**Compare the ‘service matrix’ with the ‘product-process matrix’. What are your observations, i.e., what is similar and what is different.**

* What is similar?

They are very similar in the sense that the more standardized a process is the less variety there is going to be for the end service or product. Another similarity is that a more standardized item/service could be deployed at a larger volume for a lower input cost. They both ultimately follow the lower volume -> higher variety, higher volume -> lower variety.

* What is the difference?

The way variety is provided can be extremely different, with many services you are interacting with a human and that means that we can provide more variety more easily than machines. With manufacturing if we are to provide a very high amount of product variety we run into a point where we go from making it with machines to using humans. In many ways you encounter this with a service, but it is at a very different level. Another large difference is the investment/cost required to produce the variety, if we look at SAAS products the overhead and investment will be in development, this development can be completed by developers frequently and can be evolved rapidly. With products our lead time can be substantially greater as we need to acquire new machinery to produce the result. Now if we think Disney, this lead time for a service can be high if we need to acquire and train new employees. Now the question becomes for your business does it take 36 months to acquire and train employees, which is easily how long custom machinery can take.