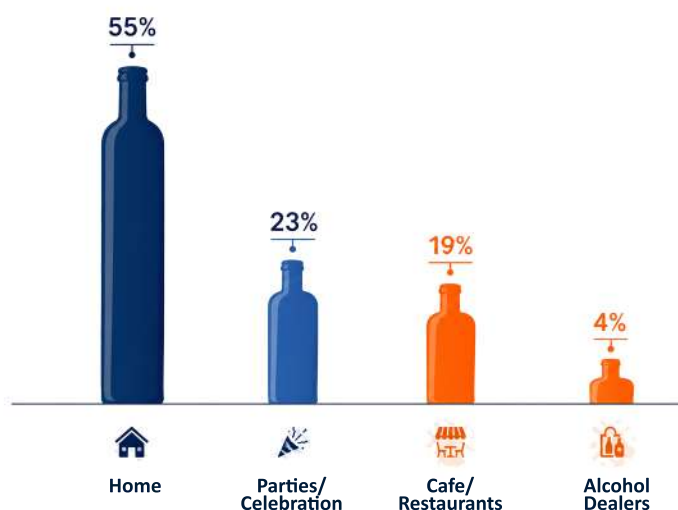
- Majority of respondents (59%) are unlikely to downgrade to cheaper alcohol due to increase in price.
- 58% of respondents stated Quality Protection Policy as their reason for not downgrading to cheaper alcohol.
- 42% of respondents are likely to downgrade to cheaper alcohol mainly due to conditional switching behavior.



Preference for Alcohol Consumption Location

- Majority of respondents (55%) reported that they will consume alcohol mostly at home in the FY 2083/84.
- 23% respondents reported Parties / celebrations as their first choice for alcohol consumption location, while 19% reported café / restaurants and 4% reported alcohol dealers.
- Respondents mentioned drinking at home feels safe, comfortable and stress free.
- Alcohol Consumption increases during parties & celebration due to festive atmosphere.
- Drinking in Café / Restaurant is associated with enjoyment and spending quality time with friends.
- Alcohol Dealers are preferred because they offer a wide range of brands & offer lower prices compared to café / restaurants

FIRST PREFERENCE



4. Conclusion

The study indicates that alcohol consumption behavior in FY 2083/84 is largely shaped by a balance between economic pressures, habitual patterns, and lifestyle changes. While excise duty hikes (21%) and inflation driven by middle east conflict (36%) are expected to reduce consumption for respondents, a significant proportion anticipate no change due to habitual consumption pattern (77%) and routine stability (70%). Increased DUI checks have reinforced responsible drinking rather than drastically altering frequency. Additional leisure time from two-day weekends and higher income from salary increments are likely to increase the frequency of consumption. Overall consumption is expected to remain stable (41%) for most, mainly due to behavioral control & moderation (52%). Downgrading to cheaper alcohol is limited (59%), reflecting quality protection priority. Home is projected to remain the primary drinking location due to comfort and safety (55%). In summary, alcohol consumption in FY 2083/84 is expected to remain relatively steady, with nuanced shifts driven by affordability, regulation, and lifestyle factors rather than drastic behavioral change.



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