## **ABSTRACT**

In today's competitive retail market, as service quality improves, the customer's expectation and lateral demand on service level is increased from time to time. Dairy milk processing firms in Kenya are struggling to get it right in providing service quality. This has created dissatisfied consumers and this has led to merging of some dairy milk processing firms and loss of jobs due to closure of some dairy milk processing firms. Therefore, this study aimed at filling this knowledge gap by examining the influence of perceived service quality on consumer satisfaction amongst dairy milk processors in Kenya. The study was guided by cross-sectional research design. The study population comprised of consumers who purchase processed dairy milk from major supermarket chains in Kenya. Primary data was collected from 384 respondents using a questionnaire which self-administered. Descriptive statistics and semi-structured was regression analysis were used to analyse data with the help of SPSS version 21. The results showed a positive and significant relationship between the perceived service quality and consumer satisfaction. Respondents indicated that, perceived service quality was consistent to their satisfaction. The findings showed that, consumers of dairy milk products had a high rating of service quality offered to them by dairy milk processors hence high satisfaction levels. The study therefore concluded that, perceived service quality is an important predictor of customer satisfaction. Milk processors must therefore strive to match and even exceed their customer's product-service quality with what customers expect.