

**The Impact of market segmentation on customer satisfaction and customers retention:
The case of Tanzania Power Industries**

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This study aimed at investigating the Impact of Market Segmentation on Customer Satisfaction and Customer Retention, a case of Tanzania power industries. To solidify information the study used the views and opinions of customers and employees from power companies through survey method and interviews. Documentary review assisted in obtaining important information from respective power industries. The study examined current market segments that exist among power companies and if they really influence the type of the marketing strategy being used depending on the characteristic of the market. Marketing strategies in use were also scrutinised if they are effective so as to instill customer satisfaction and customer retention. The research findings have shown that for greater extent market segmentation influences customer satisfaction and retention through application of effective marketing strategies. Through it, prices, distribution and promotion can be designed to regulate factors that are unpleasant to customers, since customers nowadays need easy, convenient, flexible and timely products and services. The recommendations are expected to provide guideline for the power companies in the efforts to offer eminent services to their customers.