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Definitions, Characteristics and
Classifications of Services:
A Literature Review

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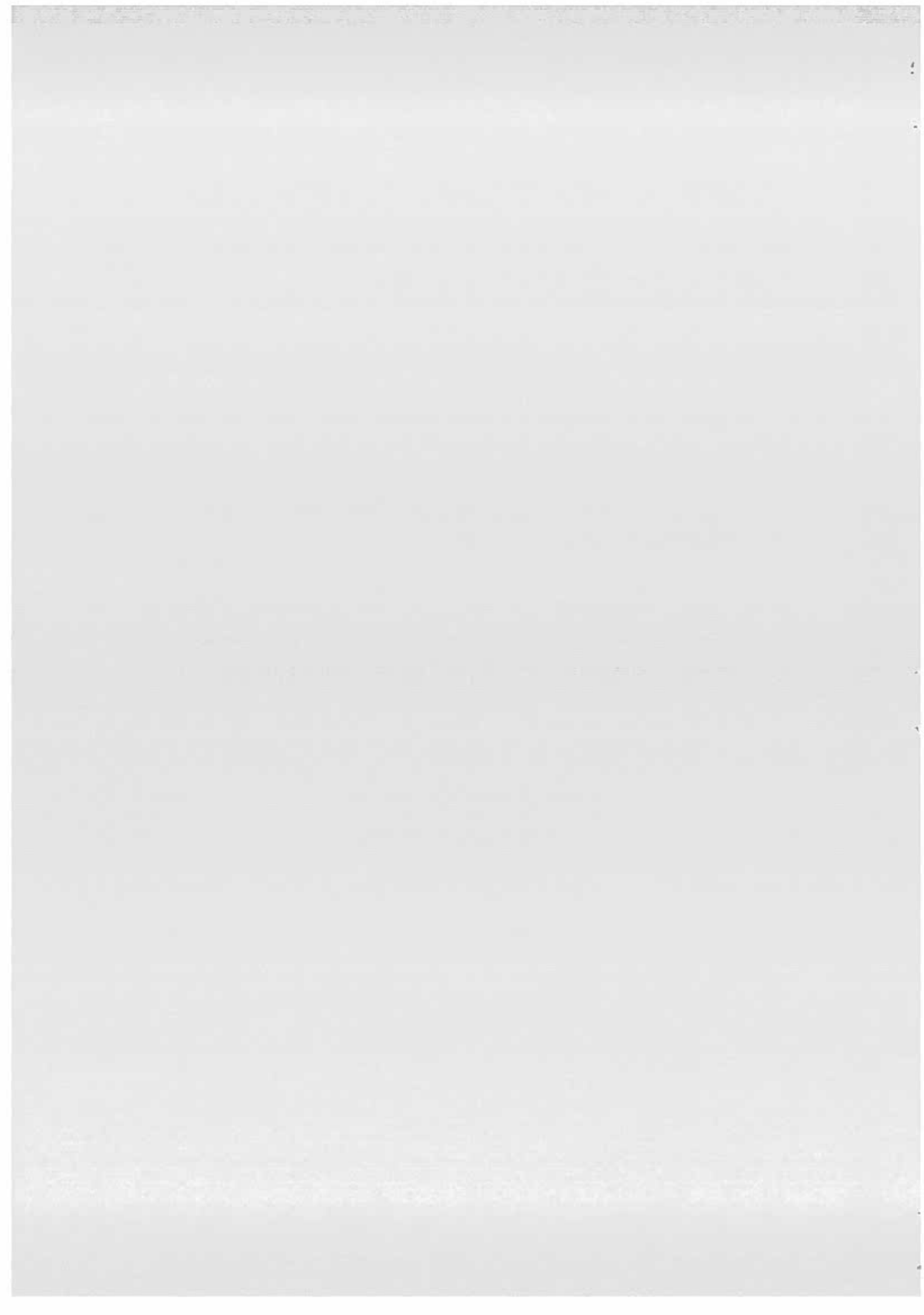
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**DEFINITIONS, CHARACTERISTICS, AND CLASSIFICATIONS OF
SERVICES: A LITERATURE REVIEW**

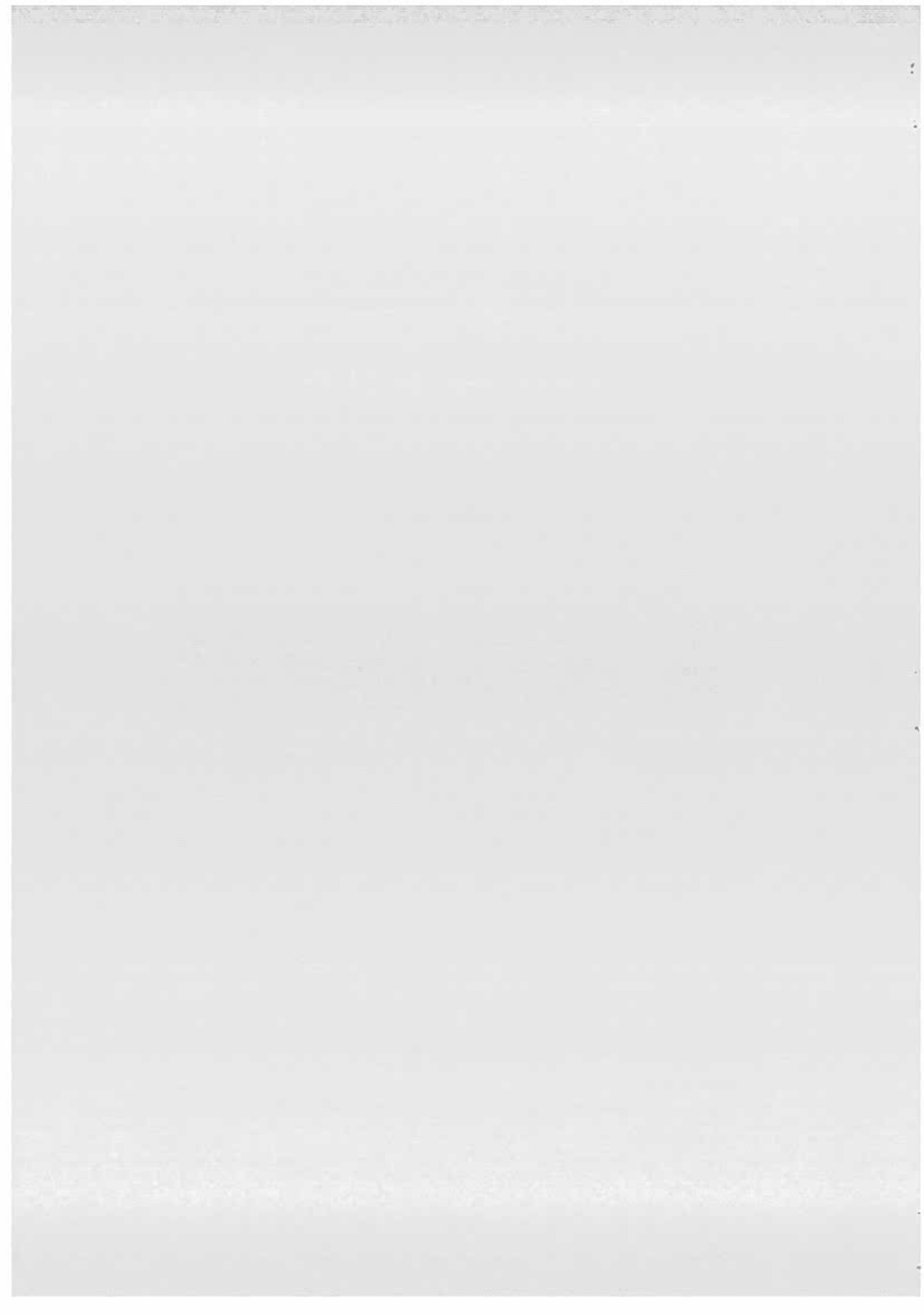
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ABSTRACT

A considerable body of literature now exists on the marketing of services. Most of this literature focused on the five unique characteristics that distinguish services from physical goods, namely intangibility, inseparability, heterogeneity, perishability and ownership. This paper discuss this argument in detail. The review opens with some definitions of services, characteristics of services and finally some classifications of services are also discussed.

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1. INTRODUCTION

Service industries are playing an increasingly important role in the overall economy of the modern society (Baker 1996; Cronin and Taylor 1997). During the last three or four decades there has been a dramatic change in most countries in the world. The service sector now accounts for 58% of world-wide gross national product (GNP). In 1980, service business world-wide was valued at \$350 billion, and accounted for 20% of all world trade, whilst by 1992 this number had almost trebled to \$1,000 billion (Bateson, 1995). According to Baker (1996) the reasons for the growth in services can be attributed to the following:

1. Impact of technology. Technology has had a significant impact on the quantity and quality of products available. More goods or products lead indirectly to an increased demand for services.
2. Deregulation and increased competition. Reduced government regulation on market entry requirements has eliminated or minimised many constraints on competitive activity in many service industries.
3. Customer sophistication. As society becomes wealthier and people have more time available compared with 40 years ago, the basic needs in life (such as housing and food) are more easily satisfied. People start to spend more of their income on wants, rather than needs. In this respect, they do not need more food or clothing but they use their disposable income on more leisure-based activities such as travelling, eating out and searching for new hobbies.

Now it is appropriate to look more closely at what is meant by the term 'services'.

2. DEFINITION

There is no single universally accepted definition of the term (Baker 1981; Baron and Harris 1995; Bateson 1995; Cowell 1991; Gabbott and Hogg 1997, 1994). About three decades ago, the American Marketing Association (1960) defined services as activities, benefits or satisfaction which are offered for sale, or provided in connection with the sale of goods. However, this definition is too broad and did not succeed in differentiating services from goods sufficiently, because goods, as well as services can provide 'benefits' and 'satisfaction' (Cowell, 1984, 1991, 1995). Stanton (1981) refined the American Marketing Association definition of services as "those separately identifiable, essentially intangible activities which provide want-satisfaction, and that are not necessarily tied to the sale of a product or another service" (p. 441). From Stanton's point of

view, activities like medical care, entertainment and repair services are included in this definition, but credit, delivery and other services which exist only when there is the sale of a product or another service are excluded. Stanton (1981) recognises that the consumer may be required in the production of a service (i.e. a hotel room and airline seat).

By suggesting that service organisations are those which do not have as their principal aim the production of a tangible product which buyers will possess permanently, Stanton is adapting the same view of Gronroos (1978) that "services are the object of marketing, i.e., the company is selling the service as the core of its market offering".

In using this definition Gronroos makes a clear difference between services as objects of marketing and services as marketing variables. Shostack (1982) defines services as benefit-providing. Again, benefit-providing cannot sufficiently differentiate services from goods. Therefore, this definition is too broad. Basically products could be construed to offer "benefits and satisfactions" as well as services. The important thing is that consumers buy both services and goods for the benefits received from their use.

Uhl and Upah (1983) offer a comprehensive definition of services emphasising their unique aspects. "A service is any task (work) performed for another, or the provision of any facility, product or activity for another use and not ownership, which arises from an exchange transaction. It is intangible but there may be an accompanying sale of a product".

This definition is still too broad because it emphasises the intangibility of the service.

David and Boone (1987) define services as intangible task that satisfy consumers and industrial user needs when efficiently developed and distributed to a chosen market segment. Although tangible products and intangible services are similar in that both provide consumer benefit, there are significant differences in the marketing of each. Gummesson (1987) defines services as "something which can be bought and sold but which you cannot drop on your foot". He believes that services and goods are sometimes substitutes. A Product can be designed in such a way as to diminish the need for services (Gummesson, 1995).

According to Rushton and Carson (1989) and Rust and Oliver (1994) there are no significant differences between products and services. Both services and products have tangible and intangible features, and what is different between services and goods is the relative proportion of the features. Goods are more likely to have either only tangible features such as soap, toothpaste, or salt. No services accompany the product or a few intangible features attached to

tangible features, whereas services are more likely to have intangible features. Thus, this may cause difficulty in differentiating services from goods according to an absolute degree of intangibility.

Baker (1990) defines services as “any activity or benefit performed by individuals and/or organisations where the object of marketing is an intangible, aimed at satisfying the needs and wants of customers and/or industrial users without any acquisition of physical goods arising from the exchange transaction”.

On the other hand, Kotler (1991, 1997) defines a service as “any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything”. Its production may or may not be tied to the physical product.

Bateson (1995) and Hoffman and Bateson (1997) argue that it is difficult to define a pure good or a pure service. A pure good implies that the consumer obtains benefits from the good alone, without any added value from service, whereas a pure service assumes that there is no goods element to the service which the customer receives. Bateson (1995) adds that most services contain some goods element.

Similarly, Kotler (1991, 1997) argues that there are “major services with accompanying minor goods and services, where the offer consists of major services along with some additional services and/or supporting goods”. For example, airline passengers are buying a transportation service. They arrive at their destination without anything tangible to show for their expenditure. According to Kotler, the trip still includes some tangibles such as food and drinks, a ticket stub, and an airline magazine. The service requires a capital-intensive good called an airline for its realisation, but the primary item is a service.

Baron and Harris (1995) describe services as “objects of transactions offered by firms and institutions that generally offer services or that consider themselves service organisations”.

To sum up, there is still no agreement amongst some academics as to whether the differences between goods and services are significant enough to justify the distinction. (Fisk, Brown and Bitner 1993; Gabbott and Hogg 1997). Many authors argue that there are very few ‘pure’ goods or services, preferring a product continuum from tangible dominant goods to intangible dominant services (Levitt 1976; Rathmell 1966; Shostack 1977). “Any distinction is between products where the core of what is being sold is a service, with possible accompanying goods, and products where the core is a physical good, where the service element is used as a product augmentation for competitive advantage” (Gabbott and Hogg 1997, p. x).

Although the conceptualisation of the term 'service' is difficult, all products have characteristics, or attributes, that define the nature of the offering. For services these can be classified under five main headings, namely intangibility, heterogeneity, inseparability, perishability and the concept of ownership (see for instance, Bateson 1995; Becker 1996; Cowell 1991, 1995; Fisk et al. 1993; Gabbott and Hogg 1997; Gronroos 1978, 1990; Kotler 1997; Lovelock 1981, 1996; Regan 1963; Stanton 1981; Wetzels et al. 1996; Wright 1995).

3. CHARACTERISTICS OF SERVICES

The argument centring on the differences between goods and services began with the attempt to classify services (Regan, 1963) and the resulting questions of how to define the term. Usually services are compared with physical goods (Gronroos 1990; Fisk et al. 1993). Table 1 summarises the characteristics of services and physical goods.

Table 1
Differences between Services and Physical Goods

Physical Goods	Services
- Tangible	- Intangible
- Homogeneous	- Heterogeneous
- Production and distribution are separated from consumption	- Production and distribution and consumption simultaneous processes
- A thing	- An activity or process
- Core value produced in factory	- Core value produced in buyer-seller interactions
- Customers do not participate in the production process	- Customers participate in production
- Can be kept in stock	- Cannot be kept in stock
- Transfer of ownership	- No transfer of ownership
Source: Gronroos (1990, p. 28).	

The surrounding discussion led to the identification of five characteristics that are now commonly cited as the factors that distinguish services from goods. These are as follows:

3.1 Intangibility

Intangibility is the most commonly cited property of services and causes a substantial marketing difference between physical products and services (Berry 1980; Becker 1996; Orsini

1993). Berry (1980) states that the fundamental distinction between a good and a service is that a good is an object (automobile, dress) and a service is a performance (house cleaning, dry cleaning). In essence services are intangible.

It is argued, when a service is purchased there is usually nothing to show for it (Edgett and Parkinson, 1993). Counselling or movie attendance are examples. This intangibility of services means incapability of forming a mental image. Therefore, the mental image of services is fuzzy, and a customer purchases services with a large element of hope or trust on his/her part (Bateson, 1977).

Services by their very nature are physically intangible, they cannot be touched, tasted, smelt or seen (Bateson 1977; Baron and Harris 1995; Carman and Uhl 1973; Edgett and Parkinson 1993; Gabbott and Hogg 1997; Gronroos 1978, 1979; Gummesson 1978; Judd 1964; Sasser et al. 1978; Woodruffe 1995). This contrasts with the physical substance of tangibility of goods. The absence (or lack) of tangible clues of services makes difficulties both for sellers in demonstrating and displaying services, and for buyers in having a sample and evaluating it before and after purchase (Gronroos, 1978, 1990).

On the other hand, Enis and Roering (1981) assert that neither goods nor services are marketed. What is marketed is a bundle of benefits, often including both tangible and intangible aspects. They argue that effective marketing results from identifying the buyer's desires. What Enis and Roering are trying to point out is that customers buy benefits and whether their needs are satisfied by tangible or intangible methods is irrelevant.

Sasser et al. (1978, p. 15) believe that the design of the service package and control of the design require a greater understanding of consumer psychology than for a manufactured good because of the intangible and often non-explicit nature of the object.

Because of the complex combination of intangible perceptions, service firms may not be particularly successful unless management can effectively attract customers with marketing efforts that identify and solve a particular need or demonstrate a competitive advantage.

According to Kotler (1984) service providers can do many things in order to improve the customers' confidence. Firstly, they can increase the product intangibility (a plastic surgeon can make a drawing showing how the patient's face will look after the surgery). Secondly, service providers can put more attention on the service's benefit rather than just describing its features. Thirdly, service providers can develop brand names for their service to increase confidence. Finally, service providers can use celebrities to create confidence in the service.

Gronroos (1990) states that tangibility creates an essential difference as consumers will always attempt an evaluation, and in the case of services, will evaluate what they can. "Therefore, frequently they will not be evaluating the core services but the surrogate, normally the tangible manifestation of the service and the tangible satellite support system e.g. for the accommodation services of a hotel, its location, ancillary services that it provides.... in reality both goods and services are selected on the basis of a complex network of criteria, including advice from friends, repeat business, professional advice, company reputation, past experience, rather than by physical examination alone" (Gronroos 1978, p. 591).

3.2 Inseparability

Another distinctive feature of services is the inseparability of service production from consumption (Jackson et al., 1995). A definition of service inseparability has been developed by Kotler (1982): "a service is inseparable from the source that provides it". Thus, production and consumption occur simultaneously with services (Dotchin and Oakland, 1994). This is in contrast to a product which exists whether or not its source is present.

The essence of inseparability is that for many services the customer must come to the service provider's facility and experience the service as it is being provided for that customer, e.g., hotel and restaurant services (Bitran and Lojo, 1993). Also in many other cases the service provider must come to the customer's premises and provide the service there, e.g., painting and decorating (Palmer, 1994). In other words, the inseparability of production and consumption affects the service organisation in such way that they are not able to store and transport services so that only direct distribution is possible. Sasser et al. (1978, p. 17) suggest that services do not move through distribution channels. Customers must come to the service facility or the service provider must be brought to the customers. Thus, "each service facility has a limited geographic area from which to attract customers" (Sasser et al. 1978, p. 17).

Cowell (1984, 1991, 1995) points out that one result of inseparability is that the equipment and/or people who produce the service may be highly visible to consumers. Important influences are upon the consumers' perceptions of the service as are other attitudes, behaviour and appearance of people involved in service delivery - the operational staff. Hence, in service businesses operations staff perform an operational and a marketing role. Their feedback and suggestions may provide an important source of new ideas for development (Edgett and Parkinson 1993; Middleton 1983). Therefore, some of the literature characteristics view customers as part producers of many

services. For example, a doctor's diagnosis depends partly on how the patient co-operates with him/her or hairdressers are often influenced by their customers' hairstyling suggestions.

To overcome the inseparability of its offerings, managers need to develop staff schedules to ensure there is adequate personnel to meet the needs of customers at the time the demand for the services arises (Berry, Zeithaml and Parasuraman 1984; Cowell 1991, 1995; Carman and Langeard 1980; Schwartz 1989; Thomas 1978). By providing services available at the right place, at the right time, and by the proper personnel, service firms can overcome inseparability of their services (Meidan 1983; Edgett and Parkinson 1993; McLean 1994).

3.3 Heterogeneity

The third characteristic of services is the heterogeneity (sometimes referred to as variability) of output produced by firms claiming to produce the service (Bateson 1995 Gabbott and Hogg 1997). There is a greater chance of variability in the output of a single firm and even of a single employee (Bateson 1977, 1979; Sasser et al. 1978; Zeithaml et al 1985).

How customers perceive such performance depends on many variables including customers themselves who may sometimes give staff wrong information or who may experience the same service in a different mental state each time they do so. For example, "the service rendered by the flight attendant varies from flight to flight and from person to person on the same flight" (Sasser et al. 1978, p. 17). Therefore, it is impossible for service firms to ensure that the same level and quality of service is provided each and every time the service is provided (Buttle, 1989). Of course, there will be variation in the quality of service provided, not just between branches of the same company but within the same branch. That is why it is difficult to achieve quality control, standardisation and so centralised mass production of services (Cowell 1991, 1995; Edgett and Parkinson 1993; Sasser et al. 1978).

There is a distinction often made between equipment based services such as automated banking machines and people based services such as massage. For example in the case of automated banking machines, customers are treated equally. On the other hand, the outcomes of people-based services are far less predictable, except to say that every customer will not experience the service in the same way. Service providers are human, they will get tired, have a bad day and basically the task of offering a service in a consistent standardised way is often difficult to achieve (Edgett and Parkinson, 1993).

In order to control the output of service firms, Levitt (1976) suggests that firms should adopt uniform production procedures and increase the amount of automation. Likewise Kotler and Armstrong (1991), Edgett and Parkinson (1993), Palmer (1994), Sasser et al. (1978), Uhl and Upah (1983) suggest several steps for service firms to work towards quality. Service firms can carefully select, train, motivate and control their personnel, develop good customer satisfaction through a suggestion and complaint system, customer surveys, and call for extensive employee training because training is a key lever for quality control, since it is usually impractical to monitor the output of each service provider.

From the foregoing discussion regarding heterogeneity, we believe that since the provision of services is dependent on both customers and staff, variability in the quality of service will exist. Therefore, it is not easy to completely control and standardise all service roles. However, the major issue for management is how to minimise variability and ensure consistency of service.

3.4 Perishability

Perishability is another important characteristic of services which reportedly differentiates services and products in marketing (Gabbott and Hogg, 1997). Services differ from goods in the sense that they cannot be easily saved, stored or inventoried. The utility of most services is short lived, while a product not sold today may be turned into cash tomorrow. Therefore, services must be consumed when produced (Bitran and Lojo 1993; Edgett and Parkinson 1993; Judd 1964; Kotler and Bloom 1984; Meidan 1996; Wright 1995).

Similarly, Rushton and Carson (1989) define the importance of perishability "services cannot be produced before being required and then stored to meet demand¹. If a service is not used when available then the service capacity is wasted." For example, unsold air tickets illustrate the risk inherent in service perishability (Baker, 1996). The implication of this is that services cannot be mass produced and stored in advance to meet future demand. Thus, it is argued that service perishability makes it difficult to meet wide fluctuations in demand over time.

Without the ability to stockpile and achieve the flexibility of fluctuating demand that physical goods allow, service organisations are more seriously affected by changes in demand. Authors have described several strategies for producing a better match between demand and

¹ According to Wright (1995) "services that are high in technology or equipment-based attributes, can more easily be standardised, and in many cases they can be inventoried as well. For example, film producers like Universal pictures store their films on tapes to be distributed to cinemas and video outlets" (p. 46).

supply in a service business (Bitran and Lojo 1993; Cowell 1995; Dotchin and Oakland 1994; Edgett and Parkinson 1993; Kotler 1997; Morris and Fuller 1989; Morris and Johnston 1987; Sasser 1976). These strategies are summarised as follows:

On the Demand Side

- Differential pricing. The firms use different prices for different periods. This will shift at least some demand from peak to off-peak periods.
- Non-peak demand can be increased (e.g., weekend discount prices for international phone calls).
- Complementary services. This method is used by managers to shift demand away from peak periods, which either attracts consumers away from bottleneck operations at peak times or provides them with an alternative service while they are waiting (e.g., cocktail lounges to sit in while waiting for a table and automatic tellers in banks). Moreover, reservation systems help managers to deflect excess demand to other time slots at the same facility for other facilities at the same service firm and therefore cut down customer waiting time and guarantee the customer a better service. Airlines, hotels, and physicians adopt them extensively.

On the Supply Side

- Part-time employees can be hired to avoid the problems associated with peak demand (e.g., restaurants asking for part-time waitresses when needed).
- Maximising efficiency. Managers analyse their processes to discover ways to get the most out of their service delivery system during peak demand periods. These analyses help the service firm to increase its peak capacity for little additional cost. Adapting these routines enables employees to produce only essential tasks during peak periods (e.g., paramedics assist physicians during busy periods).
- Increasing customer participation. This method can be encouraged, as when customers fill out their own medical records or bag their own groceries.
- Sharing capacity. Shared services can be developed, as when several airlines with infrequent flights in and out of a particular airport share gates, baggage-handling equipment and so on.
- Facilities for future expansion can also be developed (e.g., a shopping centre may buy surrounding land for future development).

3.5 Ownership

Few authors have mentioned ownership as a characteristic of services (Bitran and Lojo 1993; Cowell, 1984, 1991; Dholakia and Venkatraman 1993; Judd 1964; Kotler 1986; Palmer 1994). The above mentioned authors added ownership of services over the four characteristics of services, intangibility, heterogeneity, inseparability, and perishability.

Lack of ownership is the basic difference between a service and a physical good. Because services are consumed but not owned, it does not produce ownership utility (Dholakia and Venkatraman, 1993). In a service industry, "access to or use of a facility does not mean that the customer obtains ownership of it" (Cannon 1993, p. 223). Despite paying for it, customers may never own the service in question. Instead payment is for the use of, "access to or hire of the service" (Gabbott and Hogg 1997, p. xi). For example, the hotel room is only hired for a period of time, and ultimately possession reverts to the firm offering the service.

4. SERVICE CLASSIFICATION

There are a number of ways of classifying service activity, and there is inevitably some degree of overlap between the methods available (Baron and Harris 1995; Chan 1996; Chase 1978; Cowell 1995; Dotchin and Oakland 1994; Judd 1968; Kotler 1980; Lovelock 1996, 1983; Rathmell 1966; Sasser et al. 1978; Shostack 1977; Woodruffe 1995). The following are some of these ways:

4.1 By Type of Seller

Three major ownership arrangements are evident among the marketers of services. The great majority are owned by the private sector and are provided by individuals who share in the profits and bear the losses. Another group of organisations which sell their services are also privately owned but not for profit. Examples of this group are private educational institutions, artistic groups such as symphony orchestras and museums. Lastly, some enterprises which market their services are owned by the public and managed by the government. Examples are public utilities, local transportation systems, and state and national parks. Sellers of services can also be classified according to their source of income. Private profit-making enterprises, be they corporation, partnerships, or proprietorships are dependent upon the sale of their services for income. According to Shapiro (1972) the income of private non-profit enterprises is derived in part

from the sale of their services and in part from donors. Public enterprises may receive all of their income from the sale of services or from taxation.

The private non-profit groups are shifting to the public category, university and hospitals, for example; private profit-making enterprises are entering services traditionally assigned to other types of organisations. Private mail service and technical education are examples. However, Rathmell (1974, p. 10) notes that publicly owned service organisations are competing in what were formerly private enterprise areas: transportation, insurance, employment and recreation. According to Kotler (1986) this type of organisation produces those societal functions that do not yield a profit, are desirable to produce, and need to be under the public non-profit groups' ownership.

4.2 By Type of Buyer

Services in this type of classification can be classified into consumer services and industrial services. Individual and household consuming units make up one major type of service buyer. Personal and recreational services are purchased by individuals, whereas household operations and customer financial services are purchased for household consumption. Insurance, government accounting and consulting are examples. Industry is the second major type of service buyer. It includes agriculture, mining, manufacturing, trade, other service establishments, both profit and non-profit, and government.

According to the type of buyer, services can be classified into the way in which they are bought, whether as a convenience, shopping, speciality or unsought service and the motive for purchase (Cowell, 1991).

Convenience services are those consumer services which the customer usually purchases frequently, immediately and with the minimum of effort, such as hair cutting and dry cleaning. In shopping services, the customer in the process of selection and purchase characteristically compares on such bases as suitability, quality, price and so on. Shoe repair and automobile repair services are examples.

On the other hand, speciality services are those consumer services on which buyers characteristically insist and for which they are willing to make a special purchasing effort. Solicitors and medical specialists are examples.

4.3 By Buying Practice

Some authors argue that services may be contracted for, or purchased on a unit-by-unit basis. The contractual purchase is the result of continuous consumption of some services such as communication services (telephone and cable television) and utility services (electricity, water, and garbage disposal;), or other consumer services purchased on a contractual basis. This contract is designed to give the assurance that the need-satisfaction offered will be delivered. At the consumer level, the use of contracts is more common in the purchase of services than goods (Rathmell, 1974). However, some services which are purchased as needed, typically do not make use of a contractual arrangement. Shoe repair, personal care and entertainment are examples.

4.4 By Type of Operation

According to Kotler (1984, p. 447), Woodruffe (1995, p. 28) and Thomas (1978, p. 161), services can be classified as to whether they are people-based or equipment-based services.

- People-based services. These involve high contact: education, dental care, restaurant, airline services.
- Equipment-based services. Low contact: such as automatic car wash, launderette, vending machine, and cinema. Most of the time this equipment adds value to the service and sometimes it reduces the amount of labour needed. In addition to the above types of service business, there are many companies which are involved in more than one type of service business. For example, all banks operate multiple-service businesses. Some of these are equipment-based as in transfer and storage funds. Others are people-based, as in the financing of a home, car, or business, because they require judgement about the financial management of funds.

4.5 By Degree of Regulation

Services can be classified in terms of regulation. They vary in the degree of regulation. At one extreme, there are services which are subject to extensive public regulation, much more extensive in fact, than that encountered in the goods sector. These services include the various utilities, many financial services, transportation, and communication. Within each of these classes of services the incidence of regulation varies. A second class of services is subject to the same public regulations imposed on the marketing of goods. A third group of services is largely unregulated by any public body. This group includes personal and business services.

In addition, some services are subject to rules and regulations of their own making, for example, in professional services such as accounting, medicine and law, most constraints are imposed on practitioners by the profession itself rather than by status. However, the right to remove professional practitioners for failure to meet standards established by the profession has no counterpart in the marketing of physical goods (Rathmell 1974, p. 14).

Many other attempts have been made by authors to classify services based on characteristics or other criteria (Bateson, 1995). For example, Chase (1978), Haywood-Farmer (1988) and Woodruffe (1995) classify services according to the extent of contact and interaction between customers and service employees, a factor which Lovelock (1983, 1996) also takes into account in the extent of customisation and judgement of services. Lovelock (1996) believes that a classification of service must be based on a combination of the various factors of services.

There are other methods of categorising services in addition to those described above. Some of the approaches used to classify goods can be applied directly to services (Lovelock, 1996). Therefore, services can be classified according to their duration of benefits and duration of service delivery. For example, the benefits of a shoeshine last until the shoes get dirty again, but some service benefits theoretically last a much longer period of time, such as higher education.

On the other hand, the amount of time it takes to receive a service varies from just a few minutes for a simple financial transaction or a short telephone call to as long as several years for a university education. The implications of service delivery time depend on whether or not the customer's presence is important to the service, the longer the period that a customer must spend for receiving the service, the more likely it is that the service firm will have to provide additional service elements. For example, if delivery lasts more than a couple of hours, refreshments may be needed.

5. SUMMARY

In this paper we have reviewed the definition of service, the characteristics that distinguish services from physical goods, and some of the methods used to classify services.

To summarise the discussion so far, we believe that services have the following features as can be seen when considering the case of airline services:

1. Services are basically intangible; customers receive intangible services from the service industry's personnel as well as some tangible items such as food and drinks (Kotler, 1997).

2. The customers do not obviously have anything but a piece of paper (e.g., an airline ticket) which verifies that they use airline transportation services. They arrive at their destination without anything tangible to show for their expenditure (Kotler, 1997). Therefore, it can be easily concluded that airline services are performed, and not owned (only used) by customers.
3. Services are not standardised. Services are mainly performed by the personnel of the service companies (e.g., reservation staff, cabin staff), and it is therefore very difficult to standardise the attitude of the personnel. As a result, customers evaluations of services might be strongly influenced by the attitude of the service personnel.
4. Services are performed (sold not produced) by the same personnel of a service company at the same time and at the same place, thus it can be argued that they are inseparable. As a result, they are perishable. For example, unsold airline seats cannot be reclaimed (Baker, 1996). Moreover, as services are performances they cannot be stored.

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