

# A Study on Customers Knowledge Awareness and Perception Regarding Green Banking

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**Abstract:** The term green banking is becoming increasingly familiar to people in the present environment. It differs greatly from traditional banking, and has to do with promoting eco-friendly practices. It may also be called ethical banking. While banking activities are not directly related to the environment, the external impact of their customer activities is substantial. Banks are financial institutions that deal with masses, and their green activities can influence the attitudes of their customers towards the environment. The focus of this paper is on customer knowledge, awareness, and perceptions of green banking.

**Keywords:** Green banking, traditional banking, friendly banking.

## 1. Introduction

In terms of emissions and pollution, the banking sector is generally regarded as environmentally friendly. The banking sector's internal environmental impact, such as its use of energy, paper, and water, is relatively low. In terms of emissions and pollution, the banking sector is generally regarded as environmentally friendly. The banking sector's internal environmental impact, such as its use of energy, paper, and water, is relatively low. Green banking benefits consumers, businesses, and the environment. For customers, green banking means more deposit and loan services through online and mobile banking. Banks began offering low interest loans to customers who wish to install solar equipment, ETPs, biogas plants, Hoffman kilns (HHK) hybrids, etc. Green initiatives taken by banks or a green banking concept involve using all the bank's resources responsibly, reducing waste, and prioritizing choices that are sustainable. In addition, it means promoting environmentally friendly practices, increasing banking activities, and reducing carbon footprints. People open money market and CD accounts at online banks instead of large multi-branch banks. They use online banking instead of large branch offices. The goal is to ensure that banking processes and the use of computer technology and physical infrastructure are as efficient, effective, and environmentally friendly as possible.

## 2. Objectives of the Study

- Respondents were asked about their opinion on green banking.
- Determine the level of understanding of green banking and its services in relation to environmental concerns.
- Provided solution based on the study.

## 3. Review of Literature

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## 4. Research Methodology

Methodology involves interview schedule creation, data collection, field work and research frame work. Primary data was collected through a questionnaire. We gathered secondary data from a variety of sources, including Twitter, newspapers, magazines, and documents. We selected 120 respondents using convenience sampling.

## 5. Sampling Techniques

A convenience sampling technique is a non-probability sampling method in which subjects are selected for their easy access and proximity to the researcher.

## 6. Tools for Analysis

Percentage analysis and garret ranking were used for this study.

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### 7. Data Analysis and Interpretation

The term analysis refers to the estimation of some metric and the search for patterns. Thus, the degree of importance to assess the validity of the data to suggest inferences should be objectively evaluated in the context of evaluating the relationship or differentiation.

### 8. Updates of Green Banking and Services

Various sources allow customers to update their knowledge. As a result, we say that knowledge is power. This knowledge allows customers to obtain the right product at the right time.

### 9. Updates of Green Banking and Services

Based on the results of table 1, bank employees are ranked first, web and social networking sites are ranked second, and class lectures are ranked last with an average score of 4.12, 3.50, and 2.89. The result indicates a strong connection between bank employees and customers, which is one reason why word-of-mouth promotion plays an important role in encouraging respondents to use green banking.

Survey respondents ranked Electronic Cards as the second most desirable Green Banking Facility - with a mean score of 4.42, Internet Banking as the third most desirable Green Banking Facility - with a mean score of 4.39 - and Mobile/Phone Banking as the third most desirable Green Banking Facility - with a mean score of 4.34. Based on their experience and any other literature awareness, the survey respondents were knowledgeable and knowledgeable about green banking. With 3.58, 3.55 and 3.12 mean ranks, the three last rankings are for

'Green Credit Card,' 'Green Checking Accounts,' and 'Eco-friendly Project Discount'. In conclusion, the last three facilities are not well known and require attention.

In table 3, out of 120 respondents, 93 respondents said that using green banking is a concern for the environment, and the remaining 27 respondents said that using green banking takes less time and is less expensive. Twenty-nine of the 48 female respondents responded positively, and the remaining 19 responded negatively. According to the study, male respondents (88.89) are more knowledgeable than female respondents (60.42) and have a better understanding of green banking.

### 10. Suggestions

Some suggestion for banks to encourage green banking are:

1. Communicate through press.
2. Construct websites and spread the news.
3. Impart education through E-learning programmers.
4. Making Green Banking as part of annual environment reports.
5. Training and development of relevant skills among bank employees.
6. Banks may formulate innovative financial solutions to incorporate environmental perspective.
7. Use of Paperless banking which results in reducing the carbon footprint from internal banking operations and cost saving to bank.
8. Adoption of green street lending, which means offering low rate of interest to consumers and businesses for installing solar energy -saving equipment's.

Table 1

S. No.	Source of Information	Total score	Mean Score	Rank
1	Green Channel Counter	415	3.46	III
2	Newspaper	375	3.13	VI
3	Magazine	362	3.02	VII
4	E-network	404	3.37	V
5	Class Lecture	347	2.89	VIII
6	Bank Employees	494	4.12	I
7	E-mail	405	3.38	IV
8	Internet/Social networking sites	420	3.50	II

Source: Primary Data

Table 2

Knowledge of green banking facilities

S. No.	Knowledge of green banking	Total score	Mean score	Rank
1	Solar ATM	475	3.96	VI
2	Internet Banking	527	4.39	II
3	Green Channel Counter	481	4.01	V
4	Direct Deposits	466	3.88	VII
5	Discount on Eco-friendly projects	374	3.12	X
6	Electronic Cards	530	4.42	I
7	Green checking Accounts	426	3.55	IX
8	Mobile/Phone banking	521	4.34	III
9	Green credit card	429	3.58	VIII
10	E-statement	513	4.28	IV

Source: Primary Data

Table 3

Preference of using green banking due to environmental concern

S. No.	Variables	Positive Response (Yes)		Negative Response (No)		Total
		Count	%	Count	%	
1	Respondents	93	77.5	27	22.5	120
2	Male	64	88.89	8	11.11	72
3	Female	29	60.42	19	39.58	48

Source: Primary Data

## 11. Conclusion

There are numerous strategies to reduce banking's carbon footprint, including upgrading online banking, mobile banking, green network counters, electronic statements, and solar ATMs, among others. In India, green banks are just getting started. Green banking is a big issue in India, with the potential to have a huge impact on our country's development. Despite the fact that green practises are becoming more popular, most Indian banks have yet to incorporate them into their operations. Furthermore, green practises were only offered in a few locations. They should consider environmental factors when conducting business, extending credit, and making investment decisions. Green banking is no longer just about education; it

must also be put into practise. Scheduled banks must not only allocate resources for green funding, sustainability events, and capacity-building as part of CSR initiatives, but they must also guarantee that these budgets are utilised properly. Finally, we may argue that all banks' slogans should be "Go Clean." The RBI and the Indian government should play a prominent role in promoting green banking by formulating green policy guidelines and financial incentives.

## References

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