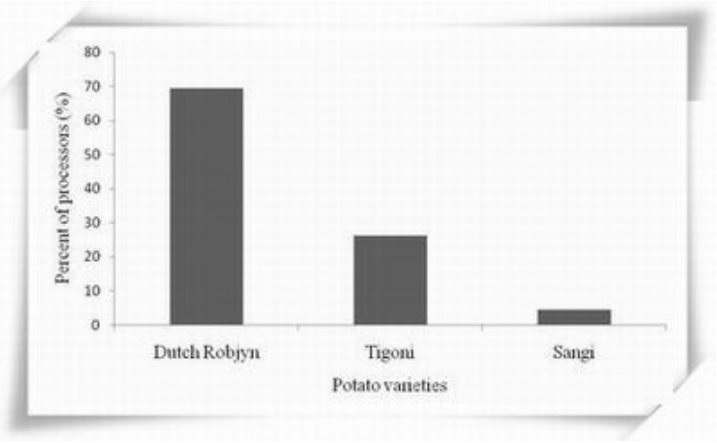
The Analysis of Potato Crisps/Chips Industry in Kenya

Importance of Potato Production in Kenya

Potato is an important food and cash crop that plays a major role in food security. The crop is rated second to maize in terms of production and utilization in Kenya. The government of Kenya has made efforts to upgrade the status of potato as a strategic crop.

Potato Processing Industry in Kenya



The dry matter content of potatoes is important for potato processing. Tubers with high dry matter content are preferred because they are mealy and do not consume a lot of oil during frying. The most important products in the Kenyan potato processing industry are fresh potato chips (French fries), potato crisps and frozen chips. Potato crisps are the most consumed industrially processed potato products in Kenya, especially in the major urban centers. The established potato varieties used in processing crisps in Kenya are Dutch Robjyn, Tigoni and Sangi, and also there are new varieties, such as Kenya Mpya and Sherekea now

I. Potato Crisps (Chips) Processing Industry

The top three of Kenyan crisp producers process about 10,000 tons of potatoes per year into 2,500 tons of crisps. Half of crisps production is bought at supermarkets by consumers, especially citizens in cities such as Nairobi, and 20% through other distribution channels. Crisps are partly exported to Tanzania, Zimbabwe and Uganda. Transport distances of voluminous, lightweight products such as crisps are limited and expensive, so the international trade of crisps is rather exceptional, which indicates that it is more favorable to produce potato crisps locally. In the short term, the production of potato crisps is the best way to add the value of potatoes.

II. French Fries Processing Industry

There are about 75% of all restaurants and hotels process their own French fries and about 25% get fresh fries supplied by processors on a daily basis in Kenya. The French fries industry is smaller than potato crisps industry. Almost all the French fries processors are not registered and operated informally. No export of frozen French fries is reported in Kenya. The French fries market is global and the frozen French fries supplied in the international market are with low price and high quality, and the Kenyan frozen French fries have no competitive advantages at these aspects. Therefore it is better to produce fresh cooled French fries locally for Kenyan potato processors.

Characteristics of the Potato Crisps (Chips) Processing Industry in Kenya

1. Approximately 4% lacked proper potato crisps (chips) machinery and market, 64% lacked regular supply of raw potatoes and poor quality while 43% cited lack of finance to increase volume of production.
2. The industries had other products as a form of diversifying their markets.
3.91% of the firms processed potato crisps as the main product that also ranked first among other products.
4. Majority of the industries (52%) processed 50-100kg of potato crisps; about 4% processed 1 ton and above daily.
5. This was in tandem with the nature and capacity of the crisps processing industry observed in Kenya: majority operation on small-scale.

Market Demand for Potato Chips (Crisps)

Although the potato processing industry in Kenya has a limited scale and can not even meet the domestic demand, the potato crisps (chips) processing industry is growing rapidly and also the market demand for potato crisp (chips) due to the following factors:

a. increasing urbanization and urban population
b. increasing tourism industry
c. affordable prices of chips
d. increasing incomes of urban household

Conclusion

From the above analysis, we can draw a conclusion that the potato crisps (chips) processing industry has large potential for the local processors as long as they seek high quality raw potatoes, suitable potato varieties and high quality potato chips machines.