

Difference between goods and services assignment

[Business](#), [Marketing](#)



Anything offered to a market for the Customers in order to satisfy their Needs & Wants, is called Product.

In fact, the products offered to market are called Market Offerings. They are also called Product Offerings. These products can be offered to the market in a set or a bundle as well. Types of Products A company or an organization can offer two types of products to the customers:- 1) Goods Anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy consumer's / customer's need or want is called Good. 2) Services

Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything, is called Service. Difference between Goods & Services There are various differences between goods and services but they can be classified on the basis of the following heads: 1) On the basis of Characteristics 2) On the basis of Offering 1) On the basis of Characteristics The goods and services, on the basis of characteristics they have, can be differentiated for many points.

Some of them are given here in the table as under. Table 1: Difference between Goods and Services on the basis of Characteristics | POINTS OF DIFFERENCE | GOODS | SERVICES | | PHYSICAL EXISTENCE | Goods have physical existence and they can be | Services have not any physical existence and they | | touched, smelled or seen. | can't be touched, smelled or seen. | | Examples: Soap, Shirt, Cell phone | Examples: Teaching, Managing, Singing | | STORING | Goods may be perishable or non-perishable | Services are only perishable products. They can't be | | depending on the

circumstances. But perishable | stored for a longer period of time. Because they | | | goods still can be stored for a longer period of | vary with environment. | | | time. Examples: Singing, Teaching, and Managing can't be | | | Examples: Vegetables, Tools, and Leather can be | stored. | | | stored. | | |

QUALITY | Once produced, the quality of the Goods remains | The quality of the Service varies with the change in | | | uniform. Their quality can't be changed after they | environment. Once discovered, its quality improves | | | have been produced. with the passage of time and with the change in the | | |

| Examples: Tea, Milk, and Juice have the quality | environmental conditions. | | | unchangeable. | Examples: Singing quality can be improved by | | | | learning more. The same scenario is with managing and | | | | teaching. | |

PRODUCTION CYCLE | Goods are produced through a proper production | A Service is not produced, instead, it is discovered. | | cycle, which involves purchasing of raw materials, | There is no need to follow a specific production | | | processing and finishing. | cycle to discover it. | | | Examples: Shampoo, Tea, and Juice are produced by | Examples: Singing is not produced by purchasing | | | purchasing the fruits, leaves etc. | something. The singer is competent for it. Same is | | | with managing and teaching. |

OWNERSHIP | The rights of ownership of Goods are transferable. | There is no ownership involved in Services, and if | | | Examples: Car, when with the company is its own, but | there is, then it will not be transferable. | | | its ownership is transferred to customers when | Example: A teacher can't transfer his teaching to | | | they purchase it. | someone else. Because only he can provide this | | | service well. |

CONSUMPTION | Goods are produced first, then sold, then | Most services are sold first and then consumed. | | |

consumed. | Examples: A teacher coaches whole the month and | | |

Examples: Soaps are first produced, then they are | after one month, he will get his salary. | | | sold to the customer and then the customer uses it. | | |

SEPARATION | Goods can be separated from their producers. Services can't be separated from the persons who | | | Examples: When producer produces shampoo, it is | provide them. | | | with him, but when a customer purchases

it, it no | Examples: If a manager hires a trainee and trains | | | longer

remains with the producer. | him, still, he has the managing knowledge and can serve | | | the company. |)On the basis of Offering Goods and Services

can also be differentiated on the basis of Offering. Some of the points, by which they can be differentiated in the offering, are given here in the table

as under. Table 2: Difference between Goods and Services on the basis of

Offering | POINTS OF DIFFERENCE | GOODS | SERVICES | | TRANSFER | Goods are transferred by hiring a cargo and | Services can't be transferred.

The person or | | | they can then be easily transferred from one | individual, who is serving in an organization can't | | | place to another. | transfer his service to another person. Only he can | | | Examples: Unilever transfers its

products | serve it well. | | | through cargo. | Examples: There is no need for any cargo for a manager, | | | who serves an organization. | DISTRIBUTION |

Goods are often distributed through proper | Services are not distributed

through such a chain of the | | | medium. This medium includes the personals | personals. | | |(Wholesalers/Retailers) that make the good | Examples: To

serve a college, the teacher needs no | | | reach the customer. A | wholesaler who makes the teaching reachable to | | | Examples: Tea bags are distributed

through | students. | | | wholesalers in the market. | | | REVERSING | Goods, once produced and sold, can't be | Services, when provided and sold, can be reversed to | | | reversed to the position in which they were | its original form in which they were before providing. | | | before production. Examples: A research goes wrong, still it can be | | | Examples: A shampoo, after its sale, can't be | reversed by ignoring the wrong concepts and | | | reversed to its raw material, by which it was | perceptions. | | | produced. | | Can Goods be separated from the Services? Both goods and services need not be driven by economic motives. Several times goods and services are linked closely and cannot be detached.

For example on the purchase of a car, the good is the car but the processing, the provision of accessories, after sales activities are all services. It is essential to note that the difference between pure goods and pure services are in contrast but most goods and services exist in between with a mix of both. For instance, in a restaurant, food refers to goods while the service is the waiters offering, the ambience, the setting of tables amongst others. A service has an ultimate and strong impact on the demand for goods.

If a service is provided to a customer, his behavior may change to a specific product. For example, when a restaurant has good products, but bad service, the customer may shift to another restaurant, where a better service is provided to the customers. This shift is due to the change in the behavior of a customer, and this behavior is due to the bad service provided to him. On the other hand, a service also has an ultimate effect on another service. Just

revise the restaurant example from the perspective of the only service provided to a customer. Abstract/Conclusion:

After studying and understanding the difference between Goods and Services (i. e. the Product Offerings), we concluded the following: 1) Goods and services both are products and they are offered to market either singly or in sets of groups or bundles. 2) They can be differentiated on the basis of characteristics and offering. 3) On the basis of characteristics they can be differentiated by the following points: a. Goods have physical existence and can be stored for a longer period of time, but services can neither be stored nor do they have any physical existence.

Also, goods may be perishable or non-perishable, but services are only perishable products. b. The quality of goods remains uniform after production and they are produced by following a specific production cycle, whereas, services can neither be produced nor they follow any production cycle. c. The Ownership rights of goods are transferable; they are first produced than consumed. Also, they can be separated from their producers. On the other hand, the services have no ownership rights; they are first sold and then consumed. 4) On the basis of the offering, they can be differentiated as Goods can be transferred from one place to another by cargo facility, but services have no need for any cargo service. b. Goods are made reachable to customers through proper channel/medium (Wholesalers/Retailers) but services need no distributors. c. Goods can't be reversed to its original form of raw material through which they were produced while services can be reversed to original form by ignoring the

wrong perceptions. 5) It is not possible to completely detach the goods from services or services from goods. They often act as a bundle when combined together.

Also, a product's quality can affect the service quality, or a service's quality can affect the product's quality.

Reference Links The above assignment is made by visiting the following links and taking ideas from them: <http://www.differencebetween.net/business/difference-between-goods-and-services/> <http://www.indiastudychannel.com/resources/59103-An-Elaboration-Difference-between-Goods.aspx> <http://www.scribd.com/doc/17342628/Difference-in-Goods-and-Services-wwwmanagementsourceblogspotcom> —————

SERVICES GOODS