

Customers Awareness And Perceptions Towards Green Banking.

Author's Name:

Prasad Mahale
Research Scholar,
Dept. of .Commerce,
University College,
Hampankatta , Mangalore,
Karnataka, India.
Mob: 9538579585
PrasadMahale.PM@gmail.com

Dr. C.K Hebbar
Research Guide,
Dept. of .Commerce,
University College,
Hampankatta , Mangalore,
Karnataka, India.
Mob: 9448351299
hebbarkc@yahoo.com

Abstract:-

In the modern of banking context, sustainable development is achieved through concept of banking in general and green banking in particular. Green banking is a eco-friendly banking practice that encourages their customers to reduce the carbon foot print through their environmental friendly banking practices. This paper is an attempt to study the customer's awareness and perceptions towards green banking in Bhatkal Taluk's nationalised banks. The data is collected from the customers through primary as well as secondary data method. The study concludes that the customers of the banks are aware of the Green banking services.

Key words: Awareness, Online Banking, Nationalized banks, Customers, Rural

Introduction:-

In the globalised scenario of banking context, sustainable development is achieved through concept of banking in general and Green Banking in particular. Banking sector has been one of the significant economic agents fostering continuous economic growth and sustenance in the country. It has been noticed that banking sector has been playing a significant role in terms of qualitative and quantitative economic growth and influences a speedy economic growth but also promotes environmentally sustainable and societal responsible investment.

‘Green Banking’ signifies an effort made by the banking sector in general to make the industries ‘Go Green’ in the process of sustaining a natural environment which is mutually advantageous to the banks, industry, economy and society. The recent concept of ‘Green Banking’ is also ensures a speedy growth of industries and facilitate improvement in asset quality maintained by the banks.

Green Banking:

Green banking can be defined in various ways in a wider prospective. It is eco-friendly banking practice that encourages their clients / customers to reduce the carbon foot print through their environmental friendly banking practices. The Indian bank association explains that a green bank functions like a standard bank considering the environment and social component or factor of natural resources.

Green banking is like a standard bank which consider all the environmental or ecological and social factor with an aim to protect the environment and natural resources consequently it is called as an ethical bank or a sustainable bank and its concepts can be easily amalgamated and adaptable.

Objectives of the study:-

- To know the concept of green banking
- To know the perception of customers towards green banking
- To examine the awareness level of customers towards green banking
- To give suggestions based on the findings of the study

Limitation of the study:-

- The study limited to Bhatkal Taluk only and the research data collected from selected nationalized bank customers.
- The study collected data is from nationalized banks such as; State Bank of India, corporation bank, Canara bank, Syndicate bank and Vijaya bank.
- The study carried on limited number of respondents from the selected area.

Hypotheses :-

H₀₁ : There is no significant variation between Gender and awareness of green Banking facilities.

H₀₂ : There is no significant variation between Location and awareness of green Banking facilities.

Research methodology:-

The research method is based on primary data as well as secondary data used in this study. The primary data collected through structured Questionnaire method and Secondary data collected through published and non- published sources. Published sources like journals, magazines, books and online resource. So that we can get numerous knowledge about the green banking present situation.

Sample size: Total sample size is 150 respondents

Method of sample collection: Simple Random Sampling.

Tools for analysis: Simple percentage, Average and Chi-square test.

Data analysis and interpretation :-

The data collected from the respondents was analysed and presented in tabular form and hypotheses were tested with suitable measures. Finally, findings of the study have been enumerated. Accordingly, suggestions were given for the improvement in green banking awareness and conclusions were derived.

Table No. 1 Socio-Economic Profile

Variables	Parameter	No. of Respondents	Percent (%)
Gender	Male	95	63.33
	Female	55	36.67
	Total	150	100
Age	18 to24	32	21.33
	25 to 35	56	37.33
	36to 45	38	25.33
	Above 46	24	16
	Total	150	100
Educational level	Illiterate	12	8
	Primary	18	12
	Secondary	56	37.33
	Graduate	39	26
	Post graduate	25	16.67
	Total	150	100
Location	Rural	102	68
	Urban	48	32
	Total	150	100

Source: Field Survey, N=150

The table no. 1 shows that socio- economic background of the bank customer; where result revealed that classification of gender, age, education level and location. The percentage of gender participated was; male i.e.63.33% and female 36.67%. In connection with age wise distribution of respondents, majority of respondents were in the age group of 25 to 35 years. It is noted from the above, majority 68% of respondents are from rural area. Majority of 37.33% respondents are with the education qualification of Secondary level.

Table No. 2 Respondent's banks

Bank	No. of Respondents	Percent (%)
State bank of India	03	38
Corporation bank	02	18
Canara bank	01	14
Syndicate bank	03	10
Vijaya bank	03	20
Total	12	100

Source: Field Survey, N=150

The table no. 2 revealed that majority of respondent comes under State bank of India i.e.38%, Vijaya bank i.e.20 %, Corporation bank i.e.18% and Canara bank i.e.14%, and Syndicate bank i.e.10%.

Table No. 3 Awareness about green banking concept

Variable	No. of Respondents	Percent (%)
YES	126	84
No	24	16
Total	150	100

Source: Field Survey, N=150

the table no.3, it is revealed that 84% of bank's customers are aware about concept of green banking and rest of other i.e 16% are not aware about green banking concept.

Table 4: Sources of awareness

Particulars	Weights	Percentage
Friends	95	20.08
Newspaper	85	17.97
Internet	56	11.84
Television	83	17.55
Bank officials	76	16.07
Bank Employees	78	16.49
Total	473	100

Source: Field Survey, N=150

Above table no. 4 shows the awareness of green banking among various sources such as 20.08% of friends, 17.97% in newspaper, 11.84% from internet, 17.55% from television, 16.07% from bank officials and others 16.49% from bank employees.

Table 5: Awareness of customers on benefits of Green Banking Services

Particulars	Reactions	
	Weights	Percentage
Easy availabilities	140	25.32
Eco Friendly	98	17.72
Save time	125	22.6
Rewards	80	14.47
Cheaper	60	10.85
All the above	50	9.042
Total	480	100

Source: Field Survey, N=150

With reference to the above table no.5 it is revealed that 25.32% of the respondents are aware of easy availabilities of green banking services, 17.72% respondents stated it to be eco friendly, 22.6% respondents saved their time using green banking, 14.47% respondents got Rewards, 10.85% respondents said that it is cheaper and finally 9.042% respondents were benefited from all of the green banking services.

Table6: Awareness of customer towards Green Banking Services

Particulars	Aware	Not Aware
ATM Banking	93.33%	6.67%
Mobile Banking	80%	20%
Online Banking	46.66%	53.34%
Debit and Credit Card	100%	0%
Electronic Fund Transfer	38.67%	61.33%
Paperless Banking	46.67%	53.33%
All	32%	68%

Source: Field Survey, N=150

Above table no.6 shows that awareness about green banking services in Bhatkal taluk. In this table 93.33% respondents are aware ATM Banking 80% are aware and 20% are not aware. is 46.66% respondents are aware of Online Banking. 38.67% respondents are aware of EFT and 61.33% are not aware of EFT 46.67%. respondents are aware of paperless banking and 53.33% are not aware of it. Debit and Credit card is used by 100. Finally 32% of the respondents are aware about all of the above services and 68% are not aware about it in Bhatkal Taluk.

Table 7: Awareness of customers on problems of green banking Services

Particulars	Reactions	
	Weights	Percentage
Lack of operating knowledge	90	19.11
Lack of infrastructure	120	25.48
Waste of time	40	8.493
Security Risk	86	18.26
High Cost	52	11.04
Lack of confidence in handling Technology enabled services	83	17.62
Total	471	100

Source: Field Survey, N=150

The above table no. 7 indicates the problems of green banking 19.11% of respondents stated that lack of operating knowledge of green banking services. 25.48% of the respondents stated that lack of infrastructure, 8.493% respondents stated that waste of time to use the green banking services , 18.26% respondents are certain of security risk, 11.04% respondents stated that Green banking services includes High cost and 17.62% respondents stated that lack of confidence in handling technology enabled services.

Table 8: Perception of customers towards Green Banking Services

Perception	No. of Respondents	Percentage
Good	146	97.33
Bad	4	2.67
Total	150	100

Source: Field Survey, N=150

Above Table no. 8 shows the Perception of customers towards Green Banking Services. Out of 150, 97.33% are in favour of green banking services where as 2.67% of respondents not in favour of green banking services.

Hypothesis Testing: - H₀₁

H₀ : There is no significant variation between gender and awareness of green banking facilities

H₁ : There is significant variation between gender and awareness of green banking facilities

Table 9

Gender	Green Banking Services							Total
	ATM	Mobile Banking	Online Banking	Debit and Credit Card	EFT	Paperless Banking	ALL	
MALE	90	80	40	95	43	40	36	424
FEMALE	50	40	30	55	15	30	12	232
TOTAL	140	120	70	150	58	70	48	656

O	E	O-E	(O-E) ²	(O-E) ² /E
90	90.4878	-0.4878	0.238	0.0026
80	77.561	2.439	5.9488	0.0767
40	45.2439	-5.2439	27.499	0.6078
95	96.9512	-1.9512	3.8073	0.0393
43	37.4878	5.5122	30.384	0.8105
40	45.2439	-5.2439	27.499	0.6078
36	31.0244	4.9756	24.757	0.798
50	49.5122	0.4878	0.238	0.0048
40	42.439	-2.439	5.9488	0.1402
30	24.7561	5.2439	27.499	1.1108
55	53.0488	1.9512	3.8073	0.0718
15	20.5122	-5.5122	30.384	1.4813
30	24.7561	5.2439	27.499	1.1108
12	16.9756	-4.9756	24.757	1.4584
				8.3206

X-squared=8.3206 df=6

Tabulated value of chi-square at 5% level of significance and 6 degrees of freedom is 12.592 and calculated value is 8.3206. So we can conclude that there is no significant variation between Gender and awareness of green Banking facilities.

Hypothesis Testing:- H₀

H₀ : There is no significant variation between Location and awareness of green Banking facilities

H₁ : There is significant variation between Location and awareness of green Banking facilities

Gender	Green Banking Services							Total
	ATM	Mobile Banking	Online Banking	Debit and Credit Card	EFT	Paperless Banking	ALL	
Rural	92	77	30	102	24	32	34	391
Urban	48	43	40	48	34	38	14	265
TOTAL	140	120	70	150	58	70	48	656

Table 10

O	E	O-E	(O-E) ²	(O-E) ² /E
92	83.4451	8.5549	73.1859	0.8771
77	71.5244	5.4756	29.9823	0.4192
30	41.7226	-11.72	137.418	3.2936
102	89.4055	12.595	158.622	1.7742
24	34.5701	-10.57	111.727	3.2319
32	41.7226	-9.723	94.5282	2.2656
34	28.6098	5.3902	29.0547	1.0156
48	56.5549	-8.555	73.1859	1.2941
43	48.4756	-5.476	29.9823	0.6185
40	28.2774	11.723	137.418	4.8596
48	60.5945	-12.59	158.622	2.6178
34	23.4299	10.57	111.727	4.7686
38	28.2774	9.7226	94.5282	3.3429
14	19.3902	-5.39	29.0547	1.4984
				31.877

X-squared=31.877 df=6

Tabulated value of chi-square at 5% level of significance and 6 degrees of freedom is 12.592 and calculated value is 31.877. So we can conclude that there is a significant variation between location and awareness of green Banking facilities.

Findings:-

1. Majority of the respondents are male i.e., 63.33% and female 36.67% .
2. Majority of the respondents are from rural area i.e., 68%
3. Majority of the respondents are aware about the concept of green banking only 16% of the respondents are not aware about the concept of green banking.
4. For most of the respondents are got awareness from their friends that is 20.08% and some respondents from Newspaper, television, bank employees, bank officials and internet respectively.
5. Majority of respondents are using green banking facilities because of Easy availability, save time and eco friendly.
6. The majority of respondents are aware about Debit and credit card services i.e., 100%.
7. Tabulated value of chi-square at 5% level of significance and 6 degrees of freedom is 12.592 and calculated value is 8.3206. So we can conclude that there is no significant variation between Gender and awareness of green Banking facilities.
8. Tabulated value of chi-square at 5% level of significance and 6 degrees of freedom is 12.592 and calculated value is 31.877 . So we can conclude that there is significant variation between location and awareness of green Banking facilities.
9. The respondents facing problems on green banking service like lack of infrastructure are 25.48% and Lack of operating knowledge are 19.11%.
10. 97.33% Customers have positive perception on green banking services.

Suggestions:-

1. Make green banking services more secure, more convenient and easily accessible .
2. EFT facility through ATMs should be introduced other than state bank of India branches in Bhatkal Taluk
3. On line banking facilities should be more popularised in rural area and it should be promoted where it is lacking .
4. Provide fast network services to make Technology enabled services more popular.

5. Introduce secured Biometric technology at ATMs is conveniently easy to use by the bank customers.
6. Green banking infrastructure like Swipe machine, solar powered ATM's, Green Channel counter etc. . should be introduced.
7. Bank should conduct more training programme to bank customers, personal contact programme, make more advertisement for green banking services.

Conclusion:-

Green Banking is the finest idea of environmental sustainability. In order to strengthen green banking in rural area customers must be empowered. The customers of nationalised banks in Bhatkal taluk are satisfied with the banking activities. Green banking services helped them to reduce banking related problems and efficiency of banking activities. At, present customers have more awareness about green banking services and their attitude are very positive on these new developments moreover its success would depend on how efficiently banks handle those core issues.

References:-

1. Ahuja Neyati. (2015), "Green Banking in India: A Review Of Literature", International Journal for research in management and pharmacy, Vol.4, January , pp.11-16.
2. Bahl Sarita. (2012),"Green Banking- The New Strategic Imperative", Journal Of Asian Research Consortium, Vol.2, Issue 2, February, pp.176-185.
3. Bihari Suresh Chandra (2010), "Green Banking-Towards socially responsible banking in India" ,JBIT, Vol. 4, Issue. 1 ,October - March .
4. Green Jones.G (2013), "Customer Relationship Management In Commercial Banks With Special Reference To Kanayakumari District", Manomanian Sundaranar University Tirunelveli , September.
5. www.indianjournals.com
6. www.sbi.com
7. www.rbi.org.in