An alternate methodology to identifying commodities.

Jong De*

Department of Biosciences, Unilever Research and Development Vlaardingen, The Netherlands

Introduction

A tangible item that people want or own is referred to as "good." Despite the fact that services are not a concrete or physical item, users seek them out. A service can often be provided from a distance. The terms "products" and "services" refer to the goods and services that people purchase and consume.

It's normal for products and services to collaborate. When a consumer buys gasoline for their car, they must also pay for the gasoline's processing and transportation. In this case, the good is gasoline, and the services are processing and transportation.

Normal good: When it comes to regular goods, as an individual's income rises, so does his or her desire for and consumption of such things. A regular good, such as a sports automobile, is an example of a luxury item. When a person's income rises, they might consider upgrading to a sports automobile. In addition, the purchase of a sports car may raise their demand for premium fuel [1].

Inferior good: As a person's money rises, so does his or her desire for and consumption of a lesser good. Consider a household who heats their home only with wood or other biofuels. As the family's income improves, the family may decide to invest in a natural gas furnace, reducing the need for biofuels. Biofuel is an inferior good in this scenario [2].

Service-goods continuum

Consumables are divided into services as a convenience; these are not separate categories. Most business theorists perceive a continuum that starts with pure service and ends with pure tangible commodity items. The majority of products fall somewhere in between these two extremes. A restaurant, for example, delivers a physical good (cooked food) as well as services such as ambience, table setup and clearing, and so on. Although some utilities, such as energy and communications service providers, are solely service providers, others, such as water utilities, offer tangible items. In the European Union, power supply is classified as a good rather than a service for public sector contracting reasons, however in the United States, it is classified as a service under federal procurement standards [3].

Goods are usually structural and may be transferred immediately, whereas services are provided over time. A product can be returned, but a service that has already been delivered cannot. Goods are not always material and can be virtual, for example, a book can be printed or read on a computer [4].

The service-goods continuum is a key idea in marketing theory that "allows marketers to see the relative goods/services composition of total products."

In a broader sense, service refers to the appropriateness of assistance and support supplied to a customer as judged by the quality of customer service. This is a common occurrence in the retail industry.

Service-commodity goods continuum

The difference between a good and a service is still debatable. In the late eighteenth and early nineteenth centuries, the emphasis was on wealth creation and possession. Goods, according to classical economists, are objects of value over which ownership rights can be established and transferred. Ownership meant having physical possession of an object that had been obtained from the producer or previous owner by purchase, barter, or gift and was legally identified as the present owner's property. The Wealth of Nations, Adam Smith's famous book released in 1776, distinguished between the outputs of "productive" and "unproductive" labour. He claimed that the former generated commodities that could be preserved after manufacture and later swapped for money or other valuables. Regardless of how beneficial or required, the latter produced services that expired during production and hence did not contribute to wealth [5].

References

1. Hill TP. On goods and services. Rev Income Wealth. 1977;23(4):315-38.
2. Gadrey J. The characterization of goods and services: an alternative approach. Rev Income Wealth. 2000;46(3):369-87.
3. Anderson EW, Fornell C, Rust RT. Customer satisfaction, productivity, and profitability: Differences between goods and services. Marketing Science. 1997;16(2):129-45.
4. De Groot RS, Wilson MA, Boumans RM. A typology for the classification, description and valuation of ecosystem functions, goods and services. Ecol Econ. 2002;41(3):393-408.
5. Gilmore JH, Pine BJ. Beyond goods and services. Strategy Leadersh. 1997;25:10-21.

***Correspondence to:** Jong De, Department of Biosciences, Unilever Research and Development Vlaardingen, The Netherlands, E-mail: de33@unilever.com

***Received:** 01-April-2022, Manuscript No. AAAIB-22-61559; **Editor assigned**: 02-April-2022, PreQC No. AAAIB-22-61559(PQ); **Reviewed**: 16-April-2022, QC No. AAAIB-22-61559; **Revised**: 20-April-2022, Manuscript No. AAAIB-22-61559(R); **Published:** 27-April-2022, DOI:10.35841/aaaib-6.2.108*

***Citation:** De J. An alternate methodology to identifying commodities. Arch Food Nutr. 2022;6(2):108*