

A STUDY ON CUSTOMER'S KNOWLEDGE ABOUT THE GREEN BANKING INITIATIVES OF SELECTED PUBLIC SECTOR BANKS IN MADURAI DISTRICT

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Abstract

Green banking is a term of referring to practices and guideline of the customer knowledge of the green banking initiatives and that make more sustainability of economic development and environmental protection of the social dimensions. It aims of paper to making awareness and perception of the green banking services. The useful of customer friendly green banking initiatives, with the efficient information technology support of the customers. This paper is intended to study about the green banking initiatives and customer knowledge about the public sector banks in the Madurai district. This is primary study is intended to find out the customer knowledge, green banking services, initiatives of green banking in Madurai district.

Key Words: *Customer perception of green banking services, customer preferred by the green banking products and services, customer knowledge of green banking initiatives, etc.,*

Introduction

According to the Institute for Development and Research in banking

Technology (2013), “Green banking is an umbrella term referring to practices and guidelines that make banks sustainable in economic, environmental, and social dimensions. The ultimate objectives of green banking initiatives with the protect environment. The idea of green banking initiatives of public sector banks expected to encourage the younger generation to preserve the environmental protection and advanced technology usage of banking services. Under the green banking initiatives about the account holders will no longer receive any correspondence through the paper, but will be encouraged to receive all their banking services electronically in it, including the bank e-statement, debit and credit card increasing the use of mobile banking and internet banking involves taking advantage of the banking services themselves and other means of paperless communication.

Sustainability of banks can take two forms, in firstly banks can change their routine operations through recycling programs, paperless banking, using energy efficient resources, and support for community events for reducing population and so on and in secondly, they can adopt lending and investment strategies to promote environmentally responsible projects and can also develop green products to ensure the sustainability in their core business. Among them, green accounts with E-Statements, Green loans, green deposits, Green debit and credit cards, Mobile banking and Internet Banking facilities are available to the clients. People's Bank Internet Banking entrance will enhance with present day innovation & administration effectiveness. This is one of the real saving money directs in future.

Review of literature

ArunaShantha(2019), in this paper entitled on “**Customer's intention to use green banking products: evidence from srilanka**” in this study about the People's Bank has initiated a paradigm shift to its traditional banking model through the introduction of green banking concept. Currently the bank provides internet and mobile based banking facilities that reduce environmental impacts and all credit applications are screened for environmental impacts where such impact assessments are required by law. She is says that the study about the green banking products and environmental sustainability growth.

Jahanvi A. Bahlani and Taral M Patel (2020), in this paper entitled on “**A Study on Green banking Practices Adopted By the banks with respect to valsad district**” in thsia study about the various initiatives taken by the public and private sectors banks adopting green banking practices and environmental friendly practices. He is undertaken by the study about the green banking evaluate and green banking products and services in the public customers. The study concluded that the modernized and new facilities such as net banking, mobile banking are being prioritized at the place of traditional approaches. Finally, the researcher concluded that green banks adopt and implemental standards for lending, which really a proactive idea so that would enable ecofriendly business practices in future generations.

Objectives of the study

- To study the green banking initiatives of selected public sector banks in the study area.
- To know the customer knowledge about the green banking initiatives of the public sector bank
- To analyze green banking initiatives of the public sector banks inMadurai district.

Research Methodology

This is descriptive research study with expose factor research design conducted in a filling setting. The primary data for the study has been collected using survey method through the structured questionnaire 100 responded selected using non probability convenient sampling methods responded are the very small from Madurai district. The data so collected have been processed using statistical package SPSS- 16 version.

Hypothesis

1. **Ho** - There is no significant difference among different marital status and educational status of preferred Green banking initiative channels
2. **Ho** - There is no significant difference among different residential status of customers preferred Green banking products and services of banking sector

Data analysis and interpretation

Gender of the respondents

In the study the data are collected from both the male and female respondents. So, gender factor has been considered important for the present study and the consolidated data is presented in Table 1.1.

GENDER OF THE RESPONDENTS

S.No	Gender	No. of Respondents	Percent age
1	Male	43	43
2	Female	57	57
3	Transgender	0	0
	Total	100	100%

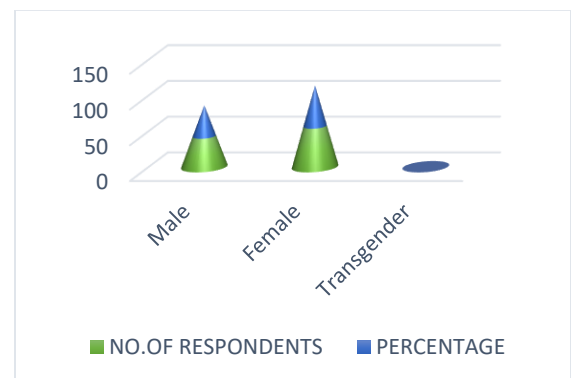
Sources: Primary Data

The above table shows that, about the gender of the respondents among the 100 respondents, 43 respondents are male (43 %), 57 respondents are female (57%) and nil respondents of transgender (0 %).

In other words 43 % of the respondents are in the gender of male, 57 % of the respondents are in the gender of female.

It is inferred that the majority of the respondents 57 (57 %) are female.

Chart 1.1



Sources: Primary Data

Table 1.1

Age Group of the Respondents

For the purpose of this study, the public and private sector bank customers are considered as the target respondents. Since the perception and satisfaction of respondents varies from one age group to another, the respondents have been categorized into five groups as presented in Table 1.2

Table 1.2**AGE OF THE RESPONDENTS**

S.No	Age Group of Respondents	No. of Respondents	Percentage
1	18 – 25	28	28
2	26 – 35	29	29
3	36 – 45	25	25
4	46 – 55	10	10
5	Above 55	8	8
	Total	100	100%

Sources: Primary Data

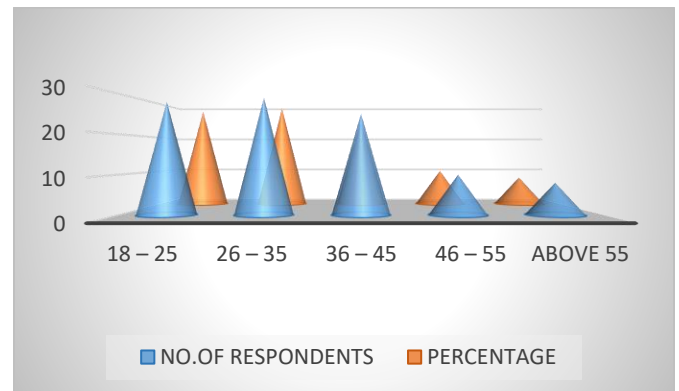
The above table shows the age of the respondents. The age of respondents are divided into five groups. They are age of 18 – 25, 26 – 35, 36 – 45, 46 – 55, and above 55.

Among the 100 respondents, 28 respondents are in the age group of 18 – 25, 29 respondents are from the age group of 26 – 35, 25 respondents are from the age group of 36 – 45, 10 respondents are from the age group of 46 – 55, and 8 respondents are from the age group of above 55.

In other words, 28 % of the respondents are in the age group of 18 – 25, 29% percentage of the respondents are in the age group of 26 – 35, 25% percentage of the

respondents are in the age group of 36 - 45, 10 % of the respondents are in the age group of 46 – 55, and 8 % percentage of respondents are in the age group of above 55.

It is inferred that more number of the respondents 29 (29%) from the age group of 26 – 35.

Chart 1.2

Sources: Primary Data

Occupational status of the respondents

The occupation of the respondents is considered and analysed in the table 1.3 given below.

Table 1.3**OCCUPATIONAL STATUS OF THE RESPONDENTS**

S.No	Occupational Status	No. of Respondents	Percentage
1	Government employee	11	11
2	Private employee	31	31
3	Business man	21	21
4	Student	12	12
5	Others	25	25
	Total	100	100%

Sources: Primary Data

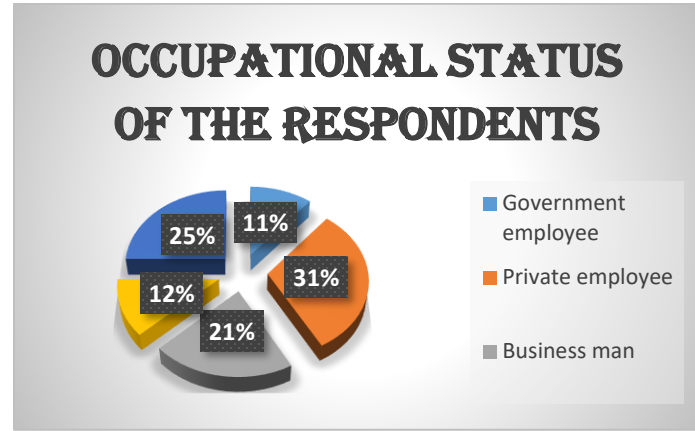
The above table shows the occupational status of the respondents. The occupational status of the respondents is divided into five groups. They are: government employee, private employee, business man, student, and others.

Among the 100 respondents, 11 respondents are occupied into government employee, 31 respondents are occupied into private employee, 21 respondents are occupied into business man, 12 respondents are occupied into students, and 25 respondents are occupied into others.

It is clear that, 11 % of the respondents are government employee, 31 % of the respondents are private employee, 21 % of the respondents are business man, 12 % of the respondents are students, and 25 % of the respondents are engaged in other activities.

It is inferred that the majority of the respondents 31 (31%) are having the private employees.

Chart 1.3



Sources: Primary Data

Customer perception towards green banking services

The Green Banking services and knowledge are public and private sector bank at customer perception in the study area. The following customer perception towards E - banking services at find out the weight average methods are given below table 1.4.

Table 1.4

GREEN BANKING INITIATIVES AND KNOWLEDGE ABOUT THE RESPONDENTS

S.No	Statement	Total	Mean score	Rank
1	Internet banking services is less costly than other banking services (branch, ATM, mobile banking)	396	3.96	2
2	Internet banking transaction procedures are simple and straightforward	367	3.67	7
3	Internet banking transaction are complex	380	3.80	4
4	Internet banking is easy services	352	3.52	10
5	I am satisfied with internet banking because I do not have to go to bank	404	4.04	1
6	Banks give enough information about the internet banking services	363	3.63	8
7	I have information about internet banking transaction	337	3.37	13
8	Bank offer should be in front of me during the process	339	3.39	12
9	I think, I entered my personal data is protected during the process	377	3.77	5
10	Internet banking is more effective than branch banking about time saving	357	3.57	9
11	It is convenient because it eliminates the risk of carrying cash	368	3.68	6
12	Websites are safe that offer internet banking services	384	3.84	3
13	If I have any problem about internet banking service, banks provide support	349	3.49	11

Sources: Primary data

Weighted average

The researcher makes an analysis of Table 1.4 researcher finds the overall rank for green banking initiatives and knowledge about the customers. First rank is given to the I am satisfied with internet banking because I do not have to go to bank with the total mean 4.04, Then the second rank is scored by Internet banking services is less costly than other banking services (branch, ATM, mobile banking) with the total mean 3.96, Then the third rank is given to the websites are safe that offer internet banking services with the total mean 3.84, Then the fourth rank is scored by Internet banking transaction are complex with the total mean 3.80, Then the fifth rank is given to the I entered my personal data is protected during the process with total mean 3.77 and other factors calculated customer perception E - banking calculated with the help of weighted average tool.

CUSTOMERS PREFERRED GREEN BANKING INITIATIVES CHANNELS AMONG DIFFERENT MARITAL AND EDUCATIONAL STATUS – BIVARIATE CORRELATION

The customers of different marital status and educational status about the customers preferred the green banking initiative channels. In order to find out the significant difference between preferred the green banking initiative channels among the

different marital and educational status of public and private sector banks in study area. Bivariate correlation test is attempted with the null hypothesis as,

“There is no significant difference among different marital status and educational status of preferred Green banking initiative channels”

Table 1.5

Descriptive Statistics

	Mean	Std. Deviation	N
Marital Status	1.5700	.53664	100
Educational Status	2.8700	.91734	100
Type Banking Channel Use	1.7500	.99874	100

Sources: Primary Data

The researcher makes an analysis of bivariate correlation of different banking channels preferred from educational status and marital status of respondents at standard deviation of highly preferred the **0.99**. The respondents at mostly preferred in various educational status in green banking initiatives channels use.

Table 1.6
Correlations

		MARITALS TATUS	EDUCATION AL STATUS	TYPEBANKING CHANNEL USE
Maritalstatus	Pearson Correlation	1	.197*	.645**
	Sig. (2-tailed)		.050	.000
	Sum of Squares and Cross-products	28.510	-9.590	34.250
	Covariance	.288	.097	.346
	N	100	100	100
Educationalstatus	Pearson Correlation	.197*	1	.251*
	Sig. (2-tailed)	.050		.012
	Sum of Squares and Cross-products	9.590	83.310	22.750
	Covariance	.097	.842	.230
	N	100	100	100
Typebankingchanneluse	Pearson Correlation	.645**	.251*	1
	Sig. (2-tailed)	.000	.012	
	Sum of Squares and Cross-products	3customers preferred 4.250	22.750	98.750
	Covariance	.346	.230	.997
	N	100	100	100

Sources: Primary Data

At 5% level of significance the above table telling the green Banking initiative channels among the different marital, educational status and type of banking channels. The high level of covariance about the type of banking channels preferred by the banking channels status. The medium level of

covariance about the different marital status in preferred by the banking channels. The low level of covariance about the different educational status in preferred by the green banking initiatives channels.

Since P value of 0.05 at significance level higher than the calculated value. The null

hypothesis is accepted. There is significance difference among different marital, educational status and types of banking channels.

CUSTOMERS PREFERRED THE GREEN BANKING PRODUCTS AND SERVICES AT BANKING SECTOR AMONG DIFFERENT RESIDENTIAL STATUS – CHI – SQUARE TEST

The customers preferred the green banking products and services at which banking sector in study area. In order to customers prefer the banking sector among different residential status. Chi – Square test is attempt with the null hypothesis as,

“There is no significant difference among different residential status of customer’s preferred Green banking products and services of banking sector”

Table 1.7
Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Residential status	100	2.0700	.76877	1.00	3.00
Banking sector preferred	100	1.7500	.68718	1.00	3.00

Sources: Primary Data

The researcher makes an analysis of correlation different residential status at preferred banking sectors. The highly preferred the private sector banks in the study area. The

mostly high level of positive correlation about the preferred the banking sectors. The standard deviation from the highly positive correlation in the preferred banking sectors.

Chi-Square Test of Frequencies

Table 1.8
RESIDENTIAL STATUS

	Observed N	Expected N	Residual
City	26	33.3	7.3
Town	41	33.3	7.7
Village	33	33.3	.3
Total	100		

Sources: Primary Data

Table 1.9
BANKING SECTOR PREFERRED

	Observed N	Expected N	Residual
Public sector bank	39	33.3	5.7
Private sector bank	47	33.3	13.7
Both	14	33.3	19.3
Total	100		

Sources: Primary Data

At 5 % level of significance the above tables telling the customers preferred the banking sector at different residential status. The different residential status about preferred the banking sectors in chi – square test solution at higher level of preferred in resident area of both at private and public sector usage in the customers. The medium of expected in

private sector banks preferred in the customers. The lowest level of banking sector preferred the public sector banks in the customers at expected in green banking products and services.

Since P value of 0.005 significance level of customers preferred the banking services at different banking services, the null hypothesis is accepted.

Findings and Suggestions

- The majority of respondents using the green banking services in female at 57%'
- That more number of the respondents 29 (29%) from the age group of 26 – 35.
- That the majority of the respondents 31 (31%) are having the private employees.
- The researcher interpreted by the weighted average of green banking customer perception calculate at the satisfied with internet banking because I do not have to go to bank with the total mean 4.04
- Customers preferred green banking initiatives channels among different marital and educational status – bivariate correlation at the null hypothesis is accepted
- Customers preferred the green banking products and services at banking sector among different residential status – chi

– square test at the null hypothesis is accepted.

Suggestions to bankers and customers

The bank which provides green banking services can increase the number of withdrawals in a day to attract bank customers towards green banking services. The bank which provides green banking initiatives should simplify their processes to provide convenience to the green banking customers. Sometimes the bank website server does not accept final submission for money transaction at the registration time and the registration process took long time to finish the submission. This is frustrating the customer. At the time, they do not know whether the process is completed or not. This is the big issue in the registration.

The information about the benefits and usage of green banking products and services is to be informed to all the people in variety of age, gender and income of the respondents. Small size families are found to use green banking initiatives and knowledge in large numbers. Large families also try to use the green banking services in all their financial transaction. The use of mobile way green banking initiatives appears to be less which needs to be encouraged. When comparing with the rural people are more in using technology based banking services. Efforts should be made to inform the rural customers towards using green banking services.

Conclusion

Providing green banking services is increasingly becoming a 'need to have' than a 'nice to have' services. Delivering superior service quality appears to be a prerequisite for success of any service firms. As green banking initiatives becomes more prevalent, now-a-days customers are evaluating banks based more on their "high-touch" factors than on their "high-tech" factors in most of the developing economy like India. The operationalization of customer satisfaction in banking sector is somewhat hazy, and it should be operationalized along the same dimensions that constitute service quality. Therefore, if the banking industry adopts the above mentioned recommendations made by the researcher, it will certainly increase customer satisfaction with E-banking services.

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