



Factors Influencing Banking Customers Towards Green Banking Services In Selected Public Sector Banks In Sivagangai District

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ABSTRACT:

Online account opening forms for opening green account. Green banking helps to reduce cost, risk, and saves time. Green banking influences the people than traditional banking, green banking not only helps the banking customers it also enhances the number of customers for their banks. The green banking is very much environment friendly improves the bank reputations and shows the people it is sustainable bank for the long period and make a real impact. After analysis the different factors are definitely influencing the banking customers towards green banking. The banks are approaching the customers in an initiative way that induces the banking customers to use again and again.

Key Words: Green banking, environmental friendly, banks reputations, sustainable bank.

1.1 INTRODUCTION:

Green banking means increases environmental friendly practices and reducing your carbon footprints from your banking process. Green banking aims at improving the operations, banking technology along with making the clients habits environment friendly in the banking business. Green banking is user friendly and saves their precious time. While in traditional banking the customers stand in queue for long time whether to deposit or withdraw their money. Largest commercial bank in India such as State Bank of India has developed several

green banking initiatives. All over the world situation adjust for taking green initiatives all over the industries including financial industry as well.

1.2. GREEN BANKING PRODUCTS AND SERVICES.

1. Online Savings Account: Green banking includes setting up direct deposit to receive your pay cheques, receiving electronic statements from your bank and by paying bills online.

2. Paperless Statement: - Sending out bank statement by mail is a big waste of paper.

3. Use Direct Deposit: - Most employers will give employees the option to receive their pay cheque electronically

4. Online bill payments: Paying bills online is something of a lifestyle change, but it can be done. Telephone bills, cable bills, utility bills, credit card payments and mortgage payments can all be paid electronically.

5. Net banking: online banking is when customers perform most of their banking related functions without visiting the bank, personally. To do so customers must possess an internet banking ID and a password provided by the bank in which the individual customer has an account.

6. Credit and Debit Cards: Credit card and debit card can be used while making the payment of various expenses without caring the money.

7. Electronic fund transfer: Electronic banking, also referred as electronic fund transfer (EFT), uses computer and electronic technology as a substitute for cheques and other paper transactions.

8. Mobile banking: Mobile banking is a term used for performing balance checks, account transactions, payments, credit applications etc.

9. Green mortgages: This facility helps the individual customer to get a lower interest rate green loan than market rate, who is ready to purchase new energy efficient homes.

10. Green home equity: loans reduced rate home equity loans sometimes referred to second mortgages can help motivate households to install residential renewable energy (Power or thermal), technologies

11. Green car loans: - With below market interest rate many green car loans encourage the purchase of cars that demonstrate high fuel efficiency.

12. Green Project finance: A number of banks are now ready to accept large scale renewable energy project.

1.3. REVIEW OF LITERATURE:

Meena (2013) identified four benefits of green banking: it reduces deforestation, raises environmental consciousness among staff and consumers, provides advantage of the lower rate and changes corporate activities in an environmentally beneficial manner.

Das and Islam (2013) stated that green banking can be defined as reduction of carbon emission from banking activities by adopting environment – friendly measurement which has two – folded approaches – a) green transformation should be occurred using renewable energy efficiently and reducing paper based works through embracing automation of working methods: b) banking activities should foster green initiatives by supporting environmentally responsible projects.

The Reserve Bank of India plays a significant role in advancing environmental standards. A developing nation such as India needs to put more emphasis on the social aspect of banking and link it to economic development (UNEP FI, 2016).

1.4. OBJECTIVES OF THE STUDY:

1. To know the factors influencing people towards green banking.
2. To know the number of green products that is offering by public sector banks.

1.5. STATEMENT OF THE PROBLEM:

Green Banking helps the banking consumer and the banks in terms of cost efficiency, saves their precious time. But it's still complicated because literate people only use this opportunity of green banking. Here, we can access only the literate people can't access the illiterate people because they won't use the green banking.

1.6. RESEARCH METHODOLOGY:

The Research work was conducted with the objective to find out whether the customers satisfaction level towards green banking in public sector banks. This paper reviews the literature on the basis of both the primary and secondary data. The primary data were collected from the customers of various public sector banks and the secondary data collected from the sources such as articles, research papers, books, and journals.

1.6.2 SAMPLING METHODOLOGY:

Sampling technique used in this study is Non- Probability sampling in that convenience sampling is used.

Sample unit – Public Sector Banks

Sample area – Karaikudi region

Sample size – 130

1.7 DATA ANALYSIS & INTERPRETATION:

1.7.1 GENDER WISE CLASSIFICATION OF THE RESPONDENTS:

The following table gives the Demographic distribution of the respondents. 130 sample respondents were contacted for the collection of primary data. There were both male and female respondents. The distribution of gender of the sample respondents is given in table 1.1

TABLE 1.1
GENDER WISE CLASSIFICATION OF THE RESPONDENTS

Gender	Frequency	Percentage
Male	91	70
Female	39	30
Total	130	100

SOURCE: Primary data

The above Table 1.1 shows that out of 130 respondents contacted 70% of them were male and the rest were female. It is inferred that majority of the male customers are using green banking products in the study area.

1.7.2. AGE WISE CLASSIFICATION OF THE RESPONDENTS:

The sample customers belong to varied age groups. The age wise classification of the respondents is given in table 1.2

TABLE 1.2
AGE WISE CLASSIFICATION OF THE RESPONDENTS

Age Group	Frequency	Percentage
18 to 25	20	15
25 to 32	45	35
39 to 46	54	42
Above 47	11	8
Total	130	100

SOURCE: Primary data

It is understood that among the respondents, 15 % belong to the age group of 18 to 25 years, 35% belong to the age group of 25 to 32 years. 42% were in the age group of 39 to 46 years. Another 8% were 47 years of age. From the above, it is inferred that majority of the respondents fall between the age of 39 to 46 years.

1.7.3 EDUCATIONAL QUALIFICATION OF THE RESPONDENTS:

The sample customers are with different educational qualifications. The different qualification of the respondents is given in table 1.3

TABLE 1.3
EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

Qualification	Frequency	Percentage
Not Formally Educated	2	8.4
High school	18	29
Degree	62	18.6
Master degree	48	22
Total	130	100

SOURCE: Primary data

It is clear from the above table 1.3 that 22% of sample respondents have qualified for Master degrees. Another 18.6% of them are qualified for degrees. Another 29% are educated up to high school, and the rest of the respondents are not formally educated. Hence a higher proportion of respondents are fairly educated and qualified for various degrees.

1.7.4 GREEN BANKING FACTORS INFLUENCES PEOPLE:

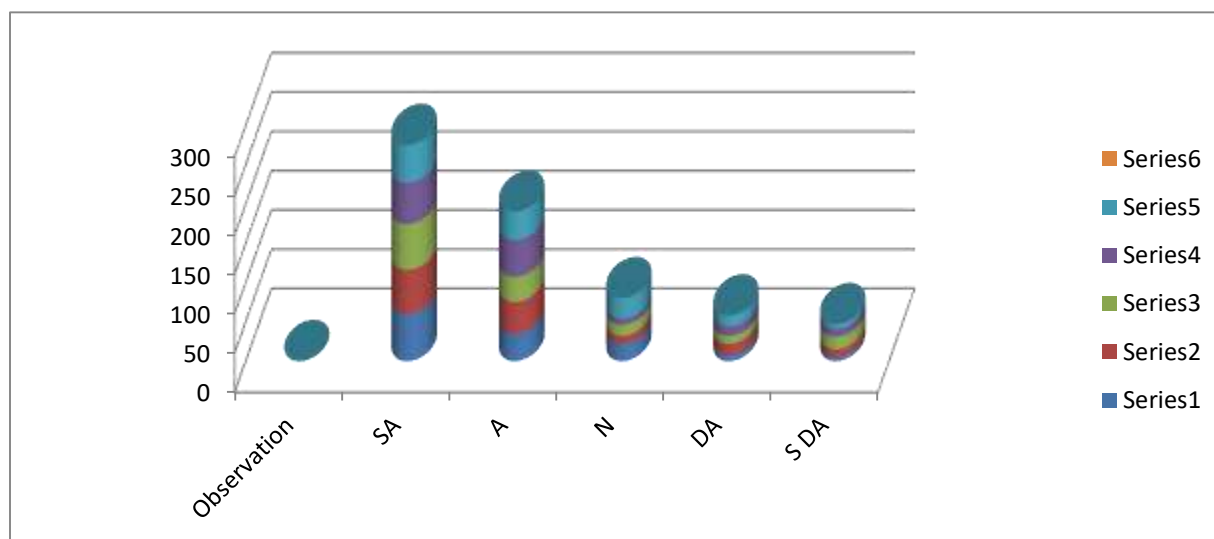
TABLE 1.4

Particulars	SA	%	A	%	N	%	DA	%	S DA	%
Easy accessibility	60	46.1	35	26.9	22	16.9	8	6.1	5	3.84
Availability 24*7	56	43	40	30.7	10	7.69	14	10.7	10	7.69
Saves time	58	44.6	32	24.6	14	10.7	10	7.69	16	12.3
Quick process	53	40.7	47	36.1	8	6.1	12	9.2	10	7.69
Low risk	48	36.9	36	27.6	26	20	14	10.7	6	4.6

SA – Strongly Agree, A – Agree, N – Neutral, DA – Dis agree, S DA – Strongly Disagree

TWO-WAY ANOVA:

Observation	SA	A	N	DA	S DA
Easy accessibility	60	35	22	8	5
Availability 24*7	56	40	10	14	10
Saves time	58	32	14	10	16
Quick process	53	47	8	12	10
Low risk	48	36	26	14	6



Observation	SA	A	N	DA	S DA	Row total (xr)
Easy accessibility	60	35	22	8	5	130
Availability 24*7	56	40	10	14	10	130
Saves time	58	32	14	10	16	130
Quick process	53	47	8	12	10	130
Low risk	48	36	26	14	6	130
Col total (xc)	275	190	80	58	47	650

$$\sum x^2 = 25304 \rightarrow (A)$$

$$\sum x^2_{cr} = 15(2752 + 1902 + 802 + 582 + 472)$$

$$= 15(75625 + 36100 + 6400 + 3364 + 2209)$$

$$= 15(123698)$$

$$= 24739.6 \rightarrow (B)$$

$$\sum x^2_{rc} = 15(1302 + 1302 + 1302 + 1302 + 1302)$$

$$= 15(16900 + 16900 + 16900 + 16900 + 16900)$$

$$= 15(84500)$$

$$= 16900 \rightarrow (C)$$

$$(\sum x)^2_n = (650)^2_{225}$$

$$= 422500_{25}$$

$$= 16900 \rightarrow (D)$$

Sum of squares total

$$SST = \sum x^2 - (\sum x)^2_n = (A) - (D)$$

$$= 25304 - 16900$$

$$= 8404$$

Sum of squares between rows

$$SSR = \sum x^2_{rc} - (\sum x)^2_n = (C) - (D)$$

$$= 16900 - 16900$$

$$= 0$$

Sum of squares between columns

$$SSC = \sum x^2_{cr} - (\sum x)^2_n = (B) - (D)$$

$$= 24739.6 - 16900$$

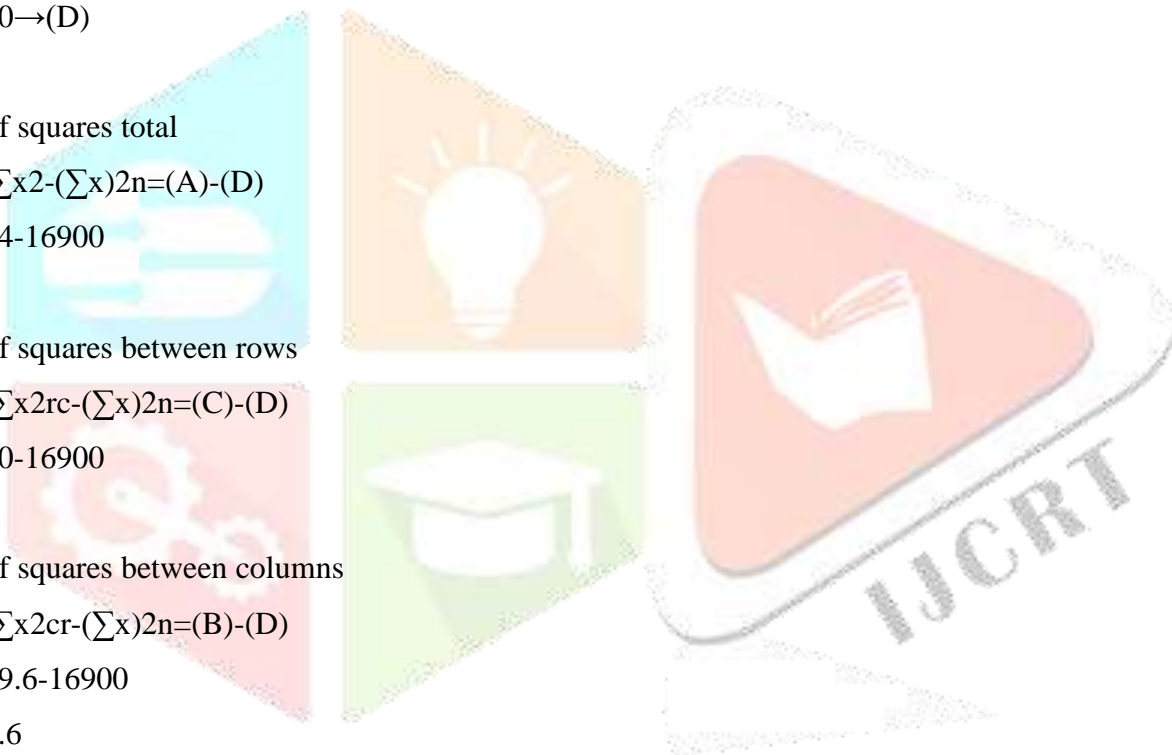
$$= 7839.6$$

Sum of squares Error (residual)

$$SSE = SST - SSR - SSC$$

$$= 8404 - 0 - 7839.6$$

$$= 564.4$$



ANOVA table

Source of Variation	Sums of Squares SS	Degrees of freedom DF	Mean Squares MS	F	p-value
Between rows	SSR=0	r-1=4	MSR=04=0	035.275=0	1
Between columns	SSC=7839.6	c-1=4	MSC=7839.64=1959.9	1959.935.275=55.5606	0
Error (residual)	SSE=564.4	(r-1)(c-1)=16	MSE=564.416=35.275		
Total	SST=8404	rc-1=24			

Conclusion:

1. F for between rows

F(4,16) at 0.05 level of significance

=3.0069

As calculated FR=0<3.0069

So, H0 is accepted, Hence there is no significant differentiating between rows

2. F for between columns

F(4,16) at 0.05 level of significance

=3.0069

As calculated FC=55.5606>3.0069

So, H0 is rejected, Hence there is significant differentiating between columns

1.8 FINDINGS OF THE STUDY:

[1] It is found that 130 respondents contacted 70% of them were male and the rest were female. It is inferred that majority of the male customers are using green banking products in the study area.

[2] It is observed it is inferred that majority of the respondents fall between the age of 39 to 46 years.

[3] It is noted 22% of sample respondents have qualified for Master degrees. Another 18.6% of them are qualified for degrees. Another 29% are educated up to high school, and the rest of the respondents are not formally educated. Hence a higher proportion of respondents are fairly educated and qualified for various degrees.

[4] It is noted that the value of ANOVA is Null Hypothesis is rejected. Thus there is a significant difference between factors influencing people towards green banking.

1.9 CONCLUSION:

The different factors are definitely influencing the banking customers towards green banking. The banks are approaching the customers in an initiative way that induces the banking customers to use again and again. Green Banking helps the banking consumer and the banks in terms of cost efficiency, saves their precious time. But it's still complicated because literate people only use this opportunity of green banking.

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