

AN ADOPTION OF SOCIAL BANKING AMONG THE AGEING POPULATION

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Abstract

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This study aims to analyse people's understanding of social banking and to explore the factors affecting the acceptance of social banking in Thailand. The sample is a group of 650 Thai adults aged 55 years and older who usually access the Internet and are able to conduct financial transactions through online banking. The data was collected via an online survey and analysed using multinomial logistic regression. The findings indicate that 54.6% of respondents accepted social banking, while 45.4% of them rejected social banking. Education level, savings, and understanding of social banking have an influence on the acceptance of social banking in Thailand. The paper suggests that social banks should extend opportunities to older adult customers who might be rejected for small project loans by commercial banks and offer them good deals. As a result, they can live independently and confidently and are not excluded from society since they are able to contribute economically and create value for society. Moreover, social banks should launch training programmes or provide useful information about social banking to such customers as it can increase the reputation and social awareness of social banks and enhance the acceptance of social banking in Thailand.

Keywords: Ageing Population, Older Adults, Social Banking

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1. INTRODUCTION

Ageing societies are a global phenomenon. Because the global fertility rates have tended to decline and populations are living longer due to more effective medical care, many countries have undergone a significant demographic change involving the rapid growth of the ageing population, especially in developed countries such as France, Sweden, and Japan (Department of Mental Health, 2020). In the past few years, Thailand has also become an ageing society (Department of Older Persons, 2021). According to the Economic Research Institute for ASEAN and East Asia (ERIA) and the Ageing Business and Care Development Centre (ABCD Centre)

of Thammasat Business School (2021), Thailand currently has the world's third-fastest ageing population, with a number of people aged 60 and over now estimated to be around 13 million, accounting for 20% of Thai citizens. Thailand's population ageing is a relatively new phenomenon; the country became an ageing society in 2001, with more than 7% of Thai people above the age of 65. Its ageing population is predicted to reach 20 million by 2050, constituting 35.8% of the total population, which means that one in every three Thais will be an older person. In practice, this demographic shift means that caring for and supporting the older population will be more difficult.

A number of older individuals throughout the world are struggling with low income and insufficient financial aid. According to the United Nations (2018), 68% of the world's older population are receiving a pension; however, just 26% of those in Central and Southern Asia and 23% of those in Sub-Saharan Africa do. As a consequence, numerous senior citizens may encounter difficulties handling their daily living expenses. Some older people, therefore, try to alleviate such worries by working beyond the statutory retirement age or borrowing money to overcome the shortfall, while others may depend on their family members or social assistance (Global Partnership for Financial Inclusion, 2019). The Department of Older Persons (2021) has indicated that the overwhelming majority of the challenges Thai older adults will encounter will involve a lack of income or funds for day-to-day life after retirement. As a result, such individuals may be excluded from society and the economic system, which may have a variety of repercussions, including a labour shortage and other economic repercussions. However, many studies have revealed that older generation consumers have tremendous purchasing power, and older individuals can contribute considerably to national consumption. In the Harvard Business Review, Emsley (2020) states that individuals over the age of 50 account for more than half of all consumer expenditure in the United States. Fengler (2021), a World Bank lead country economist for Southern Africa, estimates that the ageing population will be the wealthiest among the generations, with 76% of them being in the global consumer class, compared to an average of 66% for all generations, and will be able to spend just under \$15 trillion US dollars by 2030, up from \$8.7 trillion US dollars in 2020. Older people may thus be a driving force in the nation's economy; they should therefore be encouraged in their activities or projects. Some of these activities or projects, however, necessitate financing, and older individuals are generally rejected for loans from conventional banks because they no longer generate active revenue. Social banking may be an option for the older population to finance their activities or initiatives.

Due to the global financial crisis, ethical banking has grown in popularity worldwide, because it has been demonstrated that the financial sector is typically vulnerable to risks arising from amoral acts to a greater extent than other sectors (Ferreira, Jalali, & Ferreira, 2016). Consequently, a wide range of bank customers and researchers have developed a growing interest in ethical banking. Social banks are defined as conscientious banks because they emphasise social investments, offer opportunities for disadvantaged populations, and support activities related to society, the environment and ethics. Currently, social banking now includes ethical banking, cooperative banks, and credit unions; private and community shared development banks; and microfinance banks (Benedikter, 2011). The investments of these banks commonly help to promote the good of society instead of generating personal profit, and this purpose indicates that the financial decision-making of social banks is based on social and economic sustainability (Institute for Social Banking, 2020). Sustainable investments and lending practices via social banks

can improve well-being for the greatest number of people and create a variety of long-term positive effects for investors after the initial outlay (Relano, 2015). Because older Thai adults are expected to face insufficient income or financial support for basic life after retirement, social banks may be an alternative for those in need of financial support because they provide opportunities for people who cannot access financial services from traditional banks (particularly individuals with low socioeconomic status).

For example, interest-free banks are an intriguing subset of social banks. These institutions are usually Islamic institutions because Islam restricts the use of interest-based transactions (Milano, 2011). Islamic finance tries to encourage banks to share risk with their clients so that rather than collecting interests on loans, banks partake in the profits or losses of the investments they finance (Ahmed, 2010). Some financial institutions, regardless of religion, have adopted this interest-free banking model, such as JAK Medlemsbank in Sweden (Koivusalo & Mansour, 2018). This kind of bank may make it easier for older people to obtain loans than traditional banks, which would allow them to access funds to enhance their quality of life, such as becoming more independent and healthier. According to Siddiqi, Zdenek, and Gorman (2013), maintaining older adults' independence and health in their communities is an advantage for all parties, while saving government resources. Such grants may also aid older people in establishing enterprises or initiatives that will allow them to continue to be an active part of society and contribute to the nation's economy. Social banking may therefore improve the lives of older individuals by boosting access to financial services and liquidity, resulting in a higher quality of life and a stronger national economy.

Although social banks have just been established in the last few decades, they are successful in social support activities worldwide, including poverty reduction, carbon emissions reduction, and contributing to the common good of societies (Koivusalo & Mansour, 2018). Therefore, there have been many studies and reviews about social banking. For example, Käufer (2011) has examined the factors affecting the success of social banks and found that there are a number of distinctive obstacles to the success of social banking, such as problems regarding organisational growth and market extension, as well as lack of funds, appropriated staff, public awareness, equity capital, and lobbying power. Koivusalo and Mansour (2018) analysed the performance of European social and traditional banks. They were unable to determine whether social banking is superior to conventional banking in all dimensions; nonetheless, according to their research, social banks retain greater liquidity than conventional banks during both normal and crisis conditions, despite traditional banks' higher profitability. As a result, they recommend that traditional banks adopt some of the effective practices of social banks to enhance their performance.

Previous research on social banking has mostly focused on the key factors that contribute to the success of social banking and the performance of social banks; however, the function of social banking in an ageing society has yet to be explored.

It would therefore be interesting to study the acceptance of social banking in Thailand among the ageing population because it is a new trend and plays an important role in the modern financial system. This study analyses people's understanding of social banking and explores the factors affecting the acceptance of social banking in Thailand. Social bank services may need to be developed in the future to facilitate older clients in the digital era, such as shifting to digital services and making it possible to conduct financial transactions through digital currencies such as Bitcoin and Deim, because Thailand has become a cashless society in recent years (Limsakul & Kraiwanit, 2020; Kraiwanit & Limsakul, 2021). This study is expected to contribute to the development of social banking in Thailand by providing useful findings and recommendations.

The structure of this paper is as follows. Section 2 reviews the relevant literature. Section 3 analyses the methodology that has been used to conduct empirical research. Section 4 shows the results of this study. Section 5 discusses the study's results, and Section 6 concludes the significant findings.

2. LITERATURE REVIEW

2.1. Ageing society and population ageing

Population ageing, defined as the process of increasing the proportion of older persons in the total population, is one of the world's major concerns (International Labour Organization, 2009). Population ageing is a consequence of successful socio-economic development, and the majority of individuals nowadays are likely to live beyond their sixties (United Nations Economic and Social Commission for Asia and the Pacific, 2021). When a country has a steady growth in the proportion of its older population, that country will become "an ageing society" (Foundation of Thai Gerontology Research and Development Institute, 2018). According to the World Health Organization (2021), while this demographic change began in high-income nations (e.g., 30% of the Japanese population is now over 60 years old), it has lately spread to low- and middle-income countries. By 2050, low- and middle-income countries will be home to two-thirds of the world's population over the age of 60.

According to the OECD (2020), an older person is one who is 60 years of age or older; nevertheless, definitions and understandings of this concept may differ across various nations depending on jurisdictional and cultural circumstances, as well as legal requirements. In Brazil, for example, an older person, according to the Elderly Statute (Law 10.741/2003), is a citizen aged 60 or older, which is similar to the definition of "an older individual" in India under the Maintenance and Welfare of Parents and Senior Citizens Act 2007. In certain countries, this term is based on retirement age. For example, an Israeli senior citizen is classified as an Israeli resident who has achieved retirement age, which is 62 for females and 67 for males. Although there is no formal definition of the aged population in Australia, several Australian government departments use the word "aged" to refer to anyone over the age of 65, which is the eligibility age to receive the government aged pension. In Japan, various

definitions of an aged citizen apply in different contexts, such as 70 years or more when selling insurance and 75 years or more when selling certain financial products.

An ageing population brings with it a wide range of benefits and possibilities, as well as problems and risks. Such benefits include greater socio-economic activity and productivity related to increased longevity and healthier, more productive older adults (commonly called the "longevity economy", AARP and Oxford Economics, 2016). Problems and risks also develop as a result of variables, such as the increased possibility of physical and cognitive deterioration, longer-term and unanticipated financial demands and decision-making and poor digital and financial literacy. Many nations, particularly in Asia, are experiencing the phenomenon of people "getting old before getting rich" as a means of higher population ageing and a decline in the demographic dividends (OECD, 2020). It is worth noting that older individuals are not a homogenous group and are as diverse as any other demographic group in terms of personal and family circumstances, economics, housing, work, health conditions, and other factors. It is far from likely that all, or even some, of the risk factors will be experienced by all older people.

Because older individuals are more vulnerable than younger ones, they may require additional care and support. The following are some examples of needs experienced when older people encountered difficulties and sought external support. Many older people's primary demand is for social life. Some older people need social relationships and social interactions because they are experiencing loneliness and social isolation as a result of their inability to maintain relationships or participate in social activities due to illnesses (Goll, Charlesworth, Scior, & Stott, 2018). According to Abdi, Spann, Borilovic, de Witte, and Hawley (2019), family and close friends offer comradeship and promote social and desirable activities for many older persons. Self-reliance is another of the most basic necessities among older people, because, with many chronic conditions, older people struggle with activities like mobility, self-care and domestic life and are frequently reliant on family caregivers and home care services for support (Goll et al., 2018). Family caregivers play an important role in facilitating older adults in meeting their needs (House of Lords, 2017). However, those who use such services may encounter issues, such as a lack of care consistency, unmet care needs and inadequacy of information on care services, especially for those who are not related to people with similar needs or are dependent on the health and social care services (Care Quality Commission, 2013). Although many older adults have physical limitations, they have shown a willingness to overcome their difficulties and maintain their independence. This was evidenced by the development of self-care skills, the use of mobility aids and home adaption equipment, and persistence in doing tasks despite physical difficulty (National Institute for Health and Care Excellence, 2015). Work is another important need among older people. Several recent studies have emphasised the necessity of supporting employment in later life, as well as the advantages of labour for older people and society (Department for Work and Pensions, 2017; Johnson, 2015). According to the Foundation of Thai Gerontology Research and Development

Institute (2018), older people remaining in the employment market will be better able to support themselves and will be productive members of society, leading to a reduction in the burden on families and the government. Furthermore, a working older population will compensate for the decline in younger populations. Access to financial services and financial support is another critical need among the aged. As the number of older financial consumers grows, so too does their need to spend, save, borrow, protect and invest as part of their daily financial management. Despite a heightened risk of age-related health issues, the older population needs specialised financial products such as retirement income planning, credit for unemployed older people, long-term care and affordable insurance (OECD, 2020). Age-related restrictions on particular financial products can limit older people's access to financial services. The percentage of older bank customers with outstanding debt, particularly mortgage debt, is growing in many nations. This trend indicates a higher chance of repayment difficulties and financial hardship among older populations (Ong, Wood, Cigdem-Bayram, & Salazar, 2019).

2.2. What is social banking?

The exact meaning of the term "social banking" and its fundamental concept is confusing to define. However, based on the limited available literature about social banking, social banking might be defined according to a "common denominator" perception of many companies in this field (Tischer, 2013b). The main purpose of social banking, based on its non-monetary values, is spending money on contributing to the common good and developing social, environmental, and economic sustainability (Tischer & Remer, 2016). Although the activities of social banking need to be economically practicable, they do not intend to maximise profits. According to Triodos Bank (2018), many social banks frequently use negative and positive sustainability criteria to deny funding to "unsustainable" projects such as the production of arms or nuclear power, as well as speculative projects; in contrast, they are willing to invest funding in "sustainable" projects such as organic farms or multigenerational housing. Based on this common denominator, social banks are differentiated from conventional banks, which are profit-making organisations, and from many cooperative banks that have arguably lost much of their social heritage over recent decades.

Mainstream banks differ from social banks in their profitability. While mainstream banks focus on merely generating maximum profits, social banks consider a threefold principle of profit-people-planet (Benedikter, 2011). Even though making a profit is the main purpose of social banks, profitability from social banking is for promoting human and environmental well-being (Weber & Remer, 2011). Good lending practices in social banking can be measured by social responsibility, not only by earning profits alone. Hence, it can be called social banking as "banking for social cohesion" or "cooperative banking" rather than competitive banking like commercial banks. In Europe, customers of social banks are able to borrow funds for activities associated with corporate social responsibility with very low-interest rates, and social banks usually donate money to activities that improve the greater good (Benedikter, 2011).

Social banks have been the forerunners of a variety of innovative goods and services, such as community-based loans (Weber, 2011). They have also aided in the development of a variety of environmentally-friendly industries, such as organic farming and green energy. Furthermore, they pioneered the "greening" of conventional banking products such as socially responsible funds (Weber & Remer, 2011). In this respect, the overwhelming bulk of social banking products and services available today may be viewed as traditional banking products and services with a social or ethical twist. For instance, social banks often allow their customers to select a sustainably oriented organisation for their deposited funds or savings; likewise, social banks often employ social and environmental factors to complement financial credit risk assessment when evaluating borrowers, shares, or investment projects (Weber, 2010). Thus, social banks mainly employ traditional banking products and services to bridge the gap between people who wish to invest money to create a beneficial impact on society and those who require funds to realise such initiatives. Examples of social banks' products include sustainability loans and mortgages (such as loans for wind and solar energy projects), impact investments (such as investments in climate change mitigation projects), sustainability savings accounts and certificates of deposit, and microfinance (Weber & Remer, 2011).

2.3. Developments and critical success factors for social banks

Social banking still represents a niche, but it is indicative of an important role in the banking world. The social banking sector has been acknowledged for its small size, even in Europe where it originates. Social banks' balance sheets could be worth \$100 million to \$10 billion, reaching less than 1% of all potential banking service clients (Tischer & Remer, 2016; Weber & Remer, 2011). For a long time, social banking has been recognised by just a small group of customers and largely disregarded by the wider public, conventional peers, and academics. However, the situation changed dramatically during the first waves of the global economic crisis, and most social banks were impressively resilient during that crisis (Benedikter, 2011). Once it was revealed that traditional retail banks were not only the ones affected by the economic crisis but also social banks, social banks suddenly became attractive to those who had ignored them previously. From that time on, there has been an increase in media coverage, discussions by experts, and studies on social banking, as well as the growth of social banks (Remer, 2011; Tischer, 2013a). Since the financial crisis in 2007-2008, the growth of most social banks has risen sharply, with a healthy organic development of approximately 20-30% annually, in contrast to the performance of most retail banks (Carboni, 2011; Niven, 2014).

These social banking developments might be caused by various reasons. Firstly, the global financial crisis led to a decrease in earning opportunities; hence, interest rates and spreads are lower (Carboni, 2011). Second, social banks do not focus on increasing the profitability of operations since they commonly do not seek compensation from outside investors through dividend payments. The growth and financial sustainability of social

banks is the result of lending to and investing in activities that create value for society and the economy (de Clerck, 2009; San-Jose, Retolaza, & Gutierrez-Gloria, 2011). Third, social banks initially provide services to customers who are at higher risks and seem unprofitable for most conventional banks. Therefore, social banks should experience dramatic levels of bad debt, theoretically, but ongoing profitability over the past few years indicates that this norm is not always true (Tischer & Remer, 2016).

Having observed limited literature related to social banking, there are a number of factors that contribute to the apparent success of social banks. For example, social banks provide an impressive proposition in order to raise the number of customers, with their strong values orientation and traditional approach toward core banking activities. This development of social banks is defined not only by a common change in value systems toward sustainable living and consumption, but also by the unreliability of traditional banks toward development during the aftermath of the latest economic crisis (Tischer & Remer, 2016). Furthermore, the potential of social banks in developing products and services based on social and environmental aspects is likely to result in an increase in societal demand for sustainable financial services in a variety of ways (Käufner, 2012). In addition, a loyal and supportive base of like-minded owners, clients, and other stakeholders contributes to the success of social banks (Remer, 2011).

3. RESEARCH METHODOLOGY

3.1. Population and samples

The population in this study is Thai older adults, aged 55 years and above, who usually access the Internet and are able to conduct financial transactions through online banking independently. This age group was considered as the study's population because this age group is concerned with carefully managing their assets throughout their lifetimes, thus they tend to generate a lot of profits for financial service providers and may be interested as potential bank clients. The sample selected by convenient sampling is a group of 650 respondents throughout six regions of Thailand, with a minimum of a hundred samples per region. As the population size is large, the estimation of sample size for this research was calculated based on Yamane (1967) at a confidence level of 95% and a significance level of 0.5, which can be seen in equation (1). The calculated minimum number of samples is equal to 384; hence, the sample size of 650 samples can offer accurate and precise results while also minimising the abnormal distribution of data.

$$n = \frac{p(1-p)z^2}{e^2} \quad (1)$$

where,

n = sample size;

p = population proportion;

z = confidence interval, $z = 1.96$ when the confidence level is 95%;

e = error.

Calculation:

$$n = \frac{0.50(1-0.50)(1.96)^2}{(0.05)^2}$$

$$n = 384$$

3.2. Study tool

An online survey was used as the tool for this research. The following steps are the processes involved in developing the survey. First, documents such as books, academic journals, articles, and official websites relating to social banking and factors influencing the understanding of social banking were analysed to create questions in a survey. The survey was divided into two sections — section 1, demographic factors, and section 2, a ten-question multiple-choice test — to determine the understanding of social banking of participants. A survey draft was created and then validated by five professors to ensure the appropriateness of the survey. Each expert scored each question in the survey to estimate the value of the index of item objective congruence (IOC). The IOC scores of this survey ranged from 0.80 to 1.00; therefore, the survey was suitable for use in data collection as IOC scores were above 0.50. When the IOC scores of the survey reached the required criteria, it was tested on 30 people who were not included in the sample group. The Cronbach's alpha coefficient (Cronbach, 1971) was calculated during this step to estimate the reliability of the survey. The Cronbach's alpha was 0.75, indicating that it could be used for data collection since this value was not less than 0.70.

3.3. Data collection and data analysis

The data was gathered from 650 samples via an online survey and then analysed by descriptive statistics (percentage, mean, and standard deviation) and multinomial logistic regression. Independent variables were divided into two groups: demographic factors (education, occupation, income, savings, and social media platforms) and scores of understanding of social banking. The dependent variable is the acceptance of social banking in Thailand.

4. RESULTS

Table 1 shows weight scores of demographic factors, including education, occupation, monthly income, monthly savings, and social media platforms. The results indicate that the occupation weight score of 24.82% is the highest, followed by the weight scores of monthly income (22.10%), social media platform (20.40%), monthly savings (18.91%), and education (13.78%).

Gender is not shown in Table 1 because it was not weighted in the same fashion as other demographic variables. Gender factors, male and female, are included as a dummy variable limited to two specific values, 1 or 0.

Table 1. Weight scores of demographic factors

<i>Variables</i>	<i>Chi-square</i>	<i>Weighting score (%)</i>
<i>Education</i>	292.746	13.78
<i>Occupation</i>	527.428	24.82
<i>Income</i>	469.566	22.10
<i>Savings</i>	401.822	18.91
<i>Social media platforms</i>	433.498	20.40
Total	2125.06	100.00

Table 2. Score distribution of individual variables in sub-groups of demographic factors

<i>Demographic factors</i>	<i>Frequency</i>	<i>Percent</i>	<i>Sub-weighted score (%)</i>
Education			
High school, diploma	168	25.85	3.56
Bachelor degree	317	48.77	6.72
Higher education	165	25.38	3.50
Total	650	100	13.78
Occupation			
Student	69	10.62	2.63
Business owner	160	24.62	6.11
Government official/State enterprise employee	221	34.00	8.44
Company employee	28	4.31	1.07
Freelance	172	26.46	6.57
Total	650	100	24.82
Income (Thai baht)			
Lower than 15,000	59	9.08	2.01
15,001-10,000	85	13.08	2.89
10,001-15,000	171	26.31	5.81
15,001-20,000	149	22.92	5.07
20,001 or higher	186	28.62	6.32
Total	650	100	22.10
Savings (Thai baht)			
5,000 or lower	334	51.38	9.72
5,001-10,000	180	27.69	5.24
10,001-15,000	108	16.62	3.14
15,001-20,000	10	1.54	0.29
20,001 or higher	18	2.77	0.52
Total	650	100	18.91
Social media platforms			
LINE	115	17.69	3.61
Facebook	347	53.38	10.89
Instagram	144	22.15	4.52
Twitter/Tiktok/Pinterest	5	0.77	0.16
WeChat/WhatsApp	39	6.00	1.22
Total	650	100	20.40

Table 2 shows the score distribution of individual variables in sub-groups of demographic factors. People who obtained a bachelor's degree are the education group with the highest weight score of 6.72%, while respondents who are government officials or state enterprise employees are the occupation group with the highest score, 8.44%. Within the income category, people earning a monthly income of 20,001 baht or higher show the highest score, with 6.32%. For the saving category, respondents saving 5,000 baht or lower monthly have the highest score, with 9.72%. Facebook has

the highest score within the social media category, accounting for 10.89%.

After checking the normality of demographic factors, it was found that some variables (education and occupation) were over 1.96, or the approximate value of the 97.5 percentile point of the standard normal distribution. Hence, such values were adjusted by taking log for normality, and then the appropriate adjusted values (*LOG_ED* and *LOG_OC*) which showed a normal distribution were used for analysis.

Table 3. Acceptance of social banking

<i>Social banking adoption</i>	<i>Frequency</i>	<i>Valid percent</i>
Not accepted	295	45.4
Accepted	355	54.6
Total	650	100.0

Table 3 shows the acceptance of social banking, and the findings indicate that 45.4% of respondents did not accept social banking, whereas 54.6% of

respondents accepted social banking.

The range of social banking acceptance is shown in Figure 1, indicating the following:

$$\text{Mean (3.7) - SD (0.25) = 1.00 - 3.70 = Not accepted}$$

$$\text{Mean (3.7) + SD (0.25) = 3.71 - 5.00 = Accepted}$$

Figure 1. The range of social banking acceptance

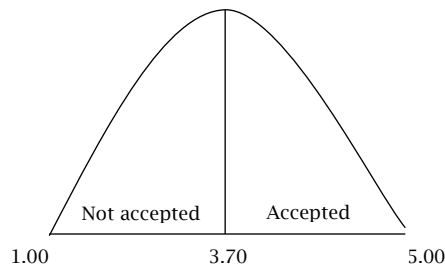


Table 4. Omnibus tests of model coefficients

		<i>Chi-square</i>	<i>df</i>	<i>Sig.</i>
Step 1	Step	68.133	7	0.000
	Block	68.133	7	0.000
	Model	68.133	7	0.000

The omnibus tests in Table 4 adding all dependent variables as predictors give a Chi-square of 68.133 on 7 degrees of freedom (df). The significance level of less than 0.05 indicates that independent

variables can explain a dependent variable at the significant values of 0.05; in other words, this model outperforms the null model.

Table 5. Model summary

<i>Step</i>	<i>-2 log-likelihood</i>	<i>Cox & Snell r-square</i>	<i>Nagelkerke r-square</i>
1	816.420	0.101	0.135

The coefficient of determination or r-square in the linear regression model indicates the proportion of variance among the dependent variables. More of the variation can be explained by the model when the value of an r-square is larger, with a maximum of 1. However, it is not possible to compute a single r-square covering all characteristics of r-square in

the linear regression model, hence pseudo r-square are computed instead. From Table 5, the pseudo r-square of Nagelkerke is the largest value, accounting for 0.338 or 33.8%; therefore, this value is the best for the explanation of the model at a significant value of 0.05.

Table 6. Variables in the equation

<i>Variables</i>	<i>B</i>	<i>S.E.</i>	<i>Wald</i>	<i>df</i>	<i>Sig.</i>	<i>Exp(B)</i>
<i>GENDER</i>	0.059	0.175	0.114	1	0.736	1.061
<i>LOG_ED</i>	-0.831	0.266	9.745	1	0.002	0.436
<i>LOG_OC</i>	-0.137	0.093	2.178	1	0.140	0.872
<i>INCOME</i>	-0.027	0.060	0.200	1	0.654	0.973
<i>SAVING</i>	-0.109	0.031	12.280	1	0.000	0.897
<i>MEDIA</i>	0.006	0.024	0.059	1	0.808	1.006
<i>SCORE</i>	0.404	0.063	40.487	1	0.000	1.497
Constant	-0.639	0.769	0.692	1	0.406	0.528

Now the model using all independent variables can be used to predict the odds that a predictor will decide to accept social banking, and Table 6 summarises the effect of each predictor. The findings in Table 6 show that education level (*LOG_ED*), monthly saving (*SAVING*), and a score of understanding in social banking (*SCORE*) have a statistically significant influence on the acceptance of social banking as their p-values are lower than 0.05 (0.002 for the former and lower than 0.001

for each of the latter). This table also indicates that the odds of accepting social banking will decrease 56.4%, calculated by $(0.436 - 1) \times 100 = -56.4\%$ when changing the education level; and the odds of accepting social banking will decrease 10.3%, calculated by $(0.897 - 1) \times 100 = -10.3\%$ if there is a change of monthly saving. In contrast, the odds of accepting social banking will increase 49.7%, calculated by $(1.497 - 1) \times 100 = 49.7\%$ when the score of understanding in social banking is changed.

Table 7. Classification table

<i>Observed</i>		<i>Predicted</i>		<i>Percentage correct</i>
		<i>Acceptance of social banking</i>		
		<i>Accepted</i>	<i>Not accepted</i>	
Acceptance of social banking	Accepted	166	129	56.3
	Not accepted	87	259	74.9
Overall percentage				66.3

Note: The cut value is 0.500.

The classification in Table 7 shows the practical results of using the multinomial logistic regression model. When the cut value is set at 0.500 or the scope of acceptance is 50%, backtesting between the predicted value and the observed value shows an accuracy of 66.3%. In other words, this model can predict acceptance of social banking with an accuracy of 66.3%.

5. DISCUSSION

The results reveal that education level, savings, and understanding of social banking all have an impact on social banking acceptability in Thailand. Education level and savings have a negative impact on acceptance, whereas the understanding of social banking has a positive effect on acceptance. This indicates that Thai older adults with lower levels of education and savings are more likely to embrace social banking than those with greater levels of education and savings, while those with a better understanding of social banking are more likely to accept it than those with a poor understanding.

People with low levels of education are generally excluded from the conventional banking system. According to Paramasivan and Ganeshkumar (2013), the uneducated frequently do not have access to savings accounts and must spend a considerable amount of effort, time, and money obtaining basic banking services; as a result, they find it difficult to save money and make financial plans for their future. Sahi (2009) also states that individuals with poor literacy are often unable to make strategic financial planning decisions. Because social banking offers such people a great opportunity to gain access to financial services, the population with a low level of education is more likely to adopt social banking than those with a high level of education.

People with lower savings levels are more inclined to adopt social banking than those with higher savings levels. Savings are not restricted to bank deposits in savings accounts; they also include cash, stocks, bonds, mutual funds, and monetary gold (Cartas & Harutyunyan, 2017). According to Amornvivat et al. (2015), approximately 86% of Thai individuals aged 60 and up deposit money in bank savings accounts, whereas only 15% of this age group invest in government bonds, which generate higher returns, despite the fact that current investment is easier and requires less capital. People with little savings might have a savings account; however, they typically do not invest in other financial assets since banks, financial institutions, and asset management companies regularly evaluate the quantity of savings of investors to ensure that they are able to take risks and have sufficient money for their investments. People with a substantial amount of money, on the other hand, may opt to invest in financial assets or other valuable assets such as real estate since they generate higher returns than bank deposits while also carrying considerable risks. As a result, such investors are frequently uninterested in non-profit activities such as social banking.

Understanding of social banking may be described as an individual's ability to comprehend and use information relevant to social banking, such as its concepts, information, and instruction.

People are more likely to accept a new financial innovation or technology when they have a clearer understanding of it. Several studies have discovered a relationship between technological understanding (such as its usefulness, ease of use, and risks) and the adoption of financial technology or new banking products. For example, Bhuvana and Vasantha (2019) investigated the mobile banking usage of rural people in India's Tirupur District, and the theoretical framework of their study was built using the technology acceptance model 2 (TAM2). According to the findings, perceived ease of use has a significant impact on the adoption of mobile banking. Marakarkandy, Yajnik, and Dasgupta (2017) used the TAM model to investigate the adoption of Internet banking in India. The results indicate that perceived usefulness, perceived ease of use, and perceived risk lead to the adoption of online banking. Therefore, individuals with a better understanding of social banking are more likely to accept it than those with a poor understanding since thorough knowledge of such financial services may enhance consumers' trust in using the services.

6. CONCLUSION

Although social banking may reach out to the unbanked and underbanked in order for them to have access to financial services, and it also makes it easier for older individuals to use financial services, several problems with such banking services have been identified. As a result, there is still uncertainty regarding whether social banking has gained acceptance in Thailand. According to this study, just over half of the ageing population accepted social banking, although the number of those who accepted it was only slightly greater than the number of those who rejected it. Education level, savings, and understanding of social banking all have an impact on older adults' acceptance of social banking in Thailand. As a result, recommendations are developed based on the findings.

In general, bank loans for a small project or business are usually rejected by many commercial banks, especially older generation borrowers, because these activities might not maximise profits for those banks and retired borrowers commonly have low active incomes, leading to unreliable credits. According to the findings of this study, older individuals with low levels of education and savings are more inclined to accept social banking; hence, social banks may be appealing to this group of customers. This is an excellent opportunity for social banks to reach out to older generation clients and offer attractive terms for their initiatives. Since the loan policies of social banks are more resilient than the mainstream banking ones, social banking can provide a good opportunity for older adults to start projects such as organic agriculture, an eco-friendly guest house in a rural community, healthy food shops, or other common-good activities. Consequently, older adults are able to live independently and confidently, not excluded from society, but able to contribute economically and create value to their communities. In the meanwhile, this can increase the reputation and social awareness of social banks if projects of these seniors achieve success, leading to enhancing the acceptance of social banking in Thailand.

Another important factor affecting social banking acceptance is understanding; hence, if older adults are educated about social banking, such as its usefulness, risks, and applications, it may be popular among these customers and recognized nationally. To achieve this goal, social banks may launch training programs to increase the older generation's understanding of social banking or provide relevant information about social banking through various platforms such as brochures, booklets, social networks, and websites.

The factors employed to investigate social banking acceptability are limited in this study, and they may not cover all aspects or reflect all characteristics of older adults. As a result, new factors, such as older people's participation in online and digital activities, may be explored in future research. Furthermore, there are just a few studies on social banking; consequently, there is some need for further study into social banking, such as researching the use of social banking in the digital era to create older people's careers.

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