

Awareness of Green Banking Features among Regular Bank Customers

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Abstract

Green banking became an important approach for integrating environmental considerations with banking services and encouraging more sustainable financial behaviour. Day by day increasing usage of digital banking services, mobile banking, e statements and etc. Availability of such services are not necessary for ensuring aware off green banking. This study focuses on awareness of green banking features among regular bank customers and understands the relationship between awareness, banking behaviour service preferences and selected demographic factors. Purposive sampling technique is used in this study and covers 250 respondents. Collected data are analysed using IBM SPSS software. The statistical tool used are chi-square analysis, regression analysis and one way ANOVA analysis. This study provides customer centred understanding of awareness of green banking features and to identify areas where banking institutory data collected through structured questionnaire from regular bank customers, Age between 18 years to 60 years in bengaluru and surrounding urban and semi urban areas. The study provides a basis for banks to design more effective awareness initiatives that can support wider understanding and responsible adoption of green banking services.

Keywords: Green Banking, Customer Awareness, Digital Banking, Paperless Banking, E-Statements, Green Loans, Sustainability

1. Introduction

Green banking is a practice that incorporate environmental considerations into products and services and day to day operations. Digital banking services, mobile banking, e statements and etc. Are the common practices green banking. These services can reduce dependence on paper and physical banking processes while supporting more sustainable and environmental friendly behaviour in financial system full customers may digital banking services regularly without recognizing the environmental significance. This study tells that customer awareness an important dimension of green banking.

Previous Research Showed that Relationship between customers awareness of green banking features and their everyday banking behaviour and preferences are comparatively less. Therefore this study adopts a

customer centred approach and examines awareness usage preferences environmental motivation and selected demographic characteristics among regular bank customers.

2. Objectives of the Study

- To identify factors affecting customer awareness about green banking practices.
- To analyse the connection between customer awareness of green banking and banking behaviour and preferences.
- To determine the level of awareness of green banking features among regular bank customers.
- To examine the role of age, gender, education and occupation in shaping green banking awareness.

3. Review of Literature

Jamnani and Jamnani (2022) Showed Green banking services in Karnataka Are increasing Day by day Which are more conscious about electronic banking and importance of environmental consciousness. Ellahi et al. (2023) Tell the education and customer characteristics Are associated With green banking awareness. Nazeer et al. (2022) Report that Trust, security and environmental consciousness Are identified among Regular bank customers Wear green banking adoption are highlighted And customer educ It's very important on green banking Awareness. n. Sunil Kumar et al. (2025) Showed that awareness of digital banking instruments Are not necessarily imply awareness of green banking practices among customers in Mysore. Hariharan and Nedumaran (2025) showed Customer service customer awareness and adoption of green banking services and reported differences associated with customer characteristics. Rocha et al. (2025) identified a gap between environmental attitudes and awareness of green banking practices and emphasised communication and trust.

4. Research Methodology

Target population consist of regular bank custom which are aged between 18 years and 60 years. sampling frame covered customers who are using public private and cooperative banks in bengaluru and nearby urban and semi urban areas. Conducted purposes sampling based on accessibility and willingness to respond. Total 250 responses collected and analyzed true structured questionnaire and processed using IBM SPSS statistics software. The reliability analysis reported Cronbach's alpha of 0.79124 for 35 responses that indicates acceptable internal consistency.

Chi-square test was used to determine the relationship between e-statement preference and frequent use of mobile or Internet banking services. Linear regression test was performed to investigate the factors that motivate people toward environmental considerations, while one-way ANOVA was carried out to test the differences in perceptions about information on green banking provided by banks. The results are presented as those of a survey and not statistically representative samples of Indian bank customers due to purposive sampling and regionalization of the study.

Table 1: Respondent Profile

Profile	Key Distribution
Age	21–30 years: 72.8%; 31–40: 16.0%; 18–20: 7.2%; 41–50: 2.4%; 50–60: 1.6%
Gender	Male: 51.2%; Female: 48.8%
Education	Postgraduate: 69.6%; Undergraduate: 12.8%; SSLC/PUC: 10.4%; Professional degree: 6.4%; Other: 0.8%
Occupation	Student: 64.0%; Salaried: 22.4%; Business owner: 8.0%; Self-employed: 4.8%; Homemaker: 0.8%
Bank Type	Private: 43.2%; Public: 41.6%; Cooperative: 7.2%; Other: 4.8%; Small Finance: 3.2%

5. Hypotheses

- H₀₁: There is no significant relationship between green banking awareness and customers' banking behaviour and preferences.
- H₁₁: There is a significant relationship between green banking awareness and customers' banking behaviour and preferences.
- H₀₂: Trust in digital or green banking security and lack of information have no significant influence on environmental motivation.
- H₁₂: Trust in digital or green banking security and lack of information have a significant influence on environmental motivation.
- H₀₃: There is no significant difference in customers' perceptions of whether banks provide sufficient information about green banking features.
- H₁₃: There is a significant difference in customers' perceptions of whether banks provide sufficient information about green banking features.

6. Results and Discussion

The descriptive findings show that awareness is high for familiar paperless and digital banking features, but comparatively lower for green financing products.

Table 2: Awareness of Green Banking Features

Indicator	Result
Digital banking reduces paper	97.6% aware
Paperless banking services	72.0% aware
Green loans or eco-friendly financing	61.6% aware
E-statements	84.0% aware
Received green banking information from bank	61.6% yes; 38.4% no

Table 3: Green Banking Services Used

Service	Respondents	%age
Mobile banking	169	67.6%
UPI or digital payments	125	50.0%
Internet banking	121	48.4%
ATM services	85	34.0%
E-statements	64	25.6%

The mobile bank service was used the most by the respondents. Even though the awareness of e-statements is high, their usage is low, indicating that awareness does not necessarily mean activation and usage. Furthermore, 79.2 % of the respondents prefer online banking to going to the branch, 76 % prefer e-statements over the written statements, and 80.8 % used the mobile/internet banking.

7. Inferential Analysis

The chi-square test examined the association between e-statement preference and regular mobile or internet banking use.

Table 4: Chi-Square Test

Statistic	Value
Pearson Chi-square	167.571
Degrees of freedom	16
p-value	< 0.001
Cramer's V	0.409
Valid cases	250

H_{01} is rejected. The connection between the preference for e-statements and frequent mobile/online banking is statistically significant. Based on the value of 0.409 of Cramer's V, the association is considered to be moderate. It means that people who tend to use mobile/online banking also prefer using electronic statements.

These factors were analyzed as predictors of environmental motivation in the regression model: distrust in digital/green banking security and lack of information.

Table 5: Regression Results

Predictor	B	Beta	t	p
Constant	1.102	—	6.938	< 0.001
Trust in digital or green banking security	0.299	0.334	5.646	< 0.001

Lack of information	0.154	0.190	3.202	0.002
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Model summary: $R = 0.419$; $R^2 = 0.176$; Adjusted $R^2 = 0.169$; $F = 26.324$; $p < 0.001$.

The null hypothesis H_{02} is not supported. The model is statistically significant, with an R^2 of 17.6%. It can be seen that trust in security in digital or green banking is a more robust factor than lack of information. These factors show that the customers' trust and information are essential aspects in green banking motivation.

One-way ANOVA was used to determine whether there are any differences in perception of banks providing enough information about green banking characteristics.

Table 6: One-Way ANOVA

Statistic	Value
Between-groups sum of squares	35.917
Degrees of freedom	4
F	7.150
p-value	< 0.001
Eta-squared	0.105

The null hypothesis H_{03} is rejected. The significant ANOVA result indicates differences across the groups examined. The eta-squared value of 0.105 indicates a moderate effect.

8. Major Findings

- The awareness of environmentally friendly feature of digital banking is very high at 97.6%.
- Awareness of e-statements is at 84.0%, while that of paperless banking services is at 72.0%.
- The level of awareness of green loans and financial products is relatively low at 61.6%, which indicates the presence of an information gap.
- Mobile banking service is the most commonly used green banking product, with its awareness at 67.6%.
- There is a strong association between preference of e-statements and use of mobile and internet banking services regularly.
- Security issues of digital/green banking and lack of information are strongly associated with environmental motivation.
- Significant differences exist in beliefs concerning the provision of adequate information of green banking by banks.

9. Implications

Banks should take step to educate people and explain environmental benefits by using digital services within or internet banking. Also they should explain about green loans and eco friendly financial schemes

which are required for people for growing green banking services and they should need to have simpler communication about awareness with customers. Communication is the strength for educating customers. This communication will be strengthened by digital messages, bank websites, social media and campaign done by trained bank staffs. customer education is the key for doing paperless banking activities

10. Conclusion

Regular bank customers in the surveyed area demonstrate strong awareness and use familiar digital banking and paperless bank banking facilities, but the awareness is uneven across the wider green banking concept. The gap concerns green loans and eco friendly financing are less compared to other green banking activities. Digital banking behaviour is significantly associated with paperless banking while security trust and information availability significantly predict environmental motivation. Continuation the customer education and targeted commun strengthen the green banking awareness through customers and stronger promotion of green financial product are recommended for banks

11. Limitations and Future Research

Restricting factors include purposive sampling, geographical limitation to Bengaluru and its vicinity, a sample size of 250 individuals and subjective responses from them. Respondent characteristics are limited in terms of age range and being students or post graduates. Further research may conduct on a larger and geographically distributed sample size comparing rural and urban customers, different banks and other demographics.

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Place: Bengaluru

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