

**TABLE 1.2:** Differences Between Goods and Services

GOODS	SERVICES
Tangible physical entity	Intangible bundle of benefits
Can be stored for future use	Cannot be stored—the service is produced and consumed simultaneously
Often capital intensive	Often labor intensive
Low level of customer contact	High level of customer contact
Quality assurance and control are relatively easy	Quality assurance and control relatively more difficult
Physical transformation of materials	Physical or psychological transformation of customer