

CUSTOMER'S AWARENESS AND PROBLEMS OF GREEN BANKING SERVICES IN THIRUVANTHAPURAM DISTRICT

Raseena¹; Dr. M. Gnana Muhila²

¹ **Raseena**, Ph.D Research Scholar (Reg. No.19213101012002), Department of Commerce and Research Centre, Holy Cross College (Autonomous), Nagercoil, Kanniyakumari District, Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli, Tamil Nadu, India.

² **Dr. M. Gnana Muhila**, Assistant Professor(Guide), Department of Commerce and Research Centre, Holy Cross College (Autonomous), Nagercoil, Kanniyakumari District, Affiliated to Manonmaniam Sundaranar University, Abishekapatti, Tirunelveli, Tamil Nadu, India.

Abstract

In the present banking world, the word Green Banking has become a trendy expression. Green Banking resembles the normal conventional banks, which gives more priority to environmental factors, natural resources, and earth's ecology in banking activities in order to safeguard the planet by diminishing carbon impression and downsizing the usage of paper in banks to promote environmental sustainability. The concept of Green Banking is nothing but the mix of operational improvement through technology to change the clients habits to be environmental friendly in day to day banking transactions. Green Banking paves the path for banks and firms who are running behind the economic progress and profitability to make use of the inadequate resources in an ideal way without jeopardize the resources of future generations and ruining the environment to deal with the universal challenge of environmental safeguarding and sustainable development in a favorable manner. The conception of Green Banking and its practices not only mutually profitable to the economy, banks, and industrial sectors, but also supports to restore the planet from global warming and climate change. This paper intends to

Awareness and Problems of Green Banking Services. The study has been made by conducting a survey in Thiruvanthapuram District. For that, the researcher collected 90 samples from the respondents and percentage, Garret ranking method and t- test used for this study.

Key words: Digital Banking, Internet Banking, Merger of banking, Demonetization, Technology.

Introduction

In the Twenty-First Century, India is witnessed a lot of changes. It faced many challenges in the banking sector like Demonetization, Digital Banking, Internet Banking, Merger of banking. So, change is imminent in the present for the survival and growth of the banking sector. Green banking is like a standard bank that considers all the environmental or ecological, and social factors to protect the environment and concern natural resources. It is also called an ethical bank or a sustainable bank. Green banking also means promoting environmental-friendly practices in the bank. But that can be promoted in all institutions; in general, green banking can be defined in several ways from a broader perspective. It is an environmentally friendly banking practice that promotes their customer to reduce the carbon footprint through their banking practices. Green Banks gives more importance to environmental factors, they aim to protect the environment and social business practice, they check all the factors before lending a loan, whether the project is environmentally friendly and have any implications in the future, and we will be awarded a loan only when you follow all the environmental safety standards. Green banking can benefit the environment either by reducing the carbon footprint of consumers or banks. Either a bank or a consumer can conserve paper and benefit the environment. Ideally, a green banking initiative will involve both. Online banking is an example of this. When a bank's customer goes online, the environmental benefits work both ways. In simple words, Green

banking means combining operational improvements and technology for the sustainability of the environment.

Statement of the Problem

Globalization, industrialization, technological advancement, and urbanization have changed the entire world particularly the 21st-century generation. This global change brings economic development along with an upsurge in the standard of living, extravagance, and solace to people in all aspects. The global market becomes more competitive simultaneously with a rise in client needs and demands, which very quickly increases the enormous use of natural resources. In the process of economic development, by increasing the standard of living, and gaining competitive advantages, humans neglect to realize the fact of sustainability. Economy, society, and environment are the three pillars of sustainability; damage to any of these pillars will drastically influence and demolish other two pillars. Due to overexploitation of the natural environment, the ecological balance has been upset and consequently paved the way for pollutions. It is commonly known by the name Global warming and Climate change. Green initiatives were implemented by banks and they presented four dimensions of Green Banking, such as Green Banking products and services, Green Banking channels, Green Banking process, and advanced Green Banking technology to diminish the carbon impression in the banking sector. This study tempts to expose the Green Banking initiatives in Thiruvanthapuram District such as Green internal processes, waste management practices, Green practices and follow-up, energy conservation practices, and Green funding and carbon offsets. It also made an attempt to identify the factors influencing customer's awareness and problems facing by using in Green Banking.

Review of Literature

Riya Gupta (2023), “A Study on Green Banking Initiatives in India: Customer Perception towards Sustainability”, his study concluded that the Customers were aware of environmental issues but face obstacles in using green products. Based on the review of the literature, a conceptual model was proposed that shows how green banking initiatives and customer views on sustainability are related. Statistical methods are used to look at the collected primary response data. The analysis starts with making the measurement scale, which includes the whole thing that is being measured in the study. The measurement model is looked at to see if it is reliable and if the scale has the necessary convergent and discriminant validity. The confirmatory factor analysis (CFA) is used to test the construct validity of a measurement scale that has already been made. In the sections that follow, the results of these statistical methods are given and talked about. The reliability of the instrument means that it gives consistent scores from a test. There are many ways to test how reliable an instrument is, but in this study. The researcher stated that the RBI needs to give clear rules to all banks that require them to take part in "green banking" initiatives. The RBI should also set up help centres where customers can get answers to their questions about these products and learn about the green initiatives and how they help society as a whole.

Sri. M.Narayanan & Dr. S. Chandrasekaran (2022), “A Study on Customer Perception towards Green Banking Initiatives with Special Reference to State Bank of India (SBI) in Tirunelveli District”, from the analysis of their study with the various demographics given it was clearly indicated that in terms of gender and marital status doesn't have significant differences in the level of continuous commitment. While other six demographics namely age, type of bank, education, experience, designation and income shows significant differences in the

level of Continuance Commitment. This means in order to improve the level of continuous commitment level banks must make adequate steps to look into demographics profiles of employees very closely.

Prof. Vijayakumar R & Prof. Shashikumar (2021), “Green Banking Services: Customers’ perception towards business sustainability during COVID 19”, this paper analysis the selected bank bankers’ attitude towards the green banking system towards business sustainability and recovery in the study area. From the analysis it is concluded that bankers of selected commercial banks are varied in their opinion about implementing the green banking system in their banks. Further the research finding explains how the green products is accepted by the business customers and bankers during COVID 19. The banker and customers they are not coping with green products i.e., Banking and Green Mortgage, but were the Some of the Products like Green saving account, Green Credit Card, Remote Deposits, Green Loan both have been accepted on the this products, which clearly in the figure. With Go Green mantra permitting, the banking sector too has adopted sustainable practices in all spheres of life. Green Banking is a Multi-stakeholders' Endeavour where banks have to work closely with government, NGOs, Central Bank, consumers and business communities to reach the goal. Green banking is still a major issue and can take an important for development of our country in India. As bank and financial institution of India has started taking initiative but not at high level. To sustain the development of the Indian economy bank and financial institution have to work more hard as compare to big foreign banks as they are playing important role in maintaining the sustainability of their country economy. But still Indian banks have not accepted the principle equator policy to keep a record of their clients. Now it is time that India should take some strict steps to harness these banks and financial institution to adopt green banking system so that they can contribute in

the protection of environment in future. There is a huge opportunity in clean, renewable energy technologies, emissions reduction and reduced-carbon transportation which can be slowly and steadily be achieved if we get cooperation from all sectors of the economy and bank being an integral part of our economy must lead from the front. Further, customers' perception towards the green banking system should be effective and efficient. To make this, the Reserve Bank of India and the Government must play a vital role and formulate a green policy guidelines and financial incentives, so that customers will be benefited through these services. The survival of the banking industry is inversely proportional to the level of global warming. Therefore, commercial bank initiative towards Green banking shows the sustainability.

Green Banking

Green banking is a new financing trend where banks shift their investment strategies to focus on sustainable technologies and environmentally-friendly initiatives. These financial institutions are dedicated to sustainable banking initiatives that promote clean energy and combat climate change.

Hypotheses of the Study

- ❖ There is no significance different between namely Comparison of Gender and Customers' Awareness of Green Banking of the respondents.

Objectives of the Study

- To study customers usage and source of information awareness for Green Banking products in Thiruvanthapuram District
- To know the perception of selected customers towards Green Banking practices in the District

Research Design

The present study is of Descriptive in nature. Sample size selected for the study was 90 respondents in Thiruvanthapuram District of Kerala State. Convenience sampling technique was adopted in the selection of the respondents. For analyzing the data, Percentages, Garret Ranking and t-test were applied.

Limitations of the Study

- The sample size is very limited and small as compare to the total population of the selected District. Hence, the outcome of this study could be change if the sample respondent size is large.
- Only important products and services of green banking were studied.

RESULTS AND DISCUSSIONS

Table 1: Demographic Variables of the Respondents

VARIABLES		No of Respondents	Percentage
Age	Upto 25	11	12
	26-35	27	30
	36-45	21	23
	45-55	16	18
	Above 55	15	17
	Total	90	100
Sex	Male	51	57
	Female	39	43
	Total	90	100

Educational Qualification	Upto SSLC	19	21
	HSC	19	21
	Graduation	32	36
	Post-Graduation	24	27
	Others	15	17
	Total	90	100
Occupation	Farmer	8	9
	Govt. Employees	19	21
	Private Employees	32	36
	Business	16	18
	Others	15	17
	Total	90	100
Income Per Month	Less than 10000	13	14
	10001-20000	16	18
	20001-30000	32	36
	30001-40000	17	19
	Above 40000	12	13
	Total	90	100

Primary data

Table No.1 shows demographics wise distribution of the respondents. It reveals that male respondents are higher than female respondents. Majority of respondents using respondents in

the age group of 26-35 and Graduation were high as compared to other Educational groups. Majority of the respondents were Employees and 20001-30000 respondents were high as compared to other Income Per Month for respondents.

Table 2: Usage of Green Banking Products

Nature	No of Respondents	Percentage
Less than 1 year	17	19
1 to 3 years	21	23
3 to 5 years	27	30
More than 5 years	25	28
Total	90	100

Primary data

The above table indicated that the usage of the respondents. Out of the total respondents, 27 respondents used this products 3 to 5 years, 25 respondents used this products More than 5 years, 21 respondents used this products' 1 to 3 years and 17 respondents used this products Less than 1 year.

Table 3: Sources of Information

Sources	No of Respondents	Percentage
Television	16	18
Radio	2	2
Advertisement in print media	11	12
Online Advertisement	18	20
Through their employees	24	27

Friends and relatives	19	21
Total	90	100

Primary data

The above table explained the Sources Information getting about the Green Banking Services. When researcher asked about the services, respondents believed that advertisements and friends and relatives were the main source.

Table 4: Green Banking Products

Nature	No of Respondents	Percentage
Credit Card	9	10
Debit Card	16	18
Mobile Banking	12	13
Internet Banking	14	16
Electronic Fund Transfer s (EFT)	11	12
Green Accounts	10	11
Automated Teller Machine (ATM)	13	14
IMPS	5	6
Total	90	100

Primary data

The above table indicated about the Green Banking Products. 16 respondents using the debit card, 14 respondents using the Internet Banking, 13 respondents using the Automated Teller Machine (ATM), 12 respondents using the Mobile Banking, 11 respondents using the Electronic Fund Transfer s (EFT), 10 respondents using the Green Accounts and 5 respondents using the IMPS.

Table 5: Green Banking Services

Nature	No of Respondents	Percentage
Cash withdrawal	21	23
Balance enquiry	11	12
Cash Deposit	7	8
Transfer of Funds	16	18
Mini Statement	6	7
Pin Change	4	4
Pay Utility bills	7	8
Online shopping	13	14
Bill Payment	5	6
Total	90	100

Primary data

The above table explained that the Green Banking Services. From total respondents, 21 respondents using Cash withdrawal with the help of Green Banking, 16 respondents using Transfer of Funds, 13 respondents using Online shopping, and 4 respondents using this services for Pin Change their modern services.

Table 6: Customers' Awareness of Green Banking

NUMBER OF RESPONDENTS												
Statement	Strongly Aware		Aware		Neutral		Dis Aware		Strongly Dis Aware		Total R	Total %
	R	%	R	%	R	%	R	%	R	%		
Male	12	13	24	27	7	8	6	7	2	2	51	57

Female	9	10	13	14	8	9	5	6	4	4	39	43
Total	21	23	37	41	15	17	11	12	6	7	90	100

Primary Data

From the above table it can be observed that 23 percentage of the respondents were Strongly Aware, 41 percentage of the respondents were Aware, 17 percentage of the respondents were Neutral, 12 percentage of the respondents were Dis- Aware and 7 percentage of the respondents were Strongly Dis Aware.

Table 7: Problems of Green Banking Services

Green Banking Services	No of Respondents	Percentage
High Service charge	63.75	I
High Interest	60.33	II
Restriction for usage (card limit)	59.33	III
Withdrawal Limit	59.17	IV
Technical problems	57.50	V
Network Problem	55.00	VI
Security	51.33	VII
Operating System problem	49.71	VIII

Computed Data

The above table shows that Problems of Green Banking Services. Most of the respondents faced the High Service charge, it is the first rank. Other factors like High Interest, Restriction for usage (card limit), Withdrawal Limit, Technical problems, Network Problem, Security and Operating System problems were following rank.

COMPARISON OF GENDER AND CUSTOMERS' AWARENESS OF GREEN BANKING

The t- test is applied to find the Comparison of Gender and Customers' Awareness of Green Banking.

Table 8: Calculation of t-test

Factors	Variables	df	Table Value	Calculated Value	Result
Gender and Customers' Awareness	Male	178	1.645	-0.1741	Accepted
	Female				

Computed Data

The above table represents the independent sample t-test. It is clear from the table that the Comparison of Gender and Customers' Awareness of Green Banking has its calculated value is less than the table value. There is no significance different between namely Comparison of Gender and Customers' Awareness of Green Banking of the respondents. Hence the null hypothesis is accepted.

Findings

- ❖ Male respondents are higher than female respondents.
- ❖ Majority of respondents using respondents in the age group of 26-35.
- ❖ Graduations were high as compared to other Educational groups.
- ❖ Majority of the respondents were Employees and 20001-30000.
- ❖ 16 respondents using the debit card.
- ❖ 14 respondents using the Internet Banking.

- ❖ 13 respondents using the Automated Teller Machine (ATM).
- ❖ 12 respondents using the Mobile Banking.
- ❖ 11 respondents using the Electronic Fund Transfers.
- ❖ 10 respondents using the Green Accounts.
- ❖ 5 respondents using the IMPS.

Suggestions of the Study

- Bank employees lack complete awareness about Green Banking practices employed in their banks. It's the responsibility of banks to create awareness amidst the bank employees first about the Green Banking initiatives employed in their banks to make the internal environment Green.
- Banks should give equal importance to rural, semi-urban, and urban locality banks while implementing Green Banking initiatives and practices.

Conclusion

The study concluded that, the customers of the banks are not fully aware of the Green Banking services and its products. The study exhibits that a lack of awareness on the procedure relating to green banking products adds to the problem of the Operating System problem in green banking services among customers. Some banks do not advertise the benefits associated with green banking to customers. In this scenario, it is imperative to consider the need for different ways of imparting customers' education in green banking by conducting various awareness programs in multiple languages. It is also necessary to disseminate the usefulness of green banking products and services by motivating customers to use green banking products. The customers still fear carrying out the Green Banking activities because carrying out online transactions is unsafe and can be easily hacked by anyone. Further, they feel insecure as they do

not have trust in E-services, and they think that their data can be misused. However, Green Banking services provide more benefits to its customers than traditional banking from the analysis.

Reference

1. Sri. M.Narayanan & Dr. S. Chandrasekaran (2022), “A Study on Customer Perception towards Green Banking Initiatives with Special Reference to State Bank of India (SBI) in Tirunelveli District”, International Journal of Creative Research Thoughts (IJCRT), ISSN: 2320-2882, Volume 10, Issue 1 January 2022, pp. 479-486.
2. Riya Gupta (2023), “A Study on Green Banking Initiatives in India: Customer Perception towards Sustainability”, Academy of Marketing Studies Journal, 1528-2678-27-S2-005, Volume 27, Special Issue 2, 2023, Pp. 1-9.
3. Prof. Vijayakumar R & Prof. Shashikumar (2021), “Green Banking Services: Customers’ perception towards business sustainability during COVID 19”, Elementary Education Online,2021; Vol 20 (Issue 1): pp.3429-3435.
4. Prabhu, N. G. (2021). Green banking practices – A case study on Indian green banking system. International Journal of Research Publication and Reviews, 2(3), 487-493.
5. Suresh, V. (2020). Green banking: Issues and challenges in India. Studies in Indian Place Names, 40(3), 4399-4403.
6. Agrawal Shikha (2014). Green Banking In India: An Empirical Study of Commercial Banks. Voice of Research, 2(4), 58-60.
7. Azad Naser and Samanlou Rashid Vahid (2016). Identifying and Ranking the Affecting Factors of the Green Banking on Banks Competitive Market (StateOwned Banks and Private Population of Tehran). The Caspian Sea Journal, 10(1), 03-08.