



# DIFFERENCE BETWEEN GOODS & SERVICE

- **Based on tangibility**
- **Based on ownership**
- **Based on customer involvement**
- **Based on quality control**
- **Based on attribute**
- **Based on distribution**
- **Based on marketing mix**
- **Based on production and sale**
- **Based on Perish ability**
- **Based on demand and supply**
- **Based on quality and consistency**



# COMPARISON OF GOODS AND SERVICES

<i>Characteristics</i>	<i>Physical Goods</i>	<i>Services</i>
Physical shape	Tangible	Intangible
Nature of products	Homogeneous	Heterogeneous
Ownership / Title	Transfer of Ownership	No Transfer of Ownership
Perishable	Can be kept in stock	Cannot be kept in stock
Life	Longer life	Still born
Shelf life	Shelf life- Days to year	Shelf life - Zero
Pricing	Material base	Labour base
Facility location	Near supply	Close to customer



Distribution	Requires physical distribution	Works with personal contact
Attributes	Attributes can be determined before the purchase	Difficult to determine the attributes
Marketing mix	Marketing mix consist of 4 P's- product, price, place, promotion	Marketing mix consist of 7 P's- product, price, place, promotion, people, process, physical evidence
Demand	Stabilized	Fluctuating
Supply	Flexible	Inflexible
Forecasting	Long term	Short term
Image	Brand	Corporate
Delivery	Separate with Production	Along with production



<b>Production and consumption</b>	<b>Production and distribution are separated from Consumption</b>	<b>Production, Distribution and consumption are Simultaneous process.</b>
Core value	Core value produced in factory	Core value produced in buyer – Seller.
Customer Participation	Customer do not participate in the production process	Customer participate in the production process
Worker skill	Technical	Interaction skill
Customer involvement	Less	High
Physical presence of customer	Not necessary	Absolutely necessary
Consumer reaction	Delayed	Spontaneous



Quality	Standardized	Varies with time and person
Standardization	All over	Only for routine services
Repairs	Common	Impossible
Replacement	Common	Rare
Technology	Hard	Soft
Physical evidence	Not so important	Important



# GOODS AND SERVICES CONTINUUM

