

The Determinants of Green Banking Adoption in Bangladesh: An Environmental Perspective

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Abstract

Purpose: The aim of this paper is to assess the environmental factors' influence on the green banking adoption in Bangladesh.

Design/methodology/approach: This study is an empirical attempt to prove the cause and effect relationship for the hypotheses developed from a conceptual framework for which it has used both descriptive, as well as quantitative research. The survey unit of the analysis administered a simple random sampling technique over 323 respondents by using a structured questionnaire.

Findings: The study identified that the customer pressure, the competitor pressure and the community pressure are the salient environmental factors which have a positive influence on green banking adoption in Bangladesh.

Practical implications: The study may have significant implications providing the bank management with better understanding of the environmental factors and also the influence of it to find out appropriate strategies required to green banking practice.

Research limitations: The research is mostly based on primary data focused only the customers of commercial banks as respondents ignoring managerial samples across the banks.

Originality/value: To the best of the author's knowledge, this study is one of the earliest initiatives to explore the environmental factors and its influence behind the adoption of green banking practices in Bangladesh.

Keywords: Bank, Green Banking, Environment, Determinants, Bangladesh.

Introduction

The word "green banking" has become a catchphrase for current banking problems around the world. The phrases 'ethical banking', 'sustainable banking', and 'socially responsible banking' are often used interchangeably. Green banking is a broad term that refers to a variety of activities attempting to make the financial sector more environmentally sustainable in the process of preserving the natural environment (Sahoo and Nayak, 2007). A green financial product or service is one that helps to minimize environmental harm, protect natural resources, and alleviate the negative direct and indirect effects of banking activities. Now a days, environmental concerns are emphasized in green banking and green financial goods (Ahmed, 2012).

Green banking, also known as sustainable banking has sparked a lot of interest among banks and financial institutions that are looking for a comprehensive mechanism to help them cope with the devastating effects of climate change (Shampa and Jobaid, 2017). Green consumerism has grown in popularity in recent decades, and many businesses have proclaimed themselves to be environmentalists, incorporating environmental considerations into the formulation of their policies and strategies.

The country's environmental resources are limited, and much of it has already been harmed by numerous industrial and technological advances. Furthermore, global warming, deforestation, hazardous waste disposal, stratospheric ozone layer degradation, over-consumption, and reduction of natural non-renewable resources, as well as air pollution, all lead to a high degree of uncertainty for the future. According to Polonsky and Rosenburger (2001) market targeting, green market design, green positioning, green pricing, green logistics, and green promotions are all examples of corporate greening. Menon and Menon (1997) proposed that greening can be incorporated into a company's philosophy, which can then be used to improve the company's role in the marketplace. In this connection Afande (2015) argued that environmental management is no longer an option, but a necessity for the industry's long-term viability and success.

Bangladesh Perspective

Bangladesh, one of the worst-affected nations, is witnessing the harsh effects of global environmental destruction caused by massive carbon emissions and reckless industrialization. At this time, the situation necessitates green measures in all sectors including the financial sector. Furthermore, environmental pressure groups have become active in their campaigns, and media coverage of environmental issues has risen significantly. It has also risen to the top of the political agenda with a slew of new legislation and regulations passed to protect the environment. Besides, environmentalists also set goals for international cooperation and action through the Earth Summit in Rio de Janeiro in 1992 and its follow-up summits in Berlin in 1995 and New York in 1997 (Ehasan, 2020).

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Bangladesh Bank has established itself as a leader in the promotion of green banking. Bangladesh Bank (BB), the country's central bank, instructed all commercial banks to take the required measures to enforce the provisions of the Environment Conservation Act 1995 (BRPD-No-12 dated 8.10.1997) in June 1997 (ECA). The commercial banks were asked to ensure the steps undertaken to control environmental pollution before financing a new project or providing working capital financing to the existing enterprises. Bangladesh Bank later issued a guideline on Corporate Social Responsibility in 2008 to enable banks and financial institutions to exercise social responsibility. In April 2010, the BB released an annual review of CSR practices by Bangladesh's scheduled banks, emphasizing socially and environmentally responsible banking practices (BB, 2010).

In an effort to promote green banking, Bangladesh Bank (BB) released and distributed “Policy Guidelines for Green Banking” and “Environmental Risk Management Guidelines” almost simultaneously in 2011. Bangladesh Bank claims to be the first central bank to issue an indicative guideline for green banking by publishing these guidelines (Ahmed, 2012). It established a three-phase Green Banking Policy Structure (BRPD Circular No.02, dated February 27, 2011) and directed all scheduled commercial banks in the country to enforce the policies between 2011 and 2013 (Bangladesh Bank, 2011). The phasing of implementation of the 19 policies included in the Green Banking Framework is: Phase I – Policy 1.1 to 1.9 (by 31 December 2011), Phase II – Policy 2.1 to 2.7 (by 31 December 2012) and Phase III – Policy 3.1, 3.2 and 4.0 (by 31 December 2013). However, based on Bangladesh Bank's on-site and off-site supervision, banks scheduled before 2013 will need more time to enforce Green Banking Policy. So, the deadlines for 47 banks (scheduled before 2013) to implement green banking activities under Phases II and III have been extended to December 31, 2014 and June 30, 2015, respectively (Mahfuzur and Barua, 2016).

Objective of the Study

The overall objective of this research is to understand the relationship between environmental factors and their impacts on green banking adoption in Bangladesh.

Significance of the Study

Green banking is still in its early stages, and further research is needed to fully understand its potential. Despite the fact that green banking has been a common academic subject for at least three decades, the majority of studies have been conducted in developing countries. It is also noted that these findings may not be applicable to other countries due to have differences in cultural, demographic, economic, environmental and legal environments. So, a set of factors that have a significant role to one nation may prove to be insignificant in another (Rao & Sharm, 2010). Therefore, the intensive competition in the banking industry and similarity of services provided by banks has made it increasingly important to identify the environmental factors and to assess its influence upon which green banking strategies are formulated. But, a very few studies have been reviewed continuously on the adoption of green banking practices particularly in the banking sector of Bangladesh. Consequently, the issue of “Green Banking Adoption” has been given considerable attention by the researcher. As a study, related to identifying environmental factors and assessing its influence, the research is significant in terms of theoretical and managerial contribution. On the theoretical views, the study can add value to the existing literature and serve as one of the foundation that further studies can be developed. From the managerial views, the findings of the study can carry significant managerial implications providing the bank management with better understanding of the environmental factors and also the influence of it to find out appropriate strategies required to green banking practice. As a result, it should help bank management to develop more precise, targeted strategies relating to green banking practice in Bangladesh.

Review of the Literature

The issue of green banking has been a subject of significant concern for researchers and scholars in recent years. Such interest has carried about a lot of arguments on the subject, which has led to numerous studies on it in the area of green banking over the years (Uddin and Ahmmmed, 2018).

The term “Green banking” refers to the implementation, support and promotion of environmentally friendly practices and reduction of the carbon footprint in the internal and external operations of banks (Green Banking Report, 2016).

In general, green banking refers to the efforts of the Banking sector to keep the environment green and to minimize greenhouse effects through rationalizing their strategies, policy, decisions and activities pertaining to banking service, business and in-house operational activities (Sharif and Sarker, 2013).

Green banking is a form of banking that provides environmental benefits. Green Banking can be implemented by a traditional bank by focusing its core activities toward environmental improvement. It entails devising banking policies that promote environmentally sustainable practices as well as economic growth (Tu & Dung, 2016). It also seeks out and provides a variety of opportunities that benefit both customers and the environment. Prioritizing financing to the sectors that promote various environmental conservation activities is needed by Green Banking (Bukhari and Amran, 2019).

Alice Mani (2011) indicated that as Socially Responsible Corporate Citizens (SRCC), banks have a major role and responsibility in enhancement of governmental efforts towards substantial reduction in carbon emission. Banks can have practices and initiatives of green banking for sustainable development.

Papastergiou and Blanas (2011) mentioned some critical reasons for banks to integrate sustainable environmental banking. These include higher reputation and branding, improved quality of banks' portfolio, and lowered insurance liabilities and compensation claims.

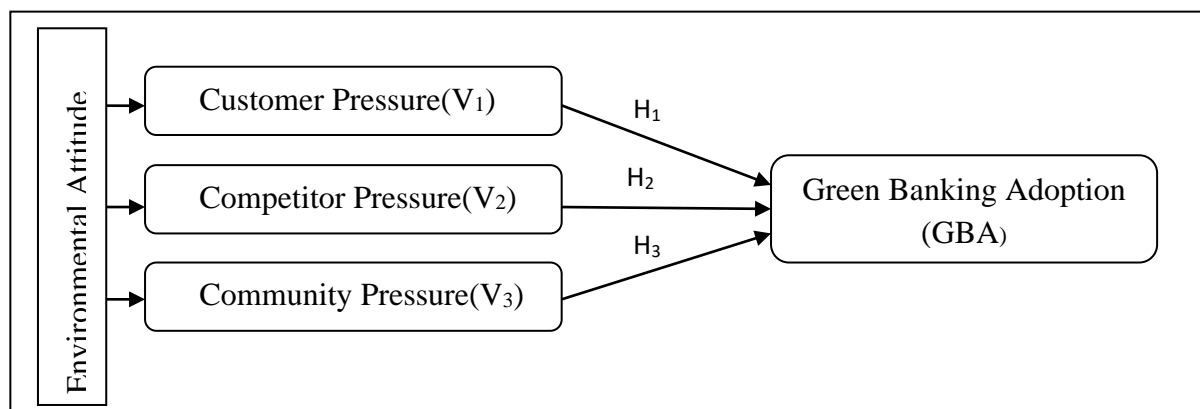
Ullah (2012) in his study on 'Green banking in Bangladesh - a comparative analysis' denoted that banks are responsible for corporate citizens as per entity concept. Banks believe that every small 'GREEN' step taken today would go a long way in building a greener future and that each one of them can work towards to better global environment. Overall green banking is really a good way for people to get more awareness about global warming; each businessman will contribute a lot to the environment and make this earth a better place to live.

Green Banking adoption is more than a transition in a bank's business activities; it is a cultural shift that impacts all facets of the bank's operations. Rethinking, redesigning, and restructuring a bank's vision, strategic goals, resource management, and business operations are all part of the process. Green banking is a distinct corporate philosophy that is solely concerned with environmental issues and opportunities. Since it affects all facets of banking operations, it necessitates specific policy-making and implementation guidance. Green Banking necessitates the adoption, execution, and reorganization of a number of banking operations (Bukhari, Hashim, and Amran, 2019).

Theoretical Framework and Hypotheses Development

'The Environmental Attitude' provides useful insights on environmental concern or bank selection behavior of individual customer which get the banks to require green banking practices. So, the banks should realize how to gain customers' patronage and loyalty by delivering excellent service, addressing customer needs, and developing innovative products through its organizational abstract thinking in green banking. It is a compassionate action for apprehending the care of nature to be existence and often formally converting banking activities and economic behavior into green. From the view point of banks 'The Environmental Attitude'- basically expresses the idea of abusing the environment and it often produces disastrous consequences rather than ecological balance in safe and sound, is certainly used as a presumption of the behavior of banking industry in this theoretical framework. Bank should approach more with eco-friendly products, services, and activities. As a result of optimizing benefits while reducing costs, the theoretical expositions of the research reflect the green banking practices adopted by Bangladeshi banks.

Figure1: Theoretical Framework of the Study



(V₁), (V₂), (V₃) =independent variable; (GBA) =dependent variable

Customer pressure and green banking adoption: According to Lin and Sheu (2012), a company's reliance on customers creates consumer pressure, which is a type of coercive pressure. Customers have been referred to as key stakeholder shaping firms' implementation of green practices. The banking industry cannot stop this wave of environmental consciousness as customer expectations for environmental policies and enforcement standards rise (Ahuja, 2015; Bowman, 2010). The consumer plays a direct and indirect role in accelerating the acceptance of Green Banking (Choudhury et al., 2013). Green Banking adoption is influenced positively by consumer understanding and pressure on environmental issues (Bose et al., 2018; David & Shameem, 2017). Based on the logic of the preceding arguments, it is hypothesized that:

H₁: The Customer Pressure will have a positive influence on green banking adoption.

Competitor pressure and green banking adoption: Competitive pressures, such as obtaining green appreciations, environmental thoughts (Yalabik & Fairchild, 2011), and green supply chain operations, have been found to be strongly linked to green practice adoption (Hoejmose et al., 2014). Mimetic stresses are prevalent in the banking sector, according to research, because banks must adhere to similar regulatory policies and face intense competition (Pleasant et al., 2014). According to research, competitors have a high level of value creation opportunity, challenges, influences, and cooperation when it comes to Green Banking adoption (Choudhury et al., 2013). Due to the adoption of Green Banking by all banks, the competitive market guidelines are exerting mimetic pressures on Bangladeshi banks (Masud et al., 2018). When banks embrace Green Banking, mimetic forces encourage them to follow their competitors' active adoption paths. This allows them to take advantage of previously untapped business opportunities and achieve market advantages (Prajogo et al., 2012). Based on the logic of the preceding arguments, it is hypothesized that:

H₂: The Competitor Pressure will have a positive influence on green banking adoption.

Community pressure and green banking adoption: Community pressure is one of the key sources of social legitimacy and it is said to be a powerful force that firms cannot disregard. Public pressure is mounting on banks to adopt green banking practices in their core business operations. As a result of the pressure, the banking industry must become a proponent of environmental change in their respective societies (Bose et al., 2018).

As stakeholders, the group may have a direct or indirect effect on a company's environmental policy. The ability to strengthen or sustain relationships with the environmental forces influences an organization's decision that enforce banks more to follow green management practices (Qi et al., 2011). The degree to which a shift in a firm's actions results in higher levels of credibility determines its ability to respond to external demands for greater environmental commitment (Hoejmose et al., 2014; Zhu et al., 2007). Based on the logic of the preceding arguments, it is hypothesized that:

H₃: The Community Pressure will have a positive influence on green banking adoption.

Research Methodology

Research design: This study is a descriptive, as well as quantitative research. This study describes the characteristics of the environmental factors' influence of green banking adoption in Bangladesh. Moreover, an exploratory research is conducted first in order to gain insights and understanding about environmental factors. This exploratory research analysis aided in the selection of quantitative data from a sample of the target population for use in the research. By analyzing the relationships between the variables, this data was used to make a definitive judgment. This study's analysis was carried out using SPSS version 22.0 and inferential analysis.

Data Sources: Both primary and secondary sources have been comprised to come up with necessary data for the outline research objectives. The secondary sources of data such as review of the scholarly journals, reports, websites, as well as government publications about green banking practices have contributed to prepare the theoretical part of the study.

Measurement and scaling: A structured questionnaire is distributed among the respondents using survey methods in order to gather primary data in line with the objectives of the study. The questionnaire are organized into three parts as follows: The first part of the questionnaire sought to obtain information relating to banking behavior, the second part was designed for demographic information of the respondents and the last part of the questionnaire asked respondents to rate the relative importance to the 11 (eleven) variables that customers perceive as important environmental attributes and have significant impacts on choosing banks. They are measured on a five-point Likert scale, 1 (Strongly Disagree) to 5 (Strongly Agree).

Sampling Design Process

Target population elements: The population of this study consists of the customers (both male and female) of all the scheduled commercial banks which have got license to operate under Bank Company Act, 1991 (Amended up to 2013) and obviously served the purpose of the study.

Sampling units: The basic units of this study are public and private commercial banks in Bangladesh. The target population is all of the customers (depositors, borrowers and general customers) of the selected 02 public and 06 private scheduled commercial banks in Bangladesh. The representative banks are selected because they have at least 100 branches each which almost poised the number of branches between public (1463 branches) and private (1461 branches) commercial banks.

Extent: All around Bangladesh

Time: From July 04, 2019 to June 15, 2020

Sampling frame and sampling technique: For this analysis, a customer database housed in branches of selected banks was used as a sampling frame. The aim of this database is to store detailed information about the respondents. The survey unit of the analysis was administered using a simple random sampling of probability sampling technique. Each element in the sampling

frame has a unique identification number. Later, random numbers table are used to decide the samples to be incorporated in the study.

Sample size: The study has applied “The proportion sample size determination technique” and the sample size is calculated using the formula: $n = \{Z^2 \times P (1 - P)\}/e^2$ to finalize the number of respondents. In its initial stage, 30 customers are randomly chosen and asked whether they are familiar with the green banking idea or not. 70% of them replied that the idea is familiar to them and for this, population proportion, P is calculated as 0.70. The estimated precision level, e is ± 0.05 with 95% confidence level with critical value $Z=1.96$ and 323 sample size has brought out as output. So, the study has decided to survey among the 323 randomly selected bank customers. The formula used for dividing the sample size in each commercial bank is as follows:

$$n_i = \frac{N_i \cdot n}{\sum_{n=i} N_i}$$

Where,

n_i is the total number of proportionate samples from each selected bank/ Sample.

N_i is the total number of branches of each selected commercial bank. /No. of proportionate Br.

n is the total sample size/Selected Commercial Banks (number of banks/respondents to have been selected for study)

According to this formula the samples of the research study are as follows:

Table-1: Distribution of Sample

Selected Commercial Banks	Total Branches	No. of proportionate Sample
1. Agrani Bank Ltd.	921	102
2. Rupali Bank Limited	542	60
3. National Bank Ltd.	181	20
4. United Commercial Bank Ltd.	170	19
5. Pubali Bank Ltd.	435	48
6. Uttara Bank Ltd.	229	25
7. Dutch Bangla Bank Ltd.	152	17
8. Islami Bank Bangladesh Ltd.	294	32
Total	2924	323

Quantitative data analyzing: Data are quantified and verified, and is statistically manipulated. Here, there are more independent variables than dependent variables and in this study the research tried to discover the relationship among those variables. In this study SPSS 22.0 has been used which focuses to find the statistical summary. Regression analysis helped to understand how the typical value of the dependent variable changed when any one of the independent variables varied.

Findings of the Study

This research focuses on identifying the environmental factors and assessing their influence on green banking adoption in Bangladesh. This section provides a description of the bank respondents and statistical characteristics of the sample, results interpretation and a summary of the statistical results found in this study.

The study shows that the majority of the respondents are of the public bank (50.15%) slightly ahead of private bank 49.85%. It has been because of applying the proportion sample size determination technique. The frequency distribution of respondents shows that most of 102 out of total 323 respondents counting in percentage 31.6% is from Agrani bank limited, whereas, the least only 17 respondents has been selected from Dutch Bangla bank limited as per the formula used for dividing the sample size in each commercial bank.

Table-2: Frequency of Sample (Name of the Bank)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Agrani Bank Ltd.	102	31.6	31.6	31.6
Rupali Bank Limited	60	18.6	18.6	50.2
National Bank Ltd.	20	6.2	6.2	56.3
United Commercial Bank Ltd.	19	5.9	5.9	62.2
Pubali Bank Ltd.	48	14.9	14.9	77.1
Uttara Bank Ltd.	25	7.7	7.7	84.8

Dutch Bangla Bank Ltd.	17	5.3	5.3	90.1
Islami Bank Bangladesh Ltd.	32	9.9	9.9	100.0
Total	323	100.0	100.0	

Reliability analysis: A reliability test is used to measure consistency of the variables. In this research, the reliability test has been measured by using Cronbach's Alpha. In the following table, the reliability of the collected data has been calculated by Cronbach's alpha. Cronbach's alpha is generally increased as the inter co-relations among test items are increased. When all test items calculate the same construct, the correlation between them is maximized. The following test showed that Cronbach's Alpha of the independent variables under the constructs- the environmental attitude including green banking adoption as a dependable variable is above the limit of 0.50 which means good enough for reliability.

Table-3: Reliability Test

	Test Actual
The Customer pressure (V ₁)	0.789
The Competitor pressure (V ₂)	0.653
The Community pressure (V ₃)	0.640
Green Banking Adoption	0.725

Descriptive analysis: Descriptive and correlation statistics among studied variables are listed below. The means and standard deviation of all the constructs in the current study are displayed in the following table:

Table-4: The Means and Standard Deviation

Items	Mean	Std. Deviation
Customer Pressure	3.08	0.62025
Competitor Pressure	3.87	0.89372
Community Pressure	4.07	0.91529
Green Banking Adoption	3.73	0.81612

Source: The survey data

Mean scores have been computed by equally weighting the mean scores of all the items. On a five-point scale, the mean score for Customer Pressure is 3.08 (SD=.62). The mean score for Competitor Pressure is 3.87 (SD=.89). The mean score for Community Pressure is 4.07 (SD=.91). The mean score for Green Banking Adoption is 3.73 (SD=.81).

Pearson correlation and regression analysis: A correlation analysis is conducted on all variables to explore the relationship between variables. Pearson Correlation is being used to determine the relationship between any two variables or more in which they vary across a period. Correlation can range from +1 to -1, with values near +1 being strongly correlated and those near -1 being lowly correlated. The correlation coefficient value (r) range from 0.10 to 0.29 is considered weak, from 0.30 to 0.49 is considered moderate and from 0.50 to 1.0 is considered strong. The Bivariate (Pearson Correlation) procedure is subject to a two tailed of statistical significance at two different levels highly significant (p<.01) and significant (p<.05).

Table-5: Correlation Analysis

		The customer pressure (V ₁)	The competitor pressure (V ₂)	The Community Pressure (V ₃)
Green Banking Adoption	Pearson Correlation	0.538**	0.673*	0.765**
	Sig. (2-tailed)	.000	.023	.014
	N	323	323	323

**Significant at the 0.01 level (2- tailed)

*Significant at the 0.05 level (2- tailed)

The above table of Pearson correlation analysis showed that 'The Community Pressure (V₃)' has the highest correlation (r = 0.765, p<.01) while 'The Competitor Pressure (V₂)' has possessed a rather low correlation (r = 0.673, p<.05). On the other hand, 'The Customer Pressure (V₁)' has the least correlation (r = 0.538, p<.01). The overall Pearson correlation result shows that all the independent variables are more or less positively correlated with green banking adoption.

Hypothesis testing: To address the hypotheses developed for this study and determine whether the environmental attitude significantly predicted the green banking adoption (GBA), multiple regression models are requested. In the model, green banking adoption served as the dependent variable, predicted by three factors for the construct. It can be seen from Table 06.

Table-06: Multiple Regressions

Factors	The Environmental Attitude	
Factor 1: Community Pressure	.245	2.78
Factor 2: Competitor Pressure	.327	3.67
Factor 3: Customer Pressure	.115	1.89
R2	0.592	
Sig. F	50.829	

$p < 0.001$

a. Dependent Variable: Green_Banking_Adoption

b. Selecting only cases for the Model

In the Model three factors— Community Pressure ($t=2.78$, $p\text{-value} < 0.001$; $\beta=0.245$), Competitor Pressure ($t=3.67$, $p\text{-value} < 0.001$; $\beta=0.327$), and Customer Pressure ($t=1.89$, $p\text{-value} < 0.001$; $\beta=0.115$), are significant and supported the hypotheses. It also shows that only 59 percent ($R^2=0.592$) of the respondents' preference of green banking adoption can be explained by the three factors of the environmental attitude.

The value of the F-test in the model is 50.829 which indicate a high F-value. But the p-value of 0.001 for the model is less than 0.05 (5% level of significance) indicating that there is at least one independent variable of the model influence green banking adoption. As a result, we reject the entire null hypotheses of the model and can conclude that green banking adoption is significantly related to the environmental attitude. Hence, H₁: The Customer pressure, H₂: The Competitor pressure and H₃: The Community pressure will have a positive influence on Green Banking adoption in Bangladesh.

Table-7: Major Findings of the study

Hypotheses	Supported	Not Supported
H1: The Customer pressure will have a positive influence on Green Banking adoption.	✓	
H2: The Competitor pressure will have a positive influence on Green Banking adoption.	✓	
H3: The Community pressure will have a positive influence on Green Banking adoption.	✓	

Relationship between customer pressure and green banking adoption: Based on the findings in this paper, the relationship between customer pressure and green banking adoption has a p-value of 0.001 (less than $\alpha = 0.05$). This represents that there is significant relationship between customer pressure and green banking adoption. Therefore, a better satisfaction to customer pressure or awareness and concern of customers is one of the important reasons in adopting green banking practice in Bangladesh. Choudhury et al., (2013) claimed that customer influence and importance in accelerating Green Banking adoption are both direct and indirect. However, the result is consistent with the findings of Bose et al., (2017); David & Shameem, (2017). They showed that green banking adoption is positively influenced by the awareness and pressure from the customers regarding environmental issues.

Relationship between competitor pressure and green banking adoption: In this paper, the relationship between competitor pressure and green banking adoption has a p-value of 0.001 (less than $\alpha = 0.05$) and that represents it has a significant relationship between competitor pressure and green banking adoption. Therefore, a mimetic pressure from the competitive market; competitor's green banking practices is another important reason in adopting green banking practice in Bangladesh. The findings of this research are consistent with Prajogo et al., (2012). They showed that when banks embrace Green Banking, mimetic forces encourage them to follow their competitors' active adoption paths. This allows them to take advantage of previously untapped business opportunities and achieve market advantages.

Relationship between community pressure and green banking adoption: The findings in this paper shows that the relationship between community pressure and green banking adoption has a p-value of 0.001 (less than $\alpha = 0.05$). This represents that there is a significant relationship between community pressure and green banking adoption. This shows that different regulatory forces working in the society to prevent disastrous consequences of nature have a direct effect in adopting green banking practice in Bangladesh. Therefore, a better satisfaction in the face of mounting pressure, the banking industry must become an advocate for

environmental change in its respective communities. The result is consistent with Hoejmose et al., (2014); Zhu et al., (2007) that showed a firm's willingness to respond to external pressures depends on the extent to environmental commitment which change the firm's behavior resulting as being a community compassionate in greater levels of legitimacy.

Conclusion

Due to today's fierce competition, banks must have a thorough understanding of environmental factors and evaluate their effects on green banking practices in order to maximize benefits while minimizing costs. In several ways, the study goes beyond previous research. It was built on the previous works by integrating theoretical constructs such as environmental attitude in the sense of a specific country's banking sector. The study proposes hypotheses for investigating the relationship between the variables and bank's adoption of green banking in Bangladesh. The correlation result shows that all the independent variables are more or less positively correlated with green banking adoption. The proposed framework can be used by regulatory authorities in a country as well as banks to identify the environmental factors that influence green banking adoption in Bangladesh. The study may have important implications for understanding the country's green banking behavior and defining effective green banking strategies. Despite its merits, the study suffers from some of the drawbacks that most survey research suffers from. However, two limitations need special considerations as they might affect the generalization of research findings. First, the study focuses only on the customers of commercial banks as respondents ignoring managerial samples across the banks. Therefore, there is a need to replicate this study using managerial samples along with different levels of division to allow the findings neutralized. Second, the sample respondents used in this study are all urban based. As a result, the research findings may affect representative findings to the adoption of green banking in Bangladesh. So, the researcher's ambition in this field would certainly result in more precise findings, leaving space for future studies.

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