

Can Tailored Support Boost Productivity and Market Presence for Local Businesses? A case of a frozen meat processing company in Nepal

Sugam Nanda Bajracharya

Market Analyst, CASA Nepal

February 2025



Nepal's meat processing industry has seen remarkable growth, now valued at approximately NPR 275 billion annually.¹ Registered establishments skyrocketed from just three in 2011/12 to 642 by 2019/20², driven by rising demand for convenience foods. Among them, Urban Food Industries Pvt. Ltd. stands out in the frozen meat sector. Yet, despite the booming market, Urban Food has faced significant hurdles in scaling its production and boosting market visibility.

Urban Food faced challenges in maximizing production capacity and lacked the expertise to diversify its offerings. Marketing was limited, relying on supermarket and convenience store outlets, a small sales team, and minimal promotion – spending negligibly of total sales in 2022/23. To address these barriers, the FCDO-funded CASA Programme provided vital support on:

1. **Product Development:** CASA, via Swisscontact's Senior Expert Contact (SEC) programme, brought in Hans Reutegger, a Swiss meat engineer with 40+ years of global experience, to upgrade production and diversify Urban Food's product range.
2. **Marketing:** CASA helped hire two firms to revamp branding, packaging, and consumer engagement, transforming Urban Food's market presence.



Hans Reutegger working with Urban Food's production staff
Source: Urban Food Industries Pvt. Ltd.

TRANSFORMING PRODUCTION PROCESSES AND DIVERSIFYING PRODUCTS

Urban Food transformed its production processes and product offerings, with a focus on improving efficiency, quality, and creativity.

- **Product Diversification:** During Hans Reutegger's three-week engagement, he conducted an in-depth assessment of the company's operations, identifying areas to enhance quality and efficiency. Collaborating closely with the team, he oversaw trials for 38 new products, ultimately finalizing 15, including a stand-out "quick meals" line with popular items like chicken nuggets, chicken popcorn, chicken sticks, and new sausage recipes.



Trial run of new Urban Food products
Source: Urban Food Industries Pvt. Ltd.

- **Improvement in Production Processes and Hygiene:** Beyond product development, Hans emphasized the importance of hygiene and safety in meat processing. His hands-on training introduced best practices, such as transitioning from grinders to filers for knife sharpening, significantly improving tool longevity. "Hans's practical approach to hygiene was both insightful and easy to understand," shared Nabina Darlami Magar of the butchering department.

¹ Sangam Prasain (2021) *Nepal Becomes Self-Sufficient in Egg and Meat Production*. The Kathmandu Post. [Nepal becomes self-sufficient in egg and meat production](#)

² National Statistics Office (2022) *National Industrial Survey National Report 2019-20*. National Statistics Office.

- **Promoting Innovation:** The collaboration between CASA and Urban Food also fostered innovation within the team. Factory staff, previously reliant on top-down directives for recipes, were encouraged to experiment and leverage their cultural heritage to create unique products. Hans's mentorship extended to resourceful solutions, such as using a brine injector for bacon, developed in-house using locally available materials. "Hans showed us the path forward," said Ms. Charimaya, Production Head at Urban Food. "His insights empowered us to embrace change and pursue excellence."

STRENGTHENING BRAND IDENTITY AND CONSUMER CONNECTION

Urban Food's marketing transformation began with a CASA-led market research initiative, which identified consumer preferences and gaps in the frozen food sector. The findings informed a strategic revamp of Urban Food's branding and product positioning, enabling the company to tailor its campaigns and products to meet consumer demand more effectively. Key marketing milestones included:

- **Packaging Redesign:** With CASA's support, Urban Food partnered with a design firm to create visually appealing packaging featuring nutritional labels, making it one of the few companies in Nepal's frozen meat market to adopt this approach. This not only enhanced the appeal of the products but also positioned Urban Food as a transparent, health-conscious brand, which helped it stand out in a competitive market.



Urban Food marketing campaign
Source: Urban Food Industries Pvt. Ltd.

- **Brand Activations:** CASA facilitated a 10-day marketing campaign across key Bhatbhateni outlets, malls, and apartment complexes, featuring product tastings, interactive games, and discounts. These activities engaged consumers and introduced the new product line effectively.
- **Digital Marketing Boost:** The consulting firms helped Urban Food achieve a remarkable online presence, with tailored social media marketing activities launched.



Urban Food social media promotion post
Source: Urban Food Industries Pvt. Ltd.

THE IMPACT OF CASA'S STRATEGIC SUPPORT

- **Enhanced Production and Product Innovation:** Urban Food diversified its product range, improved hygiene standards, and fostered a culture of creativity and ownership among staff. CASA's technical support, led by Hans, introduced European work standards, inspiring the team to focus on efficiency and innovation, solidifying Urban Food as a producer of high-quality frozen foods.

- **Expanded Market Reach and Sales Growth:** Urban Food's revamped marketing strategy drove significant growth in brand visibility and consumer engagement. Social media reach surged, with engagement increasing by 327.9% on Facebook and 286.1% on Instagram. This boost translated into impressive sales, with over NPR 700,000 in quick meals sold within a month of the online and offline campaign launch, solidifying Urban Food's position in the frozen food market.
- **Downstream Impact of Increased Production:** Urban Food's expansion in production and sales is anticipated to drive a significant increase in the demand for pork, buffalo, and chicken meat, creating greater opportunities for smallholder farmers in its supply chain. To support this growing demand, CASA collaborated with Urban Food to deliver training programs for pork meat suppliers and farmers, focusing on hygienic meat production and climate adaptation practices. As a result, farmers committed to increasing their production and supply of high-quality pork meat, which not only strengthens the supply chain but also boosts their incomes and resilience.



Hans Reutegger testing Urban Food product
Source: Urban Food Industries Pvt. Ltd.



WAY FORWARD AND KEY TAKEAWAYS

Building on CASA's support, Urban Food is poised for sustained growth. The company has already taken key steps to strengthen its position in the market, including:

- Hiring a dedicated marketing officer to drive consistent branding and consumer engagement.
- Expanding its distribution network beyond Kathmandu Valley through partnerships with retailers and e-commerce platforms.
- Launching a premium product line, leveraging recipes and techniques developed with CASA's technical assistance.

As Urban Food continues to implement CASA's recommendations, it is well-equipped to compete in Nepal's evolving frozen food industry with products that prioritize quality and hygiene. In the words of Hans, "Urban Food has the potential to set new benchmarks in the industry."

CASA's partnership with Urban Food reiterates the significant value tailored support can bring to agri-SMEs:

- **Engagement of international experts:** This helps introduce global standards, improve efficiency, and foster innovation, equipping businesses to deliver high-quality products that stand out in competitive markets.
- **Sustained coaching and mentorship:** Beyond solving immediate challenges, the intervention highlights how sustained coaching helps build internal capacity, empowering teams to adopt creativity, take ownership, and drive continuous improvement.

CASA's experience with Urban Food and many other partners in the agriculture sector underscores how strategic, well-rounded support can help agri-SMEs thrive, setting a replicable model for future partnerships aimed at fostering agri-SME growth, and thus providing simultaneous growth opportunities for their supplier farmers.



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