

Define Service

One of the first to define services was the American Marketing Association, which, as early as in 1960, defined services as activities, benefits, or satisfactions which are offered for sale, or provided in connection with the sale of goods. This definition took a very limited view on services as it proposed that services are offered only in connection with the sale of goods. The other definition which was proposed, in 1963, by Regan suggested that services represent either intangibles yielding satisfaction directly (transportation, housing), or intangibles yielding satisfaction jointly when purchased either with commodities or other services (credit, delivery). For the first time services were considered as pure intangibles capable of providing satisfaction to the customer which could be marketed like tangible products. Robert Judd defined service as a market transaction by an enterprise or entrepreneur where the object of the market transaction is other than the transfer of ownership of a tangible commodity. Lehtinen, in 1983, defined services as an activity or a series of activities which take place in interactions with a contact person or a physical machine and which provides consumer satisfaction. Kotler and Bloom, in 1984, defined services as any activity or benefit 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 a physical product. Gummesson highlighting the intangible nature of services defined services as something which can be bought and sold but which you cannot drop on your foot. This definition also pointed out one basic characteristic that the services can be exchanged even though they are not tangible. According to Gronross, a service is an activity or series of activities of more or less intangible nature that normally, not necessarily, take place in interactions between the customer and service employees and/or physical resources or goods and/or system of the service provider, which are provided as solution to customer problems.

The increasing interest in services sector has drawn the considerable attention to the discussions over what constitutes a service and whether services marketing is a distinctive subject to study. Many authors developed definitions of a service; however, given the diversity of services, it is hard to find any consistent definition which could be applied to all services. Most definitions focus on the fact that a service is intangible in nature and does not result in the ownership of anything. According to A. Payne "a service is an activity which has some element of intangibility associated with it, which involves some interaction with customers or with property in their possession, and does not result in a transfer of ownership. A change in condition may occur and production of the service may or may not be closely associated with a physical product"³. Ch. Lovelock and J. Wirtz stated that "services are economic activities offered by one party