

# A Study on Usage of Green Banking Services among Senior Citizens in India

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## Abstract

Banking is different from traditional banking, as green banking focus on promoting environment friendly banking Green. Green banking is also known as ethical banking. This paper attempts to analyze the usage of green banking services among customers above the age of 60. This paper explains that most of senior citizens in India consuming the green banking services for collecting their income from their accounts. Most of them face the problem of lack of awareness about green banking services.

**Keywords:** Green banking; Ethical banking; Sustainable banking.

## Introduction

Green banking is different from conventional banking as conventional banking is based on the principal of security and profitability and it hardly focuses on morality. Green banking is a new concept that considers environmental and socially responsible investing. Green banking is defined as promoting environmental friendly practices and reducing the carbon footprint from banking services. In simple words green banking is a banking that benefits the environment. The green banking is also known as ethical banking. The bank can minimal the use of paper work by promoting paperless banking through online banking. To initiate sustainable development, there is a need to promote green banking practices so that we can tackle the problems like global warming, natural calamities and disasters.

The concept and practice of green banking is new to India. There is a need to focus on sustainable banking to protect the environment from disaster. Banks should take into consideration the ecological aspects in lending a part from security

and profitability. Various banks in India have formulated strategies and initiated green banking practices to support environment friendly banking and reduces the carbon footprints of banks and customers. The banks in India also started green banking practices such as online banking, mobile banking, green channel counters, e-statement, green loans, solar ATMs etc.

## Objectives of the Study

- ❖ To identify the various factors influencing the senior citizens to use green banking services.
- ❖ Analyze the various difficulties faced by senior citizens while dealing with the green banking services.

## Statement of the Problem

Due to advancement of technology banking sector is also in the path of change as compared to traditional banking. Banks offer more advanced services to their customers like internet banking, mobile banking, debit cards, credit cards etc. But due to lack of knowledge and awareness the customers above the age of 60 faces a lot of problems. This may create customer dissatisfaction. The purpose of this study is to explore and determine the problems faced by the senior citizens while dealing with the green banking services. This study also aims to understand the various factors influencing the senior citizens to use green banking services.

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### Scope of the study

This study is conducted among the senior citizens of thrissur district who deals with the green banking services. Through this study banks can easily identify the various problems faced by the senior citizens while consuming the green banking services. Banks can easily identify the purpose for which senior citizens are mainly seeking the help of green counters so that they can take necessary steps to make the green banking of senior citizens easier

### Limitations of the study

- ❖ Sample size of the study is limited to 100. The sample size may not represent the senior citizens all over the world.
- ❖ The study is limited to only 100 senior citizens of thrissur district .Therefore the influence cannot be generalized.

### Review of Literature

A general scanning of the literature available in India from different published sources indicates that very few detailed studies have been conducted in India in the field of green banking. This section reviews empirical literature on green banking conducted in India as well as abroad.

- ❖ Getzner and Crowther (2004) in their research paper tested the respondents willingness to invest in green shares. Authors found education, income, environmental awareness and expected profit are the main explanatory variables.
- ❖ The study by Bhardwaj and Malhotra (2014) linked the performance of bank with the green banking adoption. They found a positive relationship between adoption of green banking and bank profitability.
- ❖ Pastergion and Blanas (2011) conducted study on sustainable green banking: the case of Greece and approached the area in an integrated and innovative way. According to their findings they identified 50% of banks were in defensive phase, 40% in preventive phase, and 10% in offensive phase
- ❖ Singh and Singh (2012) in their paper expressed society's growing concern about the natural environment; the business organizations are also modifying their working in order to increase greenery.

### Research Methodology

- ❖ *Research Design:* For obtaining complete and accurate information, descriptive research is chosen. Descriptive research includes survey and fact finding enquiries.
- ❖ *Research Approach:* The approach adopted in this study is survey approach.
- ❖ *Research Instrument:* The research instrument used in this study is schedule and personal interview method.
- ❖ *Data Source:* Both primary and secondary data used for the study. Primary data is collected for the purpose of the study by the samples taken. Primary data was collected by conducting a personal interview through a structured questionnaire.
- ❖ *Sampling Area:* Thrissur district is selected for taking the samples for the study.
- ❖ *Sample Size:* The sample size of the study is limited to 100.
- ❖ *Sampling Procedure:* The sampling procedure used in the study is Purposive sampling.

### Analysis and Interpretation

**Table 1:** Level of income.

Income	No of respondents	Percentage
Below 10000	40	40%
10000-20000	48	48%
Above 20000	12	12%
Total	100	100

Source: primary data.

Inference: According to the study conducted majority of the people receives an income between 10000 and 20000 rupees.40% of the respondents receives income below 10000.Remaining 12% of the senior citizens receives an income above 20000.

**Table 2:** Type of green banking services used.

Type	No of respondents	Percentage
ATM/Debit card	92	92%
Internet banking	2	2%
Credit card	4	4%
Mobile banking	2	2%
Total	100	

Source: primary data.

Inference: According to the study conducted 92%

of the senior citizens are using ATM cards. Credit cards are only used by 4% of the respondents. Only 2% of the respondents are using mobile banking. The remaining 2% is using internet banking.

**Table 3:** Mode of operation.

Mode of operation	No of respondents	Percentage
Self	40	40%
Done with the help of others	50	50%
Done by others	10	10%
Total	100	

Source: primary data.

Inference: Majority of the respondents (50%) are doing the green banking with the help of others. Only 40% of senior citizens doing the green banking by their self. But in the the case of remaining 10%, their green banking activities are fully done by others.

**Table 4:** Purpose of use.

purpose	No of respondents	Percentage
Income collection	75	75%
Making payments	10	10%
Purchasing products	15	15%
Total	100	

Source: primary data.

Inference: Majority of the respondents are consuming the green banking services for collecting their income. Only 15% of the senior citizens are purchasing the products with the help of green banking. Only 10% of senior citizens are making the payments with the help of green banking.

**Table 5:** Satisfaction level of green banking services.

Satisfaction level	No of respondents	Percentage
Fully satisfied	40	40%
dissatisfied	60	60%
Total	100	

Source: primary data.

Inference: Majority (60%) of the respondents are dissatisfied with the green banking services. Only 40% of the respondents are satisfied with the green banking service.

**Table 6:** Reason for Dissatisfaction.

Reasons	No of respondents	Percentage
Lack of knowledge	40	40%

Technical problems	30	30%
Crimes related with green banking	30	30%
Total	100	

Source: Primary Data.

Inference: 40% of the respondents dissatisfied due to lack of knowledge about the green banking services.30% of them have dissatisfaction due to various technical problems faced by them in various situations. The remaining 30% have dissatisfaction due to various crimes in the related issues.

## Findings

The final results of the study have showed below.

- ❖ Majority of the respondents are having a monthly income between 10000 and 20000
- ❖ The most used green banking services among the the senior citizens is ATM /Debit cards.
- ❖ Only 4%of the senior citizens are using internet banking and mobile banking.
- ❖ 50% of the senior citizens are doing the green banking activities with the help of others.
- ❖ The main purpose of using the green banking by senior citizen is income collection
- ❖ Only 10% of the respondents are using the green banking services for making the payments.
- ❖ 15% of senior citizens are using their green banking facility for purchasing the products.
- ❖ 60% of the respondents are dissatisfied with their green banking services.

## Conclusions

Green banking is defined as promoting environment friendly practices and reduces the carbon footprint from banking activities' involves the use of online banking, mobile banking, green channel counters, g-statement, green loans, solar ATMs etc. A common perception that it's the use of green banking services among senior citizens are less. Therefore the present study concentrates on the usage of green banking services among senior citizens.

The study reveals that most of the senior citizens are using the green banking service for the purpose of collecting their income. Very few of them are using their green banking services for making payments and purchasing the products. Most of

the senior citizens are dissatisfied with the green banking services due to lack of knowledge in this field. Another reasons which resists the senior citizens from the usage of green banking services are technical problems and crimes in the related fields

### **Suggestions**

- ❖ Due to lack of knowledge about green banking services most of the senior citizens are feared to operate the green banking services. If they are trained well they can operate the green banking facilities without seeking the help of others.

- ❖ The senior citizens are not aware about the facilities other than the usage of ATM cards. If the banks should arrange helping desks for senior citizens related to green banking they can improve their knowledge about various green banking activities.

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