# Key concepts of service management

Service offerings

## Syllabus

- 1. Understand the key concepts of service management
  - 1.1 Recall the definition of:
    - a) Service
  - 1.3 Describe the key concepts of service relationships:
    - a) Service offering



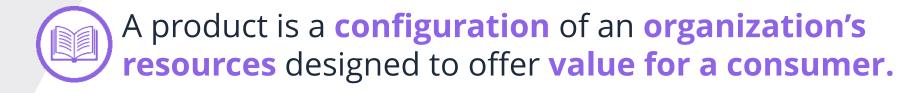
#### What you will learn

By the end of this section, you will be able to:

 Describe the relationship between products, services, and service offerings.



### What is a product?



Organizations **own** or **have access** to a variety of **resources**, including people, information technology, suppliers, and partners.

**Products** are **complex** and not fully visible to the **consumer**.

Organizations define which **product components** their consumers see and **tailor** them to suit their target consumer groups.



#### What is a service?

A service is a means of enabling value co-creation by facilitating desired outcomes for customers, without the customer having to manage specific costs and risks.





Services are based on one or more of an organization's products.



### What is a service offering?



A **service offering** is a description of **one or more services** designed to address the **needs** of a **target consumer group**.

A service offering may include goods, access to resources, and service actions.

Goods

- Ownership is transferred to the consumer.
- Consumer takes responsibility for future use.

Access to resources

- Ownership is not transferred to the consumer.
- Access is granted/licensed under agreed terms or conditions.

Service actions

- They are performed by the provider to address a consumer's need.
- They are performed according to agreement with the consumer.



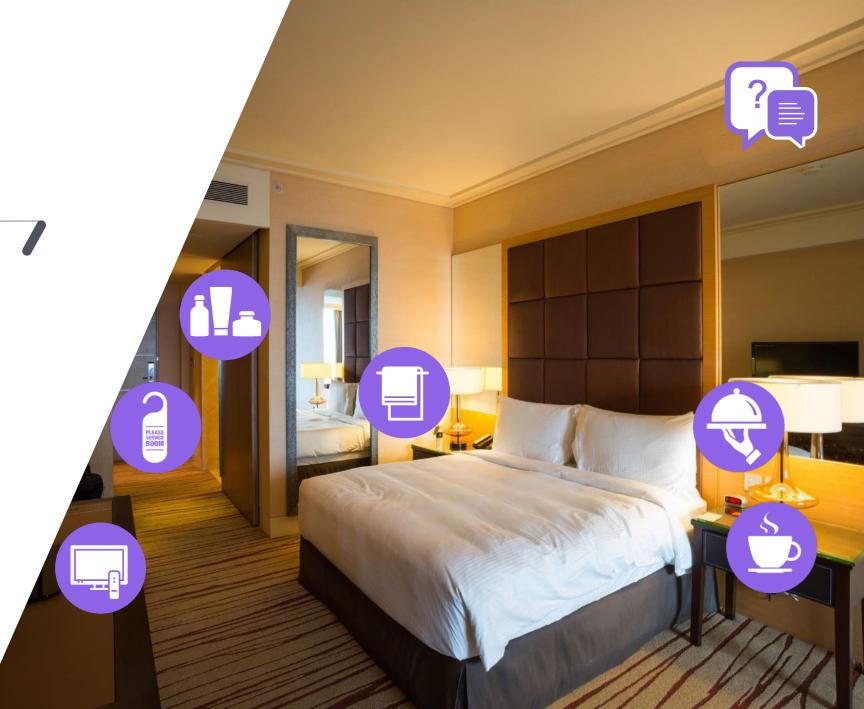


Hotel room

**Goods?** 

**Resources?** 

**Service actions?** 



### Recap: Key learning points



- A product is a configuration of an organization's resources designed to offer value for a consumer.
- A service is a means of enabling value co-creation by facilitating desired outcomes for customers.
- A service offering is a description of one or more services, designed to address the needs of a target consumer group.
- A service offering may include goods, access to resources, and service actions.

