

## ABSTRACT

This study was carried out to investigate factors influencing the effective use of e-payment systems in Tanzania focusing on extending the UTAUT2 model. The study was pushed by the fact that e-payment systems were seen to have great advantages in the world but the pace at which Tanzania uses and enjoys the benefits were seen to be very slow. This made the researcher question its effectiveness. The descriptive research design was used and both primary and secondary data were collected. A total of 89 respondents from commercial banks administered a questionnaire that allowed descriptive analysis to be conducted on the collected data. Findings revealed that performance expectancy has a negative effect while effort expectancy and facilitating conditions have a positive effect, the level of performance expectancy, effort expectancy, and facilitating conditions was low moderate. Finally, the study recommends that the government should properly regulate the systems by making laws and policies that will guide its operations.

