

## **ANALYTIC HIERACHY PROCESS APPLICATION FOR SELECTING THE BEST INTERNET BANKING PROVIDER**

**J.M.W. Premarathne**

*Department of Management and Finance, General Sir John Kotelawala Defence University,  
Ratmalana, Sri Lanka*

Corresponding author: wasantha.kdu@gmail.com

Internet Banking (IB) has become a leading player in the modern information economy and offers a new frontier of opportunities, challenges and augmenting competition in the global banking market. The advancement in technology has played an important role in improving service delivery standards in the banking industry. The finance and banking sector have shown an extensively rapid growth with the concept of IB. The main objective of this research study was to identify the best IB service provider among three selected banks in Sri Lanka. The study incorporated both, primary and secondary data. The primary data was collected by utilizing semi-structured interviews and a customer survey of the selected three banks. Primary data for this research was gathered by posting and handing over questionnaires to 600 customers of the selected three banks. The questionnaire was mailed and handed over to the customers of each bank along with a postage-paid return envelope. A total of 253 questionnaires were received resulting in a response rate of about 42%. However, only 240 questionnaires were useable, as in the remaining questionnaires, substantial portions were not filled in. Therefore, the samples included 120 IB users and 120 IB non-users from the cities of Colombo and Kandy. The convenience sampling method was employed to select samples of IB customers and non-customers for this study. The selection of the best Internet Banking provider was based on six selected variables: ease of usage of the facility, consumer awareness, web content and design, security, download speed and the number of online banking facilities. The analysis of data was based on the Analytic Hierarchy Process (AHP). The AHP was employed to obtain the relative ranking of the criteria and alternatives. The AHP revealed that the best Internet Banking provider among the selected three banks was bank 'A', having a weightage of 0.393. The findings of the research enable individuals and organisations to select the best Internet Banking provider among the three selected banks for their online transactions.

**Keywords:** Analytic hierarchy process, Eigenvectors, Internet banking, Pairwise comparisons