

Determinants of Online Purchase Intention in Uganda

Sarah Jannat Namakula, Alain Vilard Ndi Isoh, Engotoit Benard, & Abdallah Ziraba

Abstract

The advents of the internet and e-commerce have transformed the pattern of purchase of goods and services. Online customers find online shopping very convenient, flexible, time saving, offering a wide variety of selection, cheaper products and provide the possibility to make private purchases easier. Despite the numerous benefits of online purchasing platforms, the adoption rate is low in Uganda. This study aimed at modeling a framework on determinants of customers' intentions to purchase online in the case of Kampala Uganda. The philosophical underpinnings were both positivism epistemology and objectivism ontology. Data was sourced using structured questions from a sample of ninety-seven (97) online customers' in Kampala. The analysis was concluded using Structural Equation Modeling (SEM) and the findings revealed that; Facilitating Conditions (FC), Service Quality (SQ) and Customers' Attitudes (A) have positive significant impacts on online purchase intention whereas, there was insignificant statistical evidence to suggest that System Quality (SQ) influences the intention to purchase online. This study therefore recommends managers of online businesses to consider Service Quality (SeQ), Facilitating Conditions (FC) and Customers Attitudes (A) as critical determinants to improve online sales. Indicators such as: timely deliveries, product conformability and prompt feedback are drivers to online purchase intentions. This study provides emerging views essential in managing relationships between businesses and customers with the intention to model successful e-business strategies. This research thus provides a useful insight to parties including e-business practitioners, government and customers on the role of e-commerce adoption in Uganda.



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About Author (s)

Sarah Jannat Namakula, (Corresponding author), Makerere University Business School (MUBS), Uganda.

Alain Vilard Ndi Isoh, ICT University, Uganda.

Engotoit Benard, Makerere University Business School (MUBS), Uganda.

Abdallah Ziraba, ICT University, Uganda.

1.0 Introduction:

There is worldwide surge in online purchase (Zhou, Dai, & Zhang, 2007) though it is in its early stages in many developing countries; partly explained by low internet connectivity, digital literacy and awareness (Alyoubi, 2015; Saxena & Gupta, 2018). Customers who buy online enjoy the benefits of convenience, and a wide variety of others. Equally, online businesses benefit from online purchases through increased sales, business efficacy, competitive advantage, business automation, and increased customer base. Despite the numerous benefits enjoyed using e-commerce; customers' adoption of online buying in Uganda is still low (Walugembe et.al; 2015). Challenges encountered using physical sales points are: inconveniences, long waiting queues, extra costs incurred on transportation and limited product options for selection. Walugembe et.al (2015) opined that buyers in Uganda are reluctant to shop online because of lack of awareness, negative perceptions and mistrust in the e-shopping system of Uganda.

It is important to highlight that majority of studies like those concluded by (Zarrad & Debabi, 2012; Makwana, Pathak, & Sharma, 2015; Aldhmour & Sarayrah, 2016) on online purchase intention (OPI) were based mainly on developed countries experiences which differ from the Ugandan context in varied perspectives such as: divergence in cultures, social-economic conditions, customers' values and preferences. According to (Twaha, 2016) online businesses in Uganda have engaged in marketing activities to encourage Ugandans to embrace online services. It is therefore vital that online stores and government agencies recognize ways to accelerate consumers' involvement in online shopping and develop strategies that are unique and customized to the Ugandan population Mbabazi (2018). The study is aimed at modeling factors influencing customers' intention to purchase online in Uganda with specific attention on Facilitating Conditions (FC), System Quality (SQ), Service Quality (SeQ), and Attitude (A) on consumers' intention to purchase online.

2.0 Review of Literature

2.1 Benefits and Impediments of Online Purchase.

The physical location and distance between the sellers and buyers of goods and services is increasingly becoming pointless. Online stores offer customers the exclusive chance to purchase items from the comfort of their own homes (Yu & Wu, 2007; Park, Lee, & Chung, 2013). Online stores are accessible twenty-four (24) hours a day; seven (7) days a week which makes it easier for customers to buy conveniently (Wang, Ye, Zhang, & Nguyen, 2005). Online purchase thus simplifies customers buying experience and saves time due to no traffic or checkout queues (Childers et al., 2001). Equally, consumers can access varieties of goods and services from different online suppliers worldwide (Rahman, 2018), thus chances are higher that buyers will find customized products based on their requirements and budgets. Online purchases exclude middlemen as deliveries are done directly to the customers. The exclusion of third party effects ultimately results to low prices. Internet also offers customers a chance to compare prices of different websites and find products with lower prices (Rox, 2007).

However, Lack of customer awareness impedes online purchase. Many consumers are not knowledgeable to successfully purchase online. Lack of awareness hinders adoption and use of technology (Vilaseca, 2013). This may include measures to access authentic websites, and complete e-payment process. According to (Aldhmour & Sarayrah, 2016), the inability to use internet, complexity of technology and unease of using computers and related online

purchases infrastructures deter many to grip internet and online shopping. In addition, lack of trust and security concerns equally impedes online purchases (Shergill & Chen, 2005; Al-Debei et al., 2015; Aziz & Wahid, 2018). According to (Katawetawaraks & Wang, 2011), customers still prefer buying products from sellers they trust because of fears of cyber-crimes and fraud (Chen & He, 2003; Shakaib, 2018). Furthermore, the lack of clear legal frameworks on online marketing and customers protection acts in some countries impedes the adoption of online purchases. Negative attitude towards technology inhibits e-commerce adoption in developing countries (Wanzu et al., 2018). Many consumers are still used to the buying habit of visiting brick and mortar stores. The intangibility of online products is another major hindrance. The lack of close inspection of certain products makes them less likely to be bought through an online channel because customers have no chance to touch, feel and examine (Comegys et al., 2009). Customers therefore prefer to shop traditionally in order to physically assess the quality of the merchandise before they buy (Aziz & Wahid, 2018). In other instances, products information found on websites are sometimes misleading and deceptive. At times, online customers are sent faulty products, unwanted products, and low quality products, products that do not match what is described or expected. These often end up affecting future purchase decision (Comegys et al., 2009). Furthermore, limited resources such as information technologies infrastructure and financial resources obstruct online purchase (Zhou, Dai, & Zhang, 2007). According to (Aldhmour & Sarayrah, 2016), difficulties in accessing facilities like internets hamper customers from online shopping. In addition, online overhead cost such as direct charges on ordered items including shipping costs, taxes, custom duties and delivery charges prevent customers from purchasing online. Several online stores set a minimum ordered quantity (MOQ), thus limiting minimum purchase quantities. This therefore affects the buying propensity of certain customers who cannot afford to place order at the required quantity. Moreover, Makwana et al., (2015) identified requirement of pay cards, high shipping costs, poor refund policies, lack of computer efficiency and delay in delivery as challenges encountered when shopping online. Lastly, the lack of an enabling legal framework hinders customers from purchasing online. Government policies, laws and regulations need to be devised to build trust and ensure e-commerce adoption by customers (Humphrey, et al., 2003; Humphrey et al., 2003; Zhu et al., 2004; Zhu et al. 2004; Wanzu et al., 2018; Ibam et al., 2018). Policies and regulations on consumers' protection, refunds on wrong delivery as well as fair taxes and custom duties are ways which the government can encourage online purchase.

2.2 Theoretical review

Two theoretical models were observed: Technology Acceptance Model (Davis, 1989), and Online Shopping Acceptance Model (OSAM) (Zhou et al., 2007). Technology Acceptance Model (TAM) developed by Davis (1989) is amongst the most influential theories in the field of technology adoption (Moody et al., 2010). The model development is anchored on the premise to predict human behaviour towards the acceptance or rejection of technology and systems (Durodolu, 2016). A number of studies have applied TAM to understand factors influencing intention of consumers to buy online (Monsuwe et al., 2004; Seneler, et al., 2010; Al-Maghrabi & Dennis, 2011 and Aziz & Wahid 2018). The model indicates that intention to use an information system is dependent on perceived usefulness and perceived ease of use. Intentions to use can then results into actual system use (Davis, 1989 & Davis et al., 1989). Despite the wide applicability of TAM to study online shopping environments, it failed to capture characteristics specific to online shopping environment (Zhou et al., 2007). According to Monsuwe et al. (2004), there is need to define specific factors for consumer acceptance of

new internet technologies. Future research should investigate and develop new models that focus on the strengths of the TAM and abandon its weaknesses (Chuttur, 2009). Furthermore, TAM was developed in a different country context. There is need to develop a model in a developing country context particularly Uganda. The gap of TAM was captured by Zhou et al. (2007) in an extensive survey of existing literature leading to the development of the Online Shopping Acceptance Model (OSAM). The OSAM model focused on consumer factors leaving out system, product/service and vendor-related factors that are actually possible predictors of consumer acceptance of online shopping Zhou et al. (2007). Furthermore, trust is an important construct that has widely been studied and proved to significantly influence customer online purchase in several online purchase studies including; Phung et al., (2009); Ling et al. (2010); Clemes et al. (2014); Al-Debei et al. (2015) but was never researched in this study. Zhou et al. (2007) recommends future researchers to study this factor. The theoretical gap is tabulated below:

Table 1: Theoretical Gap Matrix

Variables / Criteria	Technology Acceptance Model (TAM)	Online Shopping Acceptance Model (OSAM)	Proposed Model. Online Purchase Model (OPM)
Intention to use	√	√	√
Actual usage	√	√	√
Facilitating Conditions	X	X	√
System Quality	√	X	√
Service Quality	X	X	√
Attitude	√	√	√
Internet Experience	X	√	√
Education	X	√	√
Trust	X	X	√

Source: (Davis et al., 1989; Davis, 1989; Zhou et al. 2007)

In table 1 above, two models TAM and OSAM were compared. This study recommends that information systems (IS) need to be multi-dimensional covering not only consumer related factors and technical aspects but also IS support factors as well as environmental aspects. Focusing on a few aspects can result into IS failure. The proposed model thus suggests additional factors including; Facilitating Conditions (FC), System Quality (SQ), Service Quality (SeQ) and attitude since they were found to significantly impact on online purchase intention in several literature. Trust; which is considered a major concern in customer online purchase studies was addressed by introducing the system quality construct. The proposed model includes factors in the OSAM model and TAM that are predictors of consumers' acceptance of online shopping.

2.3 Hypotheses Development

Based on empirical observations of benefits and challenges of online purchase, this study proposes a model on consumers' intention to purchase online. The proposed model hypothesized that Facilitating Conditions (FC), System Quality (SQ), Service Quality (SeQ) and Attitudes (A) influence consumer's intention to purchase online as shown below:

2.3.1 Facilitating Conditions:

According to Venkatesh et al. (2003) facilitating conditions relates to the degree to which a prospective adopter in a country believes that enabling factors exist to support the adoption of e-commerce technologies. Facilitating conditions includes; resource and technology

availability (Taylor & Todd, 1995). Facilitating conditions are usually catered for in developed countries; whereas, they are usually in unattractive state in developing countries (Datta, 2011). Availability of resources including information technology (IT) and financial resources can influence consumers' intention to purchase online. If buyers find that the products are affordable and as well as charges that accompany online purchases like delivery costs and taxes, then it may influence their intention to purchase online. Ibam et al., (2018) opined that to ensure a successful e-commerce adoption and utilization, ICT infrastructure such as internet, computer system and broadband must be available. Equally, education and training is required to influence online purchasing decision. If customers have relevant knowledge and skills to make online purchases, then that may influence customers' intention to purchase online. Training involves imparting new knowledge and specific skills for a particular purpose to change attitude or behavior to enhance performance (Nischithaa & Narasimha, 2014).

Lastly, a supportive legal framework of government policies, laws and regulations are required to build trust in the system and enhance e-commerce adoption by the public Humphrey, et al., (2003); Zhu et al. (2004); Wanzu et al., (2018); and Ibam et al., (2018). Measures to encounter the multiple barriers of e-commerce is a safe legal environment on consumer protection, e-transactions, and cybercrime as well as processes for compensation in the event of abuse, deception and fraud (Alyoubi, 2015). UNCTAD (2015), statistics revealed that developing countries are slow to adopt these laws; particularly those in Eastern and Middle Africa where Uganda is apart. This study thus hypothesized that:

H1: Facilitating conditions positively influence consumers' intention to purchase online.

2.3.2 System Quality: Good website is branded with features such as: information content, information presentation, navigation, security, searching mechanism among others (Zhang & Von, 2001; Cho et al., 2001). The quality of a website has a major influence on consumers' online behavior (Li & Zhang, 2002). An attractive design can encourage online shopping (Koo et al., 2008). Ibam et al., (2018) recommends proper branding of online sites in Africa to ensure they are recognized globally. Consumer's trust in giving personal information and security for payment contributes to their willingness to purchase online (Constantinides, 2004). To ensure a trustable and securer website, online stores need to acquire approved trading certificates from organizations such as Alibaba, and eTrust to make their websites trustworthy which will increase customer confidence and result to online purchase (Korgaonkar & Karson, 2007). In addition, using brand names of products on website can reduce buyers' risk and affect their buying decision (Lim & Dubinsky, 2004; Korgaonkar & Karson, 2007). Based on the aforementioned literature, this study thus hypothesized that:

H2: System quality positively influences consumers' intention to purchase online.

2.3.3 Service Quality: Services offered by online stores including timely feedbacks, customer services and aftersales services influence buying intentions (Lim & Dubinsky, 2004). Additional services such as sales discount, procedures to handle damaged item, customers queries and refund policies equally influence purchase intention. Customers past experience positively influences online purchase intention. It is important that e-stores meet customers' expectations in order to encourage repeated e-purchase. Consumers with online purchasing experiences often continue buying online if such services are well appreciated (Saxena & Gupta, 2018). This study thus hypothesized that:

H3: Service quality positively influences consumers' intention to purchase online.

2.3.4 Attitude: Attitude is a negative or positive evaluation of behavior (Ajzen & Fishbein, 1980; Davis, 1989). Earlier studies have found a positive and significant effect of attitude on online purchase intention (Jaafar et al, 2015; Akroush & Al-Debei, 2015; Amelia & Ruswanti, 2017). Consumers' attitude toward the use of technology and the usefulness of the internet influence online purchase intention (Zarrad & Debabi, 2012). Online customers need assurances about the companies they are dealing with and about the products they are buying thus trust-enhancing processes is indispensable (Humphrey et al., 2003). Consumer attitudes toward online shopping and intention to shop online are not only affected by ease of use, usefulness of the internet but by other factors such as: product characteristics, previous online shopping experiences, and trust in online shopping (Monsuwe' et al., 2004). This study postulates that positive attitude positively influences consumers' intention to purchase online.

H4: Attitude positively influences consumers' intention to purchase online.

2.4 Studies on Factors Influencing Consumer Online Purchase Intention

This research further explored studies that had studied factors influencing consumer online purchase intentions as shown in the table below.

Table 2. Studies on Factors Influencing Consumer Online Purchase Intention

Variables	Indicators	Sources
Facilitating Conditions	Facilitating Conditions	Datta (2011); Ibam et al., (2018); Wanzu et al., (2018)
	Resource Availability	Ibam et al., (2018); Clemes et al. (2014)
	Government Support	Chen et al. (2018); (Zhu et al. 2004).
	Behavioural Controls	Imelia & Ruswanti (2017); Mbabazi (2018)
System Quality	Ease of Use	Faqih (2013); Aldhmour & Sarayrah(2016)
	Website quality/image	Akroush & Al-Debei (2015); Li & Zhang (2002).
	Trust	Al-Debei et al., (2015); Akroush & Al-Debei, 2015; Clemes et al. (2014); Ling, Chai, & Piew (2010)
Service Quality	Service Quality	(Butt, Shah, & Iqbal, 2016) Butt et al. (2016). Clemes et al. (2014)
	Past Experience	Ling, Chai, & Piew (2010); Cho 2004; Pires et al. (2004) (Pires, Stanton, & Eckford, 2004)
Attitude	Attitude	Akroush & Al-Debei (2015); Imelia & Ruswanti (2017); Zhou et al. (2007); Jaafar et al, 2015
OPI	Online Purchase	Lim & Dubinsky (2004); Zhou et al. (2007); Lim et al. (2016)

Source: Literature review

CONCEPTUAL MODEL

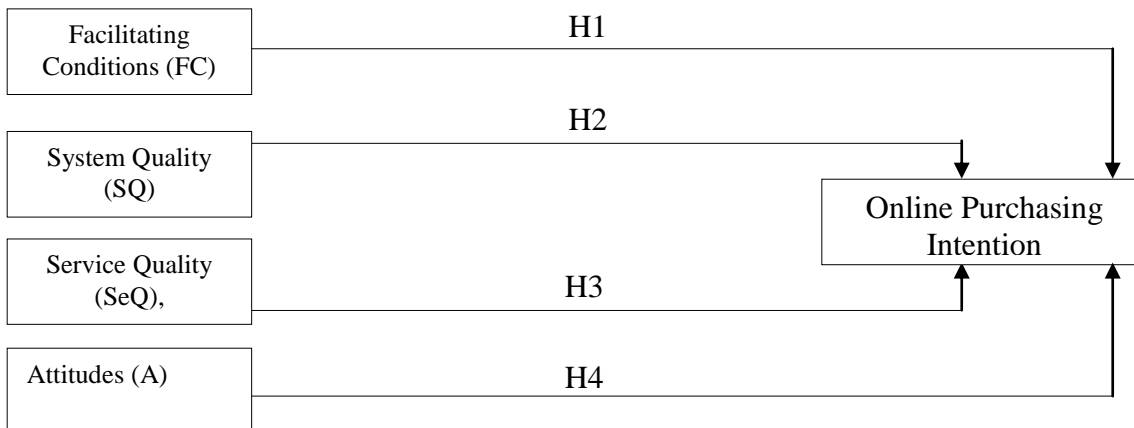


Figure.1 Conceptual model for Determinants of Online Purchase Intention in Uganda

3.0 Methodology

A conclusive case study designed supported by positivism epistemology and objectivism ontology was adopted. Quantitative data was sourced via questionnaire survey based on the five (5) point Likert scale and data was analyzed using SPSS to test research hypotheses. Data was sourced through simple random sampling technique involving respondents from five regions of Kampala Uganda. A sample size of 100 respondents was selected using Krejcie and Morgan (1970) sample size selection table from a study population of users of online shopping platform. A self-administered questionnaire was used to collect primary data. Data obtained from the questionnaires was analysed to establish statistical relationship with the intention to model determinants of online purchase intention.

4.0 Data analysis and presentation of results

4.1 Missing Data and Non-Response Bias Analysis

The analysing of missing data was completed using questionnaire response from ninety-seven (97) participants involved in the study. The result was as follows: Little's MCAR test: Chi-Square (X^2) = 1545.058, DF (Degree of Freedom) = 1465, Sig. = 0.071; thus revealing that missing data was completely at random (MCAR). The summary output of missingness for all values was less than 5% and the generation of a complete dataset for such criteria of missingness was done using the Expectation-Maximization Algorithm (EMA). The pattern of missing value analysed revealed 99.38% of complete values as shown below in figure 2:

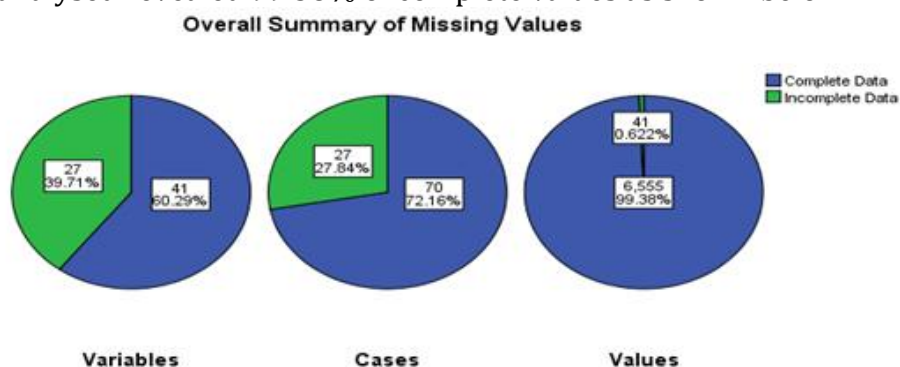


Figure 2. Summary of missing values

4.2 Dimension Reduction- Exploratory Factor Analysis (EFA)

Based on the analysis of EFA, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO = 0.804 > 0.5), and the Bartlett's Test of Sphericity revealed Chi-square (X²) = 1125.223; Degree of Freedom (DF) = 300 and P-value = 0.00 < 0.01 met the assumptions required in completing EFA. Extraction was done using fixed factor of four based on Principal Component Analysis (PCA) technique as shown below.

Table 3: Total Variance Explained

Comp.	Initial Eigenvalues			Extract. Sums of Squared Load.		Squared Load.
	Total	% of Variance	Cumulative %	Variance (%)	Cumulative %	Total
1	6.092	24.368	24.368	24.368	24.368	4.816
2	2.851	11.405	35.773	11.405	35.773	3.706
3	2.052	8.208	43.982	8.208	43.982	3.225
4	1.769	7.076	51.057	7.076	51.057	2.380
5	1.641	6.564	57.621	6.564	57.621	2.838
6	1.357	5.430	63.051	5.430	63.051	3.278
7	1.125	4.500	67.551			
8	.962	3.848	71.399			
9	.908	3.632	75.031			
10	.819	3.275	78.306			
11	.722	2.890	81.196			
25	.094	.376	100.000			

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

The pattern matrix for the four retained factors revealed appropriate factor-loadings with evidence of no-cross loading and with all retained indicators reporting coefficient > 0.5 as shown on the table below.

Table 4: pattern matrix

	Component					
	1	2	3	4	5	6
FC1: Availability of internet and financial resources.			.724			
FC2: Access to a computer or phone.			.708			
FC4: Skills/ Training on procedures to purchase online.			.648			
FC5: Awareness about relevancies and benefits of online purchasing.			.605			
SQ6: Online stores are trustworthy and honest.		.741				
SQ7: Payment online is safe.		.847				
SQ8: The infrastructure of this website is dependable.		.808				
SeQ4: Customers will buy online if their concerns are addressed on time.				.566		
SeQ5: Customers will buy online if products are delivered on time.				.722		
SeQ6: Follow up services can attract more online customers.				.835		
SeQ7: Assurance of a refund on wrong item can attract purchase online.				.717		
A4: The internet is the best place to find bargains.						.624
A5: Purchasing online is beneficial.						.641
A6: Purchasing online is complicated.						.659
A7: I don't like providing my personal and credit card information online.						.710
A8: I prefer to see things that I buy before I buy them.						

Extraction Method: Principal Component Analysis.

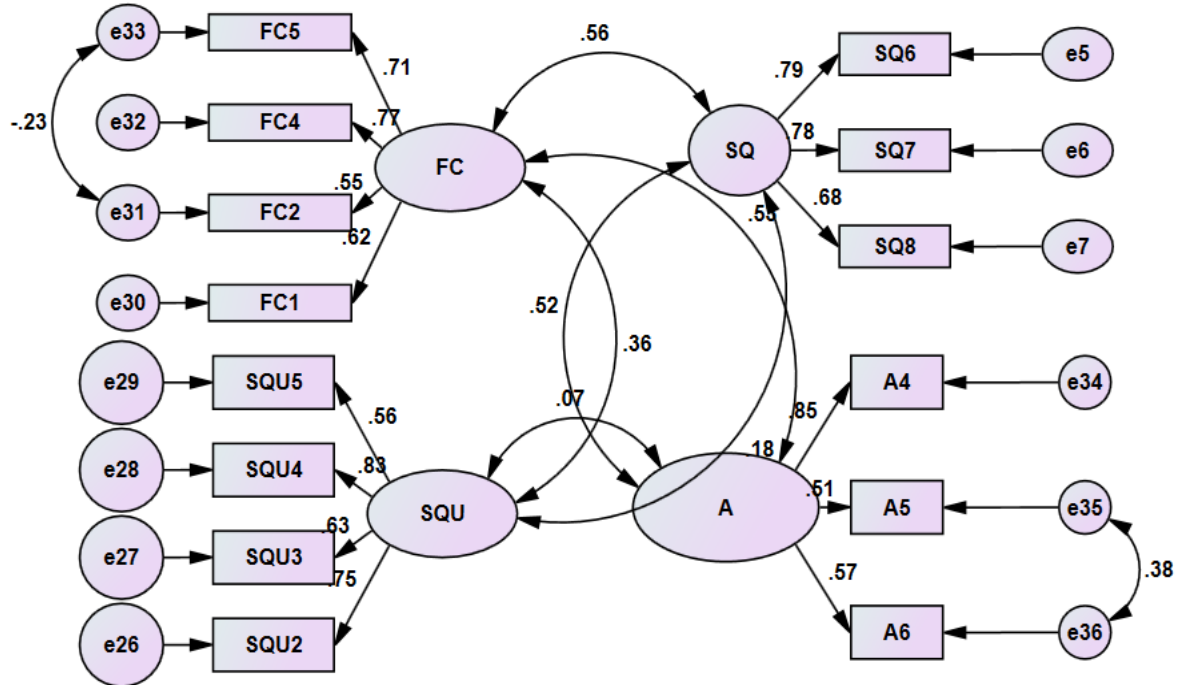
Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

4.3 Confirmatory Factor Analysis (CFA)

In addition to the EFA, a CFA model was developed to confirm that the hypothesized model under construction fit the literature using model specification parameters of GFI, CFI, IFI, TLI, RMSEA, SRMR and the chi-square value of significance. Results on the CFA model are of significant fit as shown in Figure 3 below:

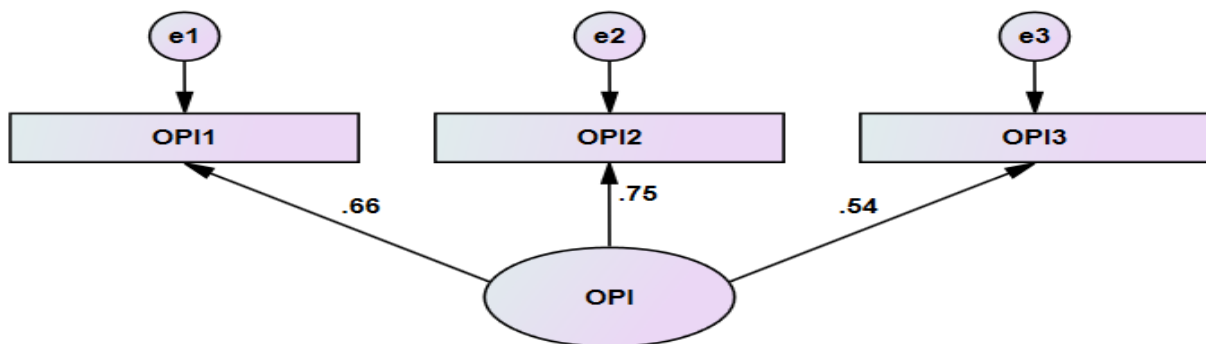
Figure 3. Confirmatory Factor Analysis model



CMIN/DF : 1.447, P-VALUE = 0.09, GFI : 984, IFI = 0.930, TLI : 0.903, CFI : 0.926
RMSEA : 0.068, SRMR : 0.0700

The path analyses for all indicators were significant at the 95% confidence interval. Equally, all parameters of the CFA specifications were observed. Similarly analysis of CFA for the dependent variable is as shown in figure 4.

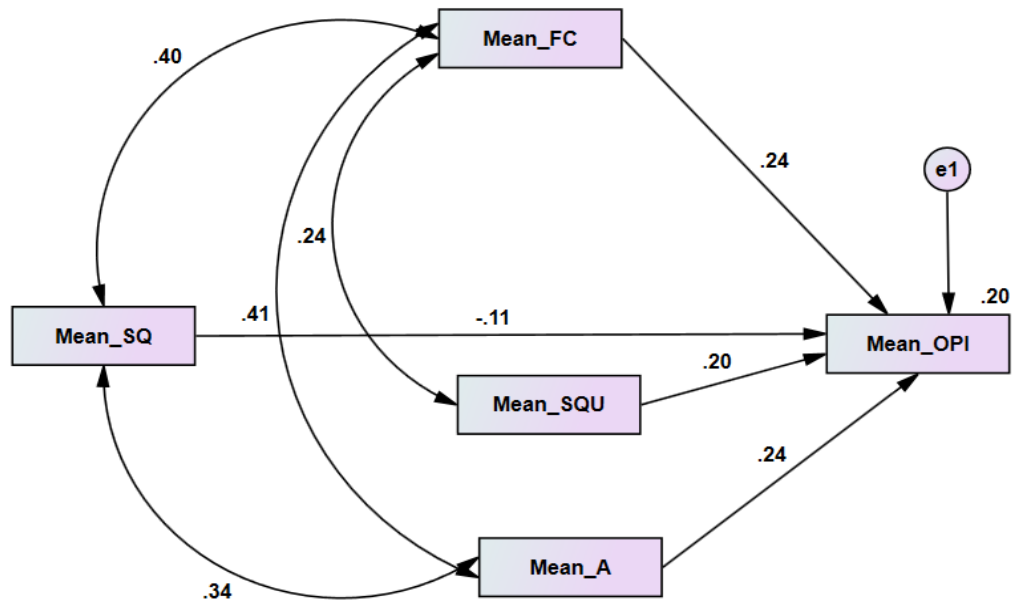
Figure 4. CFA for the dependent variable



CMIN/DF : 3.11, P-Value : 0.1, GFI : 0.980, IFI : 0.90, TLI : 0.99, CFI : 0.94
RMSEA : 0.06 , SRMR : 0.085

The tests of the four identified research hypotheses are shown on the Structural Equation Model (SEM) below.

Figure 5. Structural Equation Model



CMIN/DF : 2.219, P-VALUE : 0.109, GFI : 0.982, IFI : 0.967, TLI : 0.982, CFI : 0.963, RMSEA : 0.011, SRMR : 0.064

Table 5: Harmonized Test of Hypotheses

Hypotheses	P-Value at 95% (CI)	Decision / Conclusion
H ₁ : Facilitating Condition has significant effect on Online Purchasing Intentions	P-V = 0.028 < 0.05. Statistically significant. R ² = Weak positive effect @ 24 %	Reject the null hypothesis and conclude that there is significant statistical evidence to suggest that Facilitating Conditions positively affect Online Purchase Intention
H ₂ : System Quality (SQ) has positive impacts on the adoption of Online Purchasing Intention (OPI)	P-V = 0.271 > 0.05 Statistically insignificant @ 5% R ² = Weak negative effect @ 11.2 %	Decline to Reject the null hypothesis and conclude that there is insignificant statistical evidence to suggest that System Quality have an impact on Online Purchase Intention
H ₃ : Service Quality (SeQ) positively affects Online Purchase Intention (OPI).	P-V = 0.037 < 0.05 Statistically significant at 5% R ² = weak positive effect @ = 20%	Reject the null hypothesis and conclude that there is adequate statistical evidence to suggest that Service Quality (SeQ) has an impact on Online Purchasing Intention.
H ₄ : Attitude (A) has positive impacts on Online Purchase Intention (OPI)	P-V = 0.017 < 0.05 Statistically significant @ 5% R ² = Weak positive effect @ 24.4 %	Reject the null hypothesis and conclude that there is significant statistical evidence to suggest that Attitude has an impact on Online Purchasing Intention

5.0 Discussion and conclusion.

5.1 Discussion

Attitude was the most influencing factor for customers to purchase online of all other predictors followed by Facilitating Conditions and Service Quality with (P = 0.017<0.05; r² = 24.4%). Results are thus consistent with previous studies that reported a positive relationship between attitude and online purchase intention as concluded by (Zhou et al, 2007; Jaafar et al, 2015; Akroush & Al-Debei, 2015; Imelia & Ruswanti, 2017). This study therefore shows need to improve on customer attitudes towards online shopping. Customers need to be aware of the benefits that arise from purchasing online. Furthermore, results

showed that facilitating conditions positively influence Online Purchase Intention with ($P = 0.028 < 0.05$; $r^2 = 24\%$). This finding is similar with studies including (Datta (2011); Ibam et al., (2018); Wanzu et al., (2018) which show a positive relationship between facilitating conditions and online purchase intention. Research findings therefore signify the importance of presence of facilities as well as conditions necessary for successful online purchase like internet; supportive legal frameworks, awareness through education & training in computer knowledge. Relating to Service Quality (SeQ), findings indicated that service quality has a positive effect on online purchase intention with ($P = 0.037 < 0.05$; $r^2 = 20\%$). This confirms similar findings that service quality positively impacts on online purchase intention by (Clemes et al., 2014; Butt et al., 2016). This indicates the relevance that online stores need to attach to their customers. Services including customer care, delivery time, quick response to customer queries / requests, aftersales services and customer follow-ups can contribute to customer decisions to purchase online. On the contrary, system quality had a weak negative effect on online purchase intention with ($P = 0.271 > 0.05$; $r^2 = 11.2\%$).

5.2 Conclusion.

In order to address the challenges of low adoption of online purchase in Uganda, it was relevant to understand factors that could influence customers' intention to purchase online. This study thus aimed at modeling factors influencing customers' intention to purchase online in Uganda. Attitude, Facilitating Conditions and Service Quality were identified to influence customers' intention to purchase online. The model was validated and found to be good as IFI, GFI, CFI and TLI were all above 0.9. Customers attitude and trust in e-shopping need to be improved through education and training on the benefits of online purchase and how to successfully purchase online without falling into online scams. In addition e-stores need to have good websites to attract and build positive attitude of customers towards e-purchase. Factors enabling online purchase need to be in place. Government needs to invest more in telecommunication networks especially in rural regions, reduce taxes on internet, put in place supportive legal frameworks to protect online customers. This study also commends managers of online businesses to consider quality of service offered to online customers as a key factor to improve online sales. This information is essential in managing relationship between businesses and customers and can be used to model competitive business strategy to ensure success of e-businesses. This study thus provides useful insights to parties including e-business practitioners, government and customers on the relevance to adopt e-purchase in Uganda.

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