

Targeting with the Analytic Hierarchy Process

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This chapter describes research that tested the analytic hierarchy process (AHP) as a means of incorporating local preferences in industry targeting strategies. The AHP provides a way to determine and weight local leaders' preferences for economic, public, and environmental impacts that economic development might have on the area. Local decision makers were interviewed in the first step, and the AHP was used to create weights for different local impacts of economic development outcomes. In the second step, the impacts of industry locations were quantified for each of several "industries" that survived the initial screening. The final step involved applying the weights to the measured attributes of each industry to derive a community-specific measure or score for the industries. In general, industry rankings changed dramatically as preference weights were introduced. An industry that had potentially high economic impacts may in fact not be preferred because of its non-economic impacts. Overall, including community preferences through the AHP promises to be a valuable tool for community decision support. It accommodates the diversity of communities and the inherent diversity of values within them. AHP provides a means of choosing among multiple alternatives while accommodating multiple objectives and multiple decision-makers.