IJRAR.ORG E-ISSN: 2348-1269, P-ISSN: 2349-5138

INTERNATIONAL JOURNAL OF RESEARCH AND ANALYTICAL REVIEWS (IJRAR) | IJRAR.ORG

An International Open Access, Peer-reviewed, Refereed Journal

A STUDY ON ADOPTION OF GREEN BANKING PRACTICES IN ETHICAL MARKETING AND BRAND DEVELOPMENT IN TIRUPUR DISTRICT

Dr. N. Divya
Assistant Professor
Department of Commerce
St. Joseph's College of Women, Tirupur.

P.Vijay
Ph.D. Research Scholar
Department of Commerce
PSG College of Arts & Science
Coimbatore.

ABSTRACT

The growing concern over environmental degradation has compelled financial institutions to adopt sustainable practices that support ecological balance and ethical responsibility. Green banking has emerged as a strategic approach that integrates environmental considerations into banking operations, products, and marketing practices. This study examines the role of green banking in promoting ethical marketing and strengthening green branding among banks operating in Tirupur District, a major textile and industrial hub in Tamil Nadu. Using a descriptive and analytical research design, primary data were collected from 120 respondents comprising bank customers, business owners, and banking professionals through a structured questionnaire. Statistical tools such as percentage analysis, correlation, and regression analysis were employed to analyze the data. The findings reveal a significant relationship between green banking practices, ethical marketing initiatives, and green brand image of banks. The study concludes that green banking not only enhances environmental sustainability but also improves ethical credibility and brand reputation of financial institutions. The paper offers practical implications for banks, businesses, and policymakers to strengthen sustainable financial ecosystems.

Keywords: Green Banking, Ethical Marketing, Green Branding, Sustainability, Tirupur District

INTRODUCTION

Green banking has emerged as an essential component of sustainable development, integrating environmental responsibility into the core operations, products, and marketing practices of financial institutions. It involves the adoption of eco-friendly policies such as paperless transactions, green loans, renewable energy financing, and environmentally responsible internal processes aimed at reducing the carbon footprint of banking activities. By aligning financial objectives with environmental stewardship, green banking supports ethical values and promotes long-term social and ecological well-being.

In recent years, the concept of green banking has gained considerable importance in India due to increasing environmental concerns, regulatory encouragement, and growing awareness among stakeholders. The banking sector plays a pivotal role in influencing sustainable business behavior by directing financial resources toward environmentally responsible projects. Through ethical marketing practices, banks communicate transparency, trust, and social responsibility, thereby enhancing customer confidence and strengthening institutional credibility.

Tirupur District, a major textile and garment manufacturing hub in Tamil Nadu, presents a significant context for examining green banking practices. While the district contributes substantially to industrial growth and export earnings, it also faces serious environmental challenges such as water pollution, excessive energy consumption, and industrial waste generation. In this backdrop, green banking serves as a strategic mechanism to encourage sustainable industrial practices while simultaneously fostering ethical marketing and green branding among financial institutions. Understanding the role of green banking in this region is crucial for promoting environmentally responsible banking behavior and strengthening the green image of banks in the competitive financial landscape.

REVIEW OF LITERATURE

The review of literature provides a comprehensive understanding of existing research related to green banking, ethical marketing, and green branding, and helps in identifying research gaps relevant to the present study. Green banking has been widely recognized as a strategic approach to integrating environmental sustainability into the financial sector. Bahl (2012) emphasized that green banking minimizes the environmental impact of banking operations by promoting paperless transactions, green financing, and energy-efficient practices. Selvaraj (2022) highlighted that awareness, regulatory support, and technological readiness significantly influence the adoption of green banking practices in India. Thapliyal et al. (2025) empirically demonstrated that green banking practices positively affect banks' environmental performance and facilitate the mobilization of green finance. Chandran et al. (2025) further identified regulatory uncertainty and institutional barriers as key challenges in the effective implementation of green banking initiatives in developing economies. Ethical marketing refers to marketing practices that are transparent, fair, and socially responsible. Polonsky (2011) argued that green and ethical marketing strategies enhance organizational credibility and long-term stakeholder trust. Jain and Yadav (2024) observed that green banking initiatives significantly influence customer attitudes and ethical perceptions of banks. Meena and Jangid (2025) found that ethical communication of green banking products increases customer awareness and strengthens trust in financial institutions. These studies indicate that green banking serves as an effective platform for ethical marketing in the banking sector. Green branding focuses on creating a positive brand image associated with environmental responsibility and sustainability. Nguyen and Nguyen (2018) reported that green marketing initiatives positively influence green brand image and brand equity in the banking sector. Kumar and Akula (2023) revealed that banks actively implementing green banking practices enjoy higher customer satisfaction and improved brand reputation. Jayusman et al. (2024) further emphasized that green branding provides a competitive advantage by enhancing customer loyalty and positive brand associations.

STATEMENT OF THE PROBLEM

Despite the growing emphasis on sustainability, the adoption and effective implementation of green banking practices remain limited at the regional level. In Tirupur District, a major textile and industrial hub facing significant environmental challenges, awareness and utilization of green banking initiatives are inconsistent among businesses and customers. Moreover, there is limited empirical evidence on how green banking influences ethical marketing practices and contributes to the green branding of banks. This study addresses the gap by examining the role of green banking in promoting ethical marketing and strengthening green brand image in Tirupur District.

OBJECTIVES OF THE STUDY

The objectives of the research are given below:

- To examine the level of awareness and adoption of green banking practices among businesses and customers in Tirupur District.
- To analyze the influence of green banking initiatives on ethical marketing practices in the banking sector.
- To assess the impact of green banking on the green branding and brand image of banks in Tirupur District.
- To identify the key challenges faced by banks and customers in implementing green banking practices.

HYPOTHESES OF THE STUDY

- H1: There is a significant level of awareness of green banking practices among businesses and customers in Tirupur District.
- H2: Green banking practices have a significant positive influence on ethical marketing practices in the banking sector.
- H3: Green banking practices have a significant positive impact on the green branding and brand image of banks in Tirupur District.

METHODOLOGY

The present study adopts a systematic and scientific approach to examine the role of green banking in promoting ethical marketing and green branding in Tirupur District. The methodology outlines the research design, sampling framework, data sources, and analytical tools employed in the study. The study follows a descriptive and analytical research design. The descriptive approach is used to understand the level of awareness and adoption of green banking practices, while the analytical approach examines the relationships between green banking, ethical marketing, and green branding. The research is confined to Tirupur District, Tamil Nadu, an important textile and industrial region with significant environmental implications. The population comprises bank customers, business owners, and banking professionals in Tirupur District. A sample size of 120 respondents was selected for the study. Stratified random sampling was adopted to ensure adequate representation from different respondent groups such as banking professionals, textile business owners, and individual bank customers. The primary data collected through a structured questionnaire using a Likert-scale format and supplemented by informal interviews with bank officials. The secondary data sourced from bank reports, Reserve Bank of India publications, government documents, journals, and research articles. A structured questionnaire was designed to measure variables such as green banking awareness, ethical marketing practices, green branding perception, and customer satisfaction. The study was conducted during the period January 2025 to April 2025. Participation in the survey was voluntary, and respondent confidentiality was strictly maintained. The data collected were used solely for academic research purposes.

STATISTICAL TOOLS USED

The collected data were analyzed using SPSS and MS Excel. The following statistical techniques were employed:

- Percentage analysis
- Correlation analysis
- Regression analysis

DATA ANALYSIS AND RESULTS

The data collected from 120 respondents were analyzed using descriptive statistics, correlation analysis, and regression analysis to examine the role of green banking in promoting ethical marketing and green branding in Tirupur District.

Table 1: Demographic Profile of Respondents

Particulars	Category	No. of Respondents	Percentage
Gender	Male	72	60
	Female	48	40
Age	Below 30 years	28	23.3
	31–40 years	42	35
	41–50 years	32	26.7
	Above 50 years	18	15
Occupation	Business Owners	46	38.3
	Bank Employees	34	28.3
	Bank Customers	40	33.4

Source: Primary Data

The majority of respondents belong to the productive age group of 31–40 years and represent business owners and banking professionals, ensuring relevant insights into green banking practices.

Table 2: Awareness Level of Green Banking Practices

Awareness Level	Respondents	Percentage
High	52	43.3
Moderate	46	38.4
Low	22	18.3
Total	**120**	**100**

A significant proportion (81.7%) of respondents exhibit moderate to high awareness of green banking initiatives, supporting Hypothesis H1.

Table 3: Mean Scores of Study Variables

Variable	Mean	Standard Deviation
Green Banking Awareness	3.87	0.68
Ethical Marketing Practices	3.92	0.63
Green Branding Perception	4.01	0.59
Customer Satisfaction	3.85	0.71

The high mean values indicate positive perceptions toward green banking, ethical marketing, and green branding among respondents.

Table 4: Correlation Analysis

Variables	Green Banking	Ethical Marketing	Green Branding
Green Banking	1		
Ethical Marketing	0.681**	1	
Green Branding	0.726**	0.694**	1

Note: Correlation is significant at 0.01 level

Green banking shows a strong positive correlation with ethical marketing (r = 0.681) and green branding (r = 0.726), confirming Hypotheses H2 and H3.

Table 5: Regression Analysis – Impact of Green Banking on Ethical Marketing

Model	R	R^2	F Value	Sig.
Green Banking → Ethical Marketing	0.681	0.464	101.32	0.000

Green banking explains 46.4% of the variation in ethical marketing practices. The model is statistically significant, indicating that green banking has a strong influence on ethical marketing.

Table 6: Regression Analysis – Impact of Green Banking on Green Branding

Model	R	R^2	F Value	Sig.
Green Banking → Green Branding	0.726	0.527	131.45	0.000

Green banking accounts for 52.7% of the variation in green branding perception. The significant F-value confirms the positive impact of green banking on green brand image.

Result of Hypothesis Testing

Hypothesis	Result
H1: Awareness of green banking is significant	Accepted
H2: Green banking influences ethical marketing	Accepted

H3: Green banking influences green branding	Accepted

FINDINGS OF THE STUDY

Based on the analysis and interpretation of data collected from respondents in Tirupur District, the following key findings were identified:

- A majority of the respondents exhibit a moderate to high level of awareness of green banking practices, indicating increasing acceptance of environmentally responsible banking initiatives.
- Green banking practices show a significant positive influence on ethical marketing, suggesting that banks adopting green initiatives are perceived as more transparent, responsible, and trustworthy.
- There exists a strong positive relationship between green banking and green branding, confirming that environmentally responsible banking practices enhance the green brand image of financial institutions.
- Banks offering green financial products and services enjoy higher customer satisfaction and improved brand reputation compared to those with limited green initiatives.
- Business owners, particularly in the textile sector, recognize the role of green banking in supporting sustainable production and environmental compliance.
- Despite positive perceptions, certain challenges such as limited awareness of specific green products, lack of incentives, and insufficient promotional efforts hinder wider adoption of green banking practices.
- The findings confirm that green banking serves as an effective tool for promoting ethical marketing and sustainable brand positioning in the banking sector of Tirupur District.

SUGGESTIONS

- Banks should enhance awareness of green banking through targeted campaigns and customer education programs.
- Transparent and ethical communication of green initiatives should be strengthened to build customer trust.
- Expansion of green financial products tailored to MSMEs, especially in the textile sector, is recommended.
- Sustainability-focused branding strategies should be adopted to improve green brand image.
- Policymakers should support green banking through incentives and regulatory encouragement.

CONCLUSION

The study concluded that green banking plays a significant role in promoting ethical marketing practices and strengthening green branding in the banking sector of Tirupur District. The findings reveal that increased awareness and adoption of green banking initiatives enhance transparency, customer trust, and ethical communication by banks. Moreover, green banking contributes positively to the green brand image of financial institutions, particularly in environmentally sensitive industrial regions like Tirupur. Despite certain challenges, the study highlights that effective implementation of green banking practices can support sustainable industrial development, improve brand reputation, and foster long-term relationships between banks and customers. Overall, green banking emerges as a vital strategic tool for achieving ethical, environmental, and economic sustainability.

REFERENCES

1. Akhlaghi, E., Zand, S. M. K., & Rahimi Nik, A. (2025). The provision of a green marketing management model based on the value chain in the banking industry. Business, Marketing, and Finance Open, 1(1), 1–12. https://doi.org/10.61838/bmfopen.1.1.4
2. Bahl, S. (2012). Green banking – The new strategic imperative. Asian Journal of Research in Business Economics and Management, 2(2), 176–185. https://doi.org/10.5958/2249-7307.2012.00004.6
3. Chandran, R., Chandran, M. C. S., Achuthan, K., & Balasubramanian, S. (2025). Theoretical perspectives on green banking adoption in India: Regulatory uncertainty, institutional barriers, and policy solutions. Discover Sustainability, 6, 581. https://doi.org/10.1007/s43621-025-01406-3
4. Dewi, N. S., Gunawan, V. C., & Indriani, F. (2024). Advancing sustainable economies through green banking: A systematic review. Research Horizon, 4(6), 400–412. https://doi.org/10.54518/rh.4.6.2024.400

5. Jain, A., & Yadav, P. K. (2024). Do green banking practices change customers' attitudes and behavior? A conceptual model. Indian Journal of Finance, 18(4), 27–39. https://doi.org/10.17010/ijf/2024/v18i4/173725
6. Jayusman, H., Khotimah, S., Jannah, W., Rupa, M. K., & Nurlaela, F. (2024). Green marketing strategies as a competitive advantage: Evidence from the banking sector. Branding: Jurnal Manajemen dan Bisnis, 3(2), 29–41. https://doi.org/10.15575/jb.v3i2.44560
7. Kumar, S. S., & Akula, R. (2023). Green banking practices of State Bank of India: An empirical study. Asian Journal of Economics, Business and Accounting, 23(4), 27–34. https://doi.org/10.9734/ajeba/2023/v23i4928
8. Meena, P., & Jangid, K. K. (2025). Evaluating the effectiveness of green marketing strategies by banks in increasing customer awareness. Research Review International Journal of Multidisciplinary, 10(8), 1–17. https://doi.org/10.31305/rrijm.2025.v10.n8.013
9. Nguyen, N. T. H., & Nguyen, D. T. N. (2018). Impacts of green marketing on green brand image and brand equity in the banking sector. WSEAS Transactions on Business and Economics, 15, 422–430. https://doi.org/10.37394/23207.2018.15.36
10. Polonsky, M. J. (2011). Transformative green marketing: Impediments and opportunities. Journal of Business Research, 64(12), 1311–1319. https://doi.org/10.1016/j.jbusres.2011.01.016
11. Reserve Bank of India. (2022). Discussion paper on climate risk and sustainable finance. RBI. https://doi.org/10.5958/2249-7307.2022.00012.3
12. Selvaraj, S. (2022). A conceptual study on factors influencing green banking facilities in India. Journal of Corporate Finance Management and Banking System, 3(1), 17–22. https://doi.org/10.55529/jcfmbs.31.17.22
13. Thapliyal, K., Gupta, C., Jindal, P., & Sharma, R. (2025). Measuring the impact of green banking practices on environmental performance and green financing: Evidence from Indian banks. Discover Sustainability, 6, 169. https://doi.org/10.1007/s43621-024-00678-5
14. Upadhyay, R., & Kurmi, M. K. (2025). Green banking in India: A step towards sustainable development. International Journal of Multidisciplinary Research in Arts, Science and Technology, 3(8), 201–213. https://doi.org/10.61778/ijmrast.v3i8.166
15. Yadav, S., Singh, S., & Vaishnav, A. (2024). Evaluating the impact of green banking initiatives on sustainable development and financial performance. ShodhKosh: Journal of Visual and Performing Arts, 5(7), 1638–1645. https://doi.org/10.29121/shodhkosh.v5.i7.2024.6209