First choice for University students to dine-in has always been thought to be the foodservices offered by University Catering Units. However, these seemingly captive customers have been opting for off-campus foodservice as their preferred outlet. There seem to be a relatively low turnover for the on-campus foodservices. This paper therefore uncovers the status quo of the on-campus foodservices in Universities; in particular, this paper focused on the customers’ satisfaction on Hygiene and Nutritional values of the on-campus foodservices, variety of foods offered, service Delivery, Servicescape and the food prices and their influence on the students’ preference whether to take on-campus meals or opt for off-campus foodservice. The study utilized mixed research methodology thus both qualitative and quantitative approaches were used. Descriptive survey research design was used to obtain information concerning the current status of the phenomena. The target population was all the 6,467 students of Kibabii University. Through stratified random sampling, 376 respondents were selected to participate in the study. A well-designed questionnaire for students was used to collect data on the students'satisfaction towards on-campus foodservices and on factors that motivate undergraduate students to dine-in at University foodservice facilities. Data was analyzed using both descriptive analysis (frequencies and percentages) and inferential analysis (Chi-Square test of association). The study findings were presented in form of tables and graphs. The survey results indicate that students accessing the on-campus food services are largely dissatisfied with the status quo; variety of foods offered were not adequate, hygiene and nutritional values were not satisfactory and also service delivery was not effective. This paper recommends that the University need to improve on variety of their foods, service delivery and more so on hygiene and nutritional value of their foods as this will help to improve healthcare and nutrition for all.