

A STUDY ON CUSTOMER AWARENESS: GREEN BANKING

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Abstract

In the current globalization script, all sectors of the global frugality face enormous challenges in dealing with environmental issues and their impact on everyday conditioning. The banking sector can act as a middleman between profitable development and abecedarian environmental protection. To support environmentally sustainable and socially responsible investments, this type of banking can be called as green banking. This refers to banking conditioning conducted in a way that contributes to the overall reduction of external carbon emigrations and internal carbon footmark in a named area. Green finance, as part of green banking, is making a significant donation to the transition of green diligence and the green frugality as a whole to low-carbon, resource-effective diligence. Green banking is a part of the global stakeholder group action to save the terrain. The ideal of this exploration work is to study the perception of green banking in Ahmedabad with a sample of 100 repliers. The study concluded that people are apprehensive of green banking but banks still need to come up with creative and innovative ideas that will increase mindfulness and profit the society as a whole. Green banking will contribute to the quality of banking means as well as greening the assiduity in the future.

Keywords: Green banking, Ecology, Sustainability, Banking sector

INTRODUCTION

Feasible improvement has advanced as a unused worldview of improvement in reaction to the current discourse of advancement that overexploits the common environment for financial prosperity. The financial maintainability can best be accomplished through markets to work inside asuitablestructure of costefficient directions and financial disobedient. It is not as it were the issue of the government and the coordinate polluters but too of other partners like budgetary educate such as banks, which are playing a major part in the improvement of the society. In spite of the fact that keeping money exercises is not influencing the environment, their customers' activities have a huge affect on it. Hence, banks must incorporate green hones into their trade operations, physical structures, budgetary decision, and financing plans. The managing an account division plays the part of an middle person between the financial advance and essential natural assurance. The point of this paper is to highlight strategiesfor teaching inside and outside sub frameworks target bunches and give instruction to accomplish financial supportability through green keeping money. Inner natural affect of the keeping money segment such as utilize of vitality, paper and water are generally moo and clean. The exercises of their shoppers have a enticing impact on the environment than their keeping money exercises do. Hence, natural affect of bank's outside action is gigantic in spite of the fact that troublesome to gauge. In expansion to that natural administration and chance administration are connected in the keeping money industry. The higher quality credit portfolio makes higher pick up, it progresses undertaking esteem and brings down misfortune proportion. Subsequently, one of the assignments of the keeping money industry ought to be to empower ecologically cognizant speculation and cautious financing. Banks ought to organize financing for businesses that have as of now taken considerable steps towards being green as well as those that are as of now doing so. This strategy of back can be called as "Green Keeping money", an exertion by the banks to make the businesses develop green and, in the prepare, reestablish the common environment. It alludes to any frame of managing an account which makes a difference the environment and advances economical hones. This concept of "Green Keeping money" will be commonly advantageous to the banks, businesses and the economy. Not as it were "Green Managing an account" will guarantee the greening of the businesses but it will moreover encourage in making strides the resource quality of the banks in future. Internationally, there is a developing concern almost the part of managing an account and regulation financial specialists for naturally dependable and socially mindful venture projects. Banking

and other budgetary teach are more compelling towards accomplishing this objective for the kind of middle person part they play in any economy and for their potential reach to the number of speculators. Environment is no longer the elite concern of the government and the coordinate polluters, but too the other accomplices and partners in the business-like monetary teach such as keeping money educate can play a exceptionally imperative part in cultivating linkages between financial improvement and natural assurance.

GREEN BANKING

Green services are financial products and services that promote sustainability and environmental protection. Some examples of green banking services include:

- ❖ Loans for sustainable agriculture or renewable energy projects that may be difficult to match with other loans.
- ❖ Investment products that drive investors' values, such as renewable energy quotas or carbon offsets.
- ❖ Loans Vehicle Loans offer loans for electric vehicles at low interest rates.
- ❖ Green Bonds are green bonds that promote energy-efficient homes.

Investment in credit enhancement and private capital utilization to achieve the goals of good banking. Green Bank is like a traditional bank that considers all life and environment to protect the environment and natural resources. Although the bank's activities do not have a direct impact on the environment, the decisions of its customers have a significant impact on the environment. Therefore, banks need to integrate green practices into their daily operations, construction, investment and financing programs. (NATH, NAYAK and GOYAL, 2014). Green Bank helps to establish industries such as sustainable industries. Different ways of interaction of green banking with stakeholders and the concept of incorporating network analysis into the complex interaction of green banking sector and economic system aims to improve the surrounding environment. (Paluszak and WiÅniewska-Paluszak, 2016). Any bank that benefits the environment and the nation is called 'green bank'. A traditional bank can become a green bank by focusing its core activities on environmental protection. The aim of green banking is the first green bank among the commercial banks of Bangladesh and also tries to explain why this policy came into being and compares between commercial banks and different banking activities (Lalon, 2015). Implementation of environmentally friendly practices in the banking system generally reduces both internal and external carbon footprint. The challenge of reviewing the green banking literature and identifying the key issues and requirements. (AHUJA, 2015). The best thing we value for sustainable development is to allow the market to operate within sufficiently cheap laws and economic instruments. Banks need to be more environmentally friendly and take a more active role in addressing environmental issues in their credit policies, encouraging investors to invest necessary resources in environmental management and adopt the right technology and management systems. It explores the importance of green banking, provides examples from around the world and highlights key trends in banking and sustainable development for India (Sahoo and Nayak, 2007). The impact of three green initiatives (green product innovation, green responsibility and green environment) on two possible outcomes, namely green image and green trust, will be affected. The banking sector can play a significant role in the development of the banking sector by increasing access to finance and meeting the needs of the 'green economy'. (Sharma and Choubey, 2022). Although the measures used to date vary greatly between developed and developing countries, central banks, regulators, and policymakers have begun to implement various banking strategies to mitigate downside risks. At the same time, private and public financial institutions are working separately and together to solve problems, especially from a risk management perspective. (Park and Kim, 2020). The banking sector has grown significantly in the green movement worldwide. Banking companies supported by the concept of "green banking" up to are providing paperless, technologically advanced services, while reducing their negative impact on the environment and contributing to sustainable development as good corporate citizens. Green banking practices in terms of security and trust, convenience and ease of use, value creation, environmental and social issues are all included in the sample and may affect customers' overall satisfaction with green banking. (H.M.A. K & H.M.S.P, 2019). The banking system is and is important in terms of private banks under its title. Greening involves encouraging environmentally friendly behavior and reducing the carbon footprint of banking activities. Banks should provide financing to projects that use green technology and reduce pollution to

help reduce greenhouse gas emissions. This article highlights the activities of green banks and various institutions in India. Initiatives have also been made to include specific banking strategies (Bahl, 2012). Due to the rapid growth of sectors in the world, the needs and demands of people all over the world are increasing, the pace of growth and economic development is increasing. On the other hand, it has been observed that the use of natural resources constantly harms the environment. The green banking system has been adopted by public institutions and private banking through marketing activities. It has been determined that public banks take more precautions than non-profit banks. (Yadav and Pathak, 2013). The role of the monetary system is very important in ensuring sustainability. why the financial sector is important in achieving sustainable development and why the third pillar of economic, environmental and social well-being points the way to the bank. Based on a scientific analysis of the world's leading banks, it provides a comprehensive overview of current best practices, analysis of practice differences and recommendations for operational and policy improvements that will contribute to sustainable development. (Jeucken, 2001). Green is an emerging concept in the Pakistani economy. The purpose of this paper is to determine the personal perception and response to green initiatives adopted by the bank and to determine the perception of customers regarding green banking. (Ellahi, Jillani, & Zahid, 2023). Green in the banking sector is due to the increase in global climate change due to environmental degradation. (Bukhari, Hashim, & Amran, 2019).

RESEARCH METHODOLOGY

The study 'Customer Awareness: Green Banking' habituated descriptive exploration. check system was used to collect data. A simple non-probability model was used. A methodical questionnaire was developed and applied to 100 actors. SPSS was used to dissect the data of this study. Repliers were asked to indicate the extent to which they agreed or dissented with items on a five- point Likert scale, where 1 indicates explosively differ and 5 indicates explosively agree.

Research hypothesis

H1 Green service knowledge shows a positive relationship with green banking perception.

H2 User experience shows a positive relationship with the perception of banking services.

H3 Factors affecting green banking abandonment show a positive relationship with green banking adoption intentions.

Objective of the study

- ❖ To examine the awareness of the word 'green' among the youth of Ahmedabad city.
- ❖ To explore the factors affecting the youth's orientation towards banking services.
- ❖ To determine the effect of education on the knowledge of banking services.
- ❖ To discover the most popular green banking services among the users.

Research design

In order to obtain complete and accurate data on customer identification and verification, the research method defining Green Banking was selected. In the descriptive research method, the research method and the data of the research are selected.

Data collection sources

- ❖ For this inquire about information collection source has been utilized as a essential information for collecting reactions from investors.
- ❖ Secondary information is getting from websites, inquire about paper, books.

Data collection method

For the research of the customer's awareness and adoption of green banking data has been collected by google form. Questionnaire has been circulated by google form to who are using green banking product and services.

Sampling design

Population of the study: For the research on Customer's awareness and adoption of Green Banking targeted population are who using green banking product and services.

sample size

Sample size for this exploration is 100 responses has been collected from the musketeers, family, and others who are who using green banking product and services.

Sampling method

In the slice system non-probability slice system named.

Limitations of study

Clearly, it's essential to fete the limitations of this study despite its theoretical and practical counter accusations. One limitation is related to the data collection system, which reckoned on convenience slice. This approach may introduce impulses and circumscribe the generalizability of the findings to a broader population. also, the study was conducted in a specific geographical area, limiting its connection to other regions and potentially overlooking indigenous variations in consumer gets. The article suffers from the following limitations:

- ❖ The data was not collected grounded on position, the data is substantially from Ahmedabad.
- ❖ The data sample is only 100 individualities; it could be increased to see whether similar results would hold true for larger sample size and across colorful metropolises.

data analysis and interpretation

Demographics of respondents:

All the respondents are from Ahmedabad city.

Table 1: Demographics of respondents

Education	Percentage
Graduated	40
HSC	3
Post Graduated	54
SSLC	3
Income Level	Percentage
20000 – 40000	20
40000 – 60000	19
60000 – 80000	9
Below Rs.20000	48
More than 80000	4
Gender	Percentage
Female	50
Male	50
Occupation	Percentage
Housewife/Home maker	2
Private sector services	17
Profession	9
Public sector services	3
Self employed	20
Student	49
Age	Percentage
<20	5
20-30	73
30-40	18
40-50	4

According to the table above 73% of respondents are of age 20 to 30 years and income level of 68% of the respondents is below Rs.40,000. Also 49% respondents are students and 54% of the respondents are post graduate. The demographics show that the study is about middle class, learned youth of Ahmedabad city.

Ideal 1: Understanding of the term 'Green Banking' among responders

Table 2: What's green banking according to you?

Green Banking means-	Chance of addicts
E- banking	43
Environmental protection	17
Paperless banking	35
Use of renewable coffers	5

The overhead table shows that 43 of the responders understand green banking ase- banking whereas according to 35 responders consider green banking as paperless banking.

Ideal 2: Factors impacting youth towards handover of green- banking

Table 3 Factors impacting handover of green banking services

Swaying Factors	Frequence of factors
Convenience	23
Ease of use	36
Terrain concern	16
Time and cost saving	25

The overhead table shows that ease of use and convenience are the named by 59 of the addicts whereas environmental concern is least named.

Ideal 4: To know which green banking service is most preferred by stoner

Table 4 Inclination towards utilize of green managing an account items and administrations

Green banking service/ product	Frequence of use	Chance of use
Cash deposit system	34	10
Green machine loan	24	7
Green home equity loan	15	4
Green mortgages	12	3
Mobile Banking	70	20
Net banking	80	23
Online Bill payment	82	23
Online savings regard	34	10
Solar ATM	1	0

The overhead table shows that 20 responders prefer mobile banking services, 23 responders prefer net banking services and online banking services each. Least responders have ranked solar ATM and Green Mortgages are their preferred services.

Hypothesis Testing:

H1: Variables impacting appropriation of green keeping money appear positive connection with mindfulness of green managing an account.

Table 5: Cross course of action and chi square test for H1

Do you get hardcopy of documents?			
Mindfulness	No	Yes	Terrific Add up to
E- managing an account	30	13	43
Natural assurance	14	3	17
Paperless managing an account	26	9	35
Utilize of renewable assets	5		5
Fantastic Add up to	75	25	100
Utilize of green managing an account	No	Yes	Amazing Add up to

E- keeping money	32.25	10.8	43
Natural security	12.75	4.25	17
Paperless managing an account	26.25	8.75	35
Utilize of renewable assets	3.75	1.25	5
Terrific Add up to	75	25	100
Chi square	0.672085776		

Table 5 The Chi-Square test appears that there's no critical affiliation between mindfulness and impact of green managing an account. The over appears that respondents who are mindful around e-banking are not really affected to utilize green keeping money arrangements.

H2: Involvement of utilize of green managing an account administrations has altogether positive affiliation with mindfulness of green keeping money administrations.

Table 6: Chi square test to find significance of association between experiences of using green banking services with awareness of green banking services.

	Experience of green banking application					
Awareness of green banking services	Bimonthly	Daily	Monthly	Quarterly	Weekly	Grand Total
E- banking	3	7	14	4	15	43
Environmental protection	1	2	3	5	6	17
Paperless banking	2	5	16	3	9	35
Use of renewable resources	1	1	3			5
Grand Total	7	15	36	12	30	100

	Experience of green banking application					
Awareness of green banking services	Bimonthly	Daily	Monthly	Quarterly	Weekly	Grand Total
E- banking	3.01	6.45	15.48	5.16	12.9	43
Environmental protection	1.19	2.55	6.12	2.04	5.1	17
Paperless banking	2.45	5.25	12.6	4.2	10.5	35
Use of renewable resources	0.35	0.75	1.8	0.6	1.5	5
Grand Total	7	15	36	12	30	100

Chi Square Test 0.55965045

Table 6 shows that there is no significance association between experience and awareness about green banking services. In other words, is shows that very few users are aware about different types of green banking services.

H3 Information around green keeping money administrations appears positive affiliation with mindfulness of green keeping money

Table 7: Chi square test to check affiliation between instructive capability and mindfulness of green managing an account administration.

	Instructive capability				
Mindfulness	Graduated	HSC	Post Graduated	SSC	Fantastic Add up to
E- managing an account	22	1	18	2	43
Natural assurance	3		14		17
Paperless managing an account	14	2	18	1	35
Utilize of renewable assets	1		4		5

Fantastic Add up to	40	3	54	3	100
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	Instructive capability				
Mindfulness	Graduated	HSC	Post Graduated	SSC	Terrific Add up to
E- keeping money	17.2	1.29	23.22	1.29	43
Natural assurance	6.8	0.51	9.18	0.51	17
Paperless keeping money	14	1.05	18.9	1.05	35
Utilize of renewable assets	2	0.15	2.7	0.15	5
Fantastic Add up to	40	3	54	3	100

Chi Square Test: 0.37921726

Table 7 appears that there's no critical relationship between information and mindfulness of green keeping money administrations. In other words, it shows that indeed well taught clients are not mindful of most of the green managing an account administration.

Recommendations & Suggestions:

1. RBI should encourage banks to promote the use of green banking services. Banks should be given clear instructions on the use of cardless banking services.
2. The government should encourage the general public to understand the importance of green banking through electronic and print media. This can be achieved by cooperation between the relevant authorities. For sustainable development, banking and tax compliance must be supported. When it comes to green banking, Indian banks and tax institutions have been lagging behind. Indeed, for legal reasons, none of the banks or other fiscal associations have adopted the Equator Principles. The UNEP Declaration on Financial Enterprises is not part of its signatures.
3. RBI can increase the reach of sustainable banking schemes among urban dwellers to encourage green lending for use of solar energy, hydropower, etc.
4. For sustainable development, banking and budget assistance must be supported. When it comes to green banking, Indian banks and tax institutions are in free fall. Indeed, for legal reasons, none of the banks or other financial associations have adopted the Equator Principles. The UNEP Declaration on Financial Enterprises is not part of its signatures.
5. The time has come for India to start implementing the Equator Principles, a set of rules that require the use of fiscal and ecological criteria to finance systems.

CONCLUSION

One approach to raising public awareness of global warming is green finance. The application of green banking is increasing day by day, but banks still need to raise awareness among young people. Banks should recommend innovative products for the benefit of themselves and society. Every business owner is driven to improve the earth and make the world a better place to live. The steps taken by Indian banks are remarkable, but when identified encyclopedically, they are lagging behind. The idea of progress is developing rapidly. There is a growing demand that we must realign our preferences and move away from the one-dimensional paradigm that only considered GDP when analyzing profitable performance, without fully considering the social and environmental sustainability of our growth. Banks have realized that sustainability and profitability go hand in hand as organizations strive to reduce costs, simplify operations and give systems a long-term focus. This awareness is identical to that of their commercial customers. However, the green bank will serve as an active partner in the intervention with a polluting care that ignores institutional mechanisms without supervision, if used properly. Although they have a significant impact on India's growing savings, banks and other financial institutions have not picked up much beans in this area. For sustainable development, we need to help banks and financial institutions to be diligent. When it comes to green banking, Indian banks and financial institutions have been lagging behind. In fact, for legal reasons, none of the banks or other financial organizations have approved it. The principles of Ambi. The UNEP Financial Business Statement is not one of its signatures. The time

has come for India to start implementing the Equator Principles, a set of rules that require the use of fiscal and ecological criteria to finance systems.

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