

**Microfinance Service Quality and Customer Retention  
A Case of Millenium Microfinance (T) Ltd**

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This study assessed the influence of service quality on customer retention. Specifically, it examined Socio economic characteristics of MML customers, the influence of tangibility, reliability and responsiveness of service on customer retention in MML in Dar es Salaam. The study adopted a cross-sectional research design where structured questionnaire using open and closed ended questionnaire were used from a sample size of 94 respondents. Data analysis was done using Statistical Package for Social Sciences (SPSS) computer program version 20.0. Descriptive statistics such as means, standard deviation, frequencies and percentage were computed. The study found that MML customers are female than male, Respondent's age group between 31-40 years constituted the largest proportion, and majority of the MML customers acquired primary and secondary education level, the study found that most MML customers were married, also they came from household of members between 1 to 5 members and their sources of income mostly depended on IGAs and salary also the study findings revealed that, Responsiveness influenced customer retention the mostly followed by Reliability and lastly tangibility. The study recommends that the management of MML should introduce several policies against employees who do not wear their uniforms and clothes with badge marked by MML's sign during working hours, providing promotions, conduct employees training and seminars especially on the aspect of responsibilities of MFI employees