



Service

Service in the management and daily life means provided resources or work output of provider that has a value for a customer. Services are products, i.e. the outputs of the production process, similarly goods. Services cannot be stored and cannot spoil.

Philip Kotler and Kevin Lane Keller define a **service** as follows: *“The service is any act of performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Preparation of service may or may not be associated with the physical product”*.

“In case of services a title does not transfer to the customer, but the subject remains the property of the provider. To the customer belongs only the result of provided service - thus the value, utility or experience “. (Source: Corset Framework, Book 2: Services)

The term service is also used in informatics, especially in development, software design and operation, which is based on the concept of SOA and exists as an introduced concept of web service.

Use in Practice: In management, service is used to encapsulate a responsibility for some field (see Service Oriented Management). In technical concept of ICT, the term service is used to encapsulate application logic / software (see the web service).

Related terms and methods:

- › Five types of supply – products classification
- › Service catalogue
- › Service life cycle
- › Service provider
- › Service sector (tertiary sector)
- › SLA (Service Level Agreement)
- › SOM (Service Oriented Management)

Related management fields:

- › Marketing
- › Service management