

THE CONCEPT “SERVICE”: ITS ESSENCE IN THE ENTREPRENEURSHIP ECONOMY AND ITS PLACE IN BUSINESS EDUCATION

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ABSTRACT

The article deals with the problem of the essence and content of the concept of “service” in the business system. We analyzed the processes of exchange and consumption of services during the deployment of the phase of economic reproduction. It is shown that the consumption of goods is carried out exclusively through the service. The conclusion is substantiated that the service can be presented as a virtual product, sold in a period of time. A brief review of theoretical views, modern interpretations and the author's definition of the “service” are presented. The concept of the service as a form of manifestation of entrepreneurship is disclosed, and in this connection, issues of business education are considered.

Keywords: Goods, Beneficiary, Supplier, Cost, Consumption, Transformational Services, Business Education Models, Start-Ups.

INTRODUCTION

The relevance of the research in the presented formulation is due to the fact that the processes of movement of services in the economy, occupying an increasingly significant place in it, in the cognitive plan do not have sufficiently grounded methodological and terminological tools. This concerns the fact that in the modern economic theory, the problems of the concept of service have been developed so far just in a fragmentary form and do not constitute an integral, scientifically verified theory. At the same time, the key concept, the interpretation of which causes the problem situation, is the interrelation of the concepts of goods and services, which in their epistemological and ontological content in some cases are opposed to each other. Representatives of different scientific schools present different, but equally inconclusive arguments about the place of the service in the process of unfolding the stages of the economic cycle. In the majority of existing concepts on this issue, the main role is given to the concept of “goods”, while the semanteme “service” remains an object without clearly defined properties and roles. The cognitive process is also hampered by the fact that both objects are considered

most often as static entities without designating the direction of their movement and interaction. But while a lot is known about the goods from classical political economy, the theoretical understanding of the concept of “*service*” is based on a much smaller amount of knowledge and hypotheses, since the process of incrementing knowledge about the service slowed down in the late or by the end of the 20th century and, most paradoxically, this inhibition seems to suit everyone.

The subject of the study is the logo “*service*” considered in an economic sense.

Let us briefly consider the genesis of theoretical views and applied interpretations of the concept of “*service*”.

A service can be defined as “*specific utility, utility in the form of activity*” (Marx, 1974). Thus, he emphasized that service as an activity enters into economic circulation at the exchange stage, for it is here that utility manifests itself as a real economic category. Expanding the essence of the service, he noted that “*labor provides services not as a thing, but as an activity, and that a service is a specific utility, utility in the form of activity*” (Gomellja, 2010).

According to Marx (1974), a commodity is, first of all, an external object, a thing which, thanks to its properties, satisfies any human needs.

The goods are consumed by the consumer exclusively through the service. This should be understood in such a way that the goods (as consumer value) is consumed, used by the person consuming it independently, without participation or with the participation of the person who produced the product, realizes its utility.

As Marx (1974) remarks, arguing with his opponents, however, about other economic phenomena, “*service is nothing but the beneficial effect of a particular use-value-whether it is a commodity, labor (I have highlighted-O.E.)*”. Although this phrase was uttered by a great thinker along the way, in some remote connection with the problem of service, it expresses the main link through which, we believe, it is possible to reveal the essence of the concept of service. Therefore, it is not by chance that modern scientists, noting precisely the philosophical acumen of Marx (1974), which enabled him to discover the basic laws of economics, write: “*It is known that Marx is a philosopher in university education. We must assume that it is precisely philosophical knowledge and, above all, philosophical thinking that can be considered a success for political economy, this science, thanks to the genius of Marx’s personality, forms the theoretical basis that for many decades has been the basis of emerging methodological phenomena of society*” (Chereshnev & Ivanickij, 2018).

With the spread of marketing as a science, the definition of services proposed by Kotler (2007) was widely adopted: “*a service is any event or benefit that one party can offer to another and which are mostly intangible and do not lead to the acquisition of something*” (Lukmanov et al., 2018a). We see that Kotler (2007), being a sales theorist, singled out those properties of the service that are important for marketing, but, however, insufficient to reveal the essence of the phenomenon.

According to State Standard 30335-95/State Standard P 506-46-94 “*Public services. Terms and definitions*” and the international standard ISO 9004-2 a service means the result of direct interaction between the contractor and the customer, as well as the contractor’s own activities to meet the customer’s needs (Gai & Du, 2014). It follows that the standard contains two important theses for our study:

1. The service is the result of interaction between the contractor and the consumer.

2. The interaction is preceded by the performer's own activities, which should be understood as the preliminary, preparatory work of the latter on the professional formation of a service project (what we call the service below in a virtual form).

Without defining the essence of the phenomenon, scientists began to conduct local research, develop and offer "*scientific?*" recommendations and, it seems, these recommendations find their consumers. But it seems to us that the purpose of science (including applied) lies not in the hasty distribution of advice, but in penetrating the essence of phenomena. Nevertheless, since the criterion of truth is practice, and the practice more or less successfully applies the recommendations of scientists about the phenomenological properties of various types of services, we are going to consider the modern industry of scientific research on the topic of "*service*".

The definition of a service may vary depending on the purpose, scope and maturity of the information or product. In the most general sense, a service can be defined as: A set of actions aimed at assisting its beneficiaries, making the best use of specially designed information to improve their "*business*" (Troccoli, 2018).

We would like to argue that the definition of the service can NOT vary. The definition is universal and must unambiguously respond to all variants of life situations, regardless of the purpose, scope and maturity of the information or product, and other circumstances.

As for the definition of the service offered by him, this is a very narrow interpretation of it, concerning only and only considered in the article of the author of the business. This is the first. And, secondly, it lacks the economic interests of the service provider and service recipient—everything looks as if both of them are involved in a children's game, in which the first provides an "*action set*" for unknown reasons, and the second uses this set, which is considered not as an economic (i.e., monetary: commodity–money) act, but as "*help*" (and help is gratuitous by definition) for "*improving business*".

We have to admit that in the reasoning of Troccoli (2018), there is no sufficient scientific approach to the definition of service.

Considering the process approach to marketing in the service sector in (Chesnokova et al., 2015), one can find certain conclusions about solving problems related to managing the competitiveness of organizations working in the service sector, but there are no conclusions about the essence of the service.

From another point of view, industrial services are services related to products provided by companies in the industrial sector (manufacturers of industrial goods and companies providing clean services) (Banerjee, 2015).

This definition overlaps with the definition of the WTO GATS in which it is defined that: "*the term service includes any service in any sector, with the exception of services supplied in the exercise of government functions*". The service in vocabulary of the terms of the World Trade Organization is also defined in the following way: A service according to WTO is a commercial service provided on a competitive basis. In both cases, we encounter a non-scientific approach to the construction of a definition: tautological, i.e., by constructing the definition of a given object through the name of the object itself, it is clear that this approach does not give any increment of knowledge about the subject. The latter is characteristic of many representatives of modern economics.

The concept of service of entrepreneurship has gained importance over recent years (Schaltegger & Wagner, 2011). The relationship between entrepreneurship and sustainable development has been dealt with through various schools of thought, often resulting in the launching of new types of entrepreneurs, such as the ecopreneur and the social entrepreneur.

However, in the educational process, the concept of service is considered according to an algorithm used in international trade in services for the following reasons: Since it is difficult to develop an exhaustive definition of a service, and today, as mentioned above, it is subject to theoretical disputes, but at the same time-the subject of the obligations of WTO members in the field of trade in services should be, as noted in the literature, clearly defined, and the obligations themselves should have a specific content and scope, then for the purposes of regulating trade in services under the WTO, all services were classified into 12 sectors as follows (Figure 1):

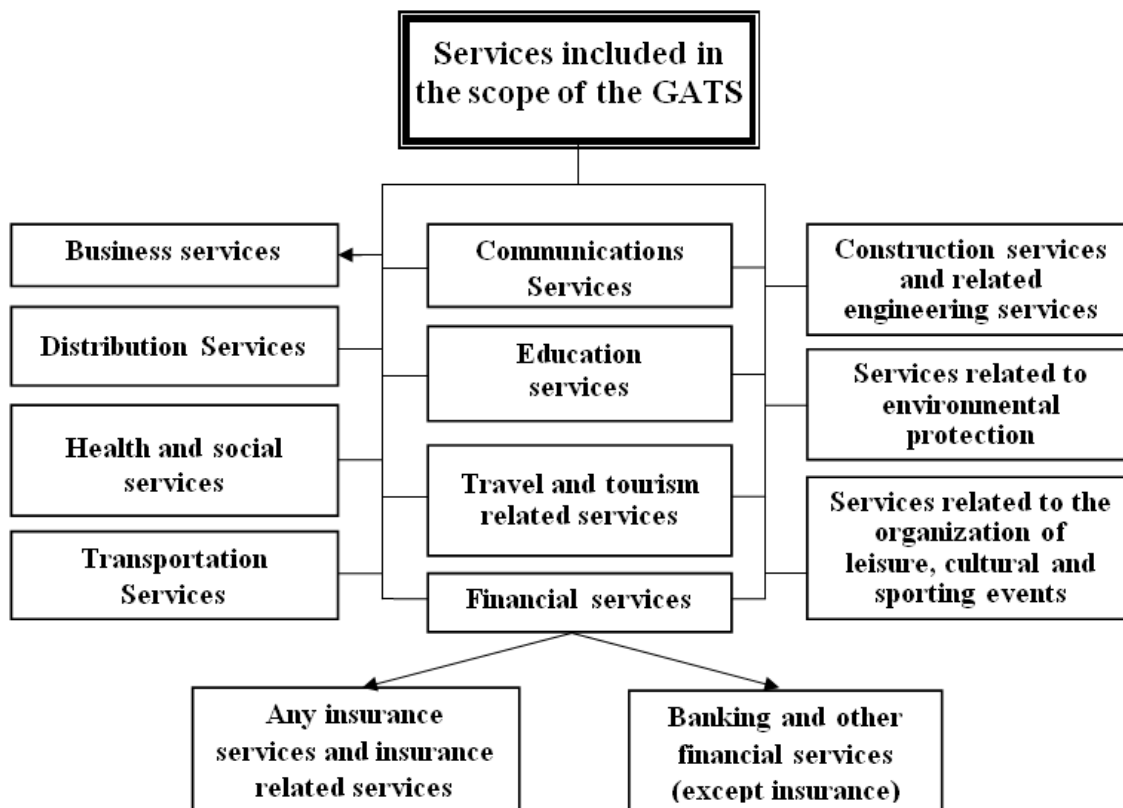


FIGURE 1
CLASSIFICATION FOUNDATIONS IN INTERNATIONAL TRADE (GATS) TO
STUDY THE CONCEPT OF "SERVICE"

It is even more remarkable that many authors on the problems of services completely ignore the general scientific rule, which states that when considering the subject of one’s own research, it is necessary to formulate a definition of this subject.

For example, multi-purpose optimization of the composition of cloud production services with the improved genetic algorithm Cloud-Entropy (Li et al., 2016). With a very substantive structure of the article, there are no definitions of the concept “service” in general and the term “cloud production service”, in particular.

We find similar annoying drawbacks in the works (Von-Graevenitz et al., 2010; Bakirov & Klikich, 2007).

The services are not only directly traded, but also indirectly embodied in the production of exports. Gross exports, therefore, can potentially underestimate the value of services, as well

as the degree of globalization. Thus, “*services were more global than manufacturing*” (Bohn et al., 2018). The value of the work would have been significantly higher if the authors defined the terms “*service*” and “*export service*”.

The concept of customs services, taking into account their role and importance, can be defined as a set of actions that must be carried out by customs authorities in order to ensure the movement of goods and vehicles across the customs borders of countries in the process of transporting goods from the seller to the buyer in compliance with the requirements of these countries (Fedorenko, 2014).

We also note that the author always has the right to formulate his own definition of the subject. But the absence of the necessary basic knowledge or neglect of the general philosophical or general economic provisions always lead to distorted or completely erroneous conclusions. The same happens with the definition of the aforementioned author—he completely lacks the figure of the second subject of relations, which develop in the relationship of the provision and acceptance of the service: it is the figure of the buyer with his economic interests (it is precisely because of these interests that the service emerges as an economic phenomenon).

One of the forms of business that is to create services together with clients or, as the authors state, “*co-creation of services*” (Oertzen et al., 2018). At the same time, it is necessary to distinguish the co-creation of value and the joint creation of services. Co-creation of services is an activity in which a business representative concentrates on the mutual creation of services during service processes and innovative services.

The topic itself is very interesting from a scientific point of view, but the authors of the article neglect the derivation of a thoroughly formulated definition of a service, and the term “*co-creation of services*” is given only in a descriptive form, which to a certain extent reduces the scientific value of the work, and for its consumer (reader) leaves some uncertainty in the understanding of the terms used.

A number of authors consider the problem of providing services in organizational, technical or technological terms as part of their own professional activities (Buchnik et al., 2018; Lukmanov et al., 2018b; Li et al., 2016; Oertzen et al., 2018).

There is the problem of understanding the concept of “*service*” in a concentrated form, for example, if the product of labor has a material form, it can be expressed in physical units (kilogram, meter, piece), then these criteria are not applicable to services. Of considerable scientific value is the analytical review of the problems of financial services conducted by (Zlobin & Juldashv, 2017).

An economic service is a useful property of a thing or human activity (labor) that a person extracts, using them as an economic good, i.e., entering into economic relations with other owners of consumer goods and factors of production (Golomolzina, 2010). It also emphasizes the reciprocal nature of the actions of the parties to the relationship in the provision and reception of services. Logically continuing the author’s thought, it can be concluded that a service is an economic relationship between persons in which one party provides the service, the other accepts it and thus satisfies its need.

The concept of the essence and content of the service is scientifically substantiated as an obligatory element of the phase of consumption in social reproduction (Solodilova, 1998). It has been proven that the main and fundamental difference between a service and goods as a product of the production sphere is that an essential element of any service is the service process—a specific process of communicating the results of labor, the labor itself to its consumer; it is determined that consumption is a fully economic relationship, and the service is a type of human

activity aimed at creating conditions for the full realization of the potential labor savings contained in the product of production during its further consumption (Solodilova, 1998).

The concept of “*service*” appears in entrepreneurial education according to the place that a service (services) occupies in the modern economy. The economic phenomenon “*service*” is considered in business education through the concept of entrepreneurship, since the latter is a form of manifestation of services in the economic sphere. Most of the scientific papers here consider the business of services from the point of view of its effectiveness in preparing future entrepreneurs in higher education institutions and the reorganization of relevant activities (Anderson et al., 2013).

The concept of service, which is presented in this article, should build on its (service) understanding from a pragmatic level (which in itself is important and self-sufficient for real business, but not enough to assimilate the essential properties of a service as an economic phenomenon) to a theoretical level. At the same time, it can be reasonably argued that the thematic content and cognitive content of the available scientific research, both in subject matter (service, entrepreneurship) and in focus (business education), in general, meets the needs of the main subjects of the relevant processes (scientists, educators, representatives of real business). Among such works, the following are of some interest.

Transformational service research, which lies at the intersection of service research and consumer transformational research, focuses on welfare outcomes related to services and services. The thesis about transformational services, which are understood as costs (and, accordingly, services: highlighted), connected with the transformation of material costs into final products (Anderson et al., 2013). The transformational services, according to the logic of their definition given by D. North and J. Wallis as early as the mid-90s of the last century, can also be attributed to the services arising from the interaction of the contractor and the consumer at the consumption stage—here too there is a change in spatial location. i.e., direct physical impact on the matter, which allows the authors to conclude that “*all services designed exclusively for individuals, which include social services, personal services and cultural services, belong to the transformational sector*”.

The above theses in conjunction with our conclusions about the consumption of goods in the service form, give, we believe, a more complete picture of the movement of goods and services in the process of economic turnover and can serve as a whole concept for use in business education.

A training model has been developed in which business education generates signals for students, based on which students evaluate their abilities to solve entrepreneurial tasks. The model is tested in a real learning environment (Von-Graevenitz et al., 2010). A number of researchers have long noticed the phenomenon called “*economic behavior of people*” brought up by business education Georg von-Graevenitz and his co-authors quite popularly explain that we cannot ignore the experience of prominent businessmen (Bill Gates, Steve Jobs, Richard Branson, Mary Kay Ash, Debbie Fields, R. Abramovich, A. Usmanov, O. Deripaska, and others) who have learned entrepreneurship “*outside the ivory tower of the academy*.” But for every Bill Gates, there are a million entrepreneurs who are experiencing a dramatic and sometimes tragic failure, which which is not displayed in the popular press. In their concept, the authors propose this experience to be replaced by education (Von-Graevenitz et al., 2010).

The problem of understanding the concept of the entrepreneurial university from the perspective of higher education models was discussed in (Sam & Sijde, 2014), passing a review of the taxonomy of four European higher education models, namely the Humboldt model,

Napoleon and Anglo-Saxon and Anglo-American. The main value of the article is the study of the third (along with the educational and research) mission of universities, which was named by the authors “*production of knowledge and the path to entrepreneurial universities*”, which is achieved by comprehensive cooperation between the university and external stakeholders. The document proposes to combine four models of higher education, the distinctive feature of which (of the joint model) is a set of activities of an entrepreneurial university (Sam & Sijde, 2014). Based on an analysis of the theory of the student’s decision making to become an entrepreneur, it was concluded that the most effective way universities can promote entrepreneurship among their students is well-trained empirical modeling of the startup process for startups (i.e., newly created enterprises conducting their business activities on the basis of innovations) (Buchnik et al., 2018).

Business efficiency does not directly depend on entrepreneurial and market orientation. As the author writes, a “*gap (phenomenon) of problems of entrepreneurship orientation*” was found, and this circumstance requires further research (Souisa, 2018).

The practical pedagogy has an impact on business start-ups like term paper, serious games and simulations, project thinking and reflexive practice (Neck & Greene, 2011).

A brief overview of significant research papers on entrepreneurial education shows that science is at a serious productive junction with practical business activities and it provides coverage of the urgent and emerging cognitive problems of the business economy.

Due to the presence of the problems mentioned above, the purpose of the article is to examine the nature and content of the concept of “*service*” in its dynamic relationship with the concept of “*goods*”, the place of service in business relationships and business education.

METHODOLOGY

We used the methods of meaningful, logical and historical analysis of the subject of research using scientific works of foreign and domestic authors on the problem under study. The method of philosophical approach to identifying the essence of the service through the use of inductive and deductive methods was also applied. The method of included observation, latently present in the author's many years of activity in the real business and in the field of education, played a significant role at the scientific and ideological level.

RESULTS

The main hypothesis of our study is the statement that the satisfaction of the needs of a person as an end user of the goods that is provided to him at the exit from the production phase occurs in the process of rendering a certain service to this person. In this regard, researchers, guessing or recognizing this provision, have long paid attention to the unresolved nature of the problem of the service in general. As Bakirov & Klikic (2007) quite rightly notes, “... *in business practice and statistics, goods as objects of exchange are separated from services. The movement of goods in the economic turnover has one patterns, and the movement of services-others. Therefore, solving the problem of determining the economic nature of a service ... could, in our opinion, enrich economic theory, significantly affect economic practice and accelerate the development of this promising economic sector in our country*”.

Specific features of the service noted by many authors have become a textbook (some of them, as will be shown below, cannot be recognized as such under alternative consideration): intangibility, inseparability from the contractor, inconstancy of quality, non-conservation.

Here you can add properties that are considered to be present in the service:

- The utility of the work that the subject of the service performs to the object (individual, organization)-the consumer accepts the service because of its utility.
- The implementation of the utility occurs in the process of exchange of activities-the service is provided to the client in the form of the activity of the service subject.
- The rendered service does not lead to the taking of any tangible thing, while the purchase of the goods directly leads to the receipt by the buyer of the status of the owner of this thing.

At the same time, in our opinion, in the above definitions there is no or not fully and accurately reflected the economic essence of the service, namely:

- The relationship between the categories of goods and services is not reflected, given that, by their economic nature, both must mutually be present in each other.
- The problem of equivalence of exchange, of retaliation in the provision and reception of services is not mentioned. In financial entrepreneurship, whose subject is precisely the provision of non-repayable financial services, this issue is especially important.
- The problem of direct subject-subject relations between producers and consumers of services has not been considered, the driving interests of the parties to the relations have not been fully identified.
- The issue of the movement and interaction of goods and services in the process of economic relations circulation has not been touched at all. In financial business, this is reflected in the fact that with the universal recognition that the relationship between the financier and the recipient of his services contains the concepts of a financial product (financial product), no algorithm has been developed for the relationship between these elements of the process.

As can be seen from the analysis, the process of cognition of services from a significant part of the authors is concentrated on the surface of an economic phenomenon and does not affect its deep essence.

Speaking of the fact that a service is an activity (or an action-according to the formulation of Karl Marx), two questions should not be overlooked:

1. Who produces this activity.
2. Over whom (over what) and for whom this activity is performed.

Activity (action) can produce:

- A. Directly the product itself as consumer value, as a thing programmed to perform certain functions (a washing machine performs an action to provide a service for a person to wash clothes). But here it should be borne in mind that the consumer of the service in this case enters into economic relations not with the machine, but with its animated representative: designer, manufacturer, seller, etc. The machine itself is a kind of instrument, an intermediary, with the help of which communication is carried out between the participants in economic relations.
- B. The activity can be carried out directly by the service provider itself: A living person (worker) or a group of workers (organization), for example, an insurance broker or an insurance company.

The ratio and dynamic interrelation of the goods and services in the course of their movement to the consumer (the action produces the goods) can be illustrated as follows (Figure 2).

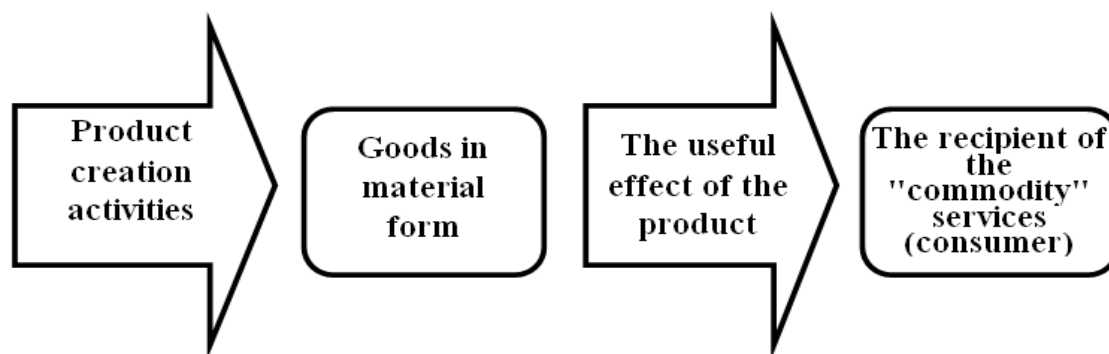


FIGURE 2
THE MOVEMENT OF GOODS FROM THE MOMENT OF ITS CREATION TO THE
PROVISION OF "COMMODITY" SERVICES

The goods, before becoming such, must pass the manufacturing stage, which includes the development of the project, drawing up drawings, preparing the necessary equipment and personnel, the technological chain of manufacturing, painting, packaging, etc. In Figure 1, this stage is named "*Product creation activity*".

The manufactured goods (strictly speaking, this is not the goods yet, but a product; in order to become the goods it must be placed on the market) there is a thing ready for the exchange procedure between the producer and the buyer in Figure 1 this condition is marked "*Goods in material form*".

Being purchased by the end user, the goods has not yet become the consumer value until it is used-the goods shows its utility effect at the use stage (Figure 1). The utility action of the goods is the satisfaction of the need of the beneficiary (user).

Being manufactured and sold, it (the goods) is already alienated from its manufacturer and provides services to its new owner-the consumer-independently, without the direct participation of the manufacturer. And, most importantly, in our reasoning, the goods satisfy the needs of the consumer-person in the form of a service, but, we repeat, the services in a direct "*commodity-consumer*" scheme, in which there is no manufacturer of the goods. This feature is indicated by Bakirov & Klikich (2007), calling this relationship object-subject relations (Arhipov, 2016). The object is the goods (washing machine or lathe, for example), the subject is a living person or organization.

But it is worth paying close attention to the fact that object-subject relations are the manifestational relations, secondary ones (technological, technical, organizational, etc.). The economic relations, which are the subject of our interest, are developed between the beneficiary and the supplier. The latter in economic relations can be a designer, a manufacturer, a seller, i.e., economic counterpart of the exchange process. These relationships can be called "*subject-subject*".

The action in this case was made for the consumer (not on him and not to him) by the goods-at this level it seems to the observer that the service is provided without the participation of the service provider. And indeed, there is no direct participation of the supplier (or his representative) in the provision of the service at the event level. But in the essential sense, in the economic sense, the service provider is invisibly present here through its intermediary-a functioning commodity (that is, according to Karl Marx, the beneficial effect of a particular consumer value-whether it is the goods or labor).

The service as a result of interaction means that as a result of the mutual activity the parties satisfy each other's interests. The beneficiary, using the goods provided by the supplier, covers his needs (uses a washing machine and gets linen ready for wear), for which he paid when purchasing the goods; the supplier covers his needs by obtaining an equivalent amount for the manufacture of this product with the specified functions that satisfy customer needs.

Another form of service can be a scheme when the activity is not performed by the goods, but directly by the service provider: above, we designated this sequence by numbering B- the activity can be performed by a living person (employee) or a group of employees (organization). An example is the work of a hairdresser, massage therapist, insurance broker or financial company (Figure 3).

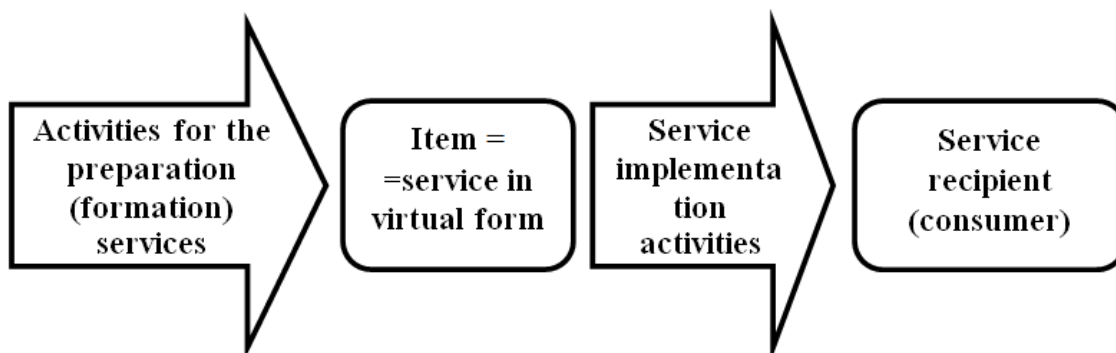


FIGURE 3
STAGES OF THE MOVEMENT OF THE “SERVICE” GOODS IN THE ECONOMIC CYCLE

One should not think that service as an activity arises by itself, out of nothing, as a phantom, as an accident. Any service is preceded by a specific preparation, which includes technological, organizational, personnel, educational qualification and many other elements (to provide shoe repair services, the master must receive professional training, equip a workshop; when providing insurance services, the insurer forms an insurance program, etc.).

A service prepared in this way is the goods, but it is presented not in real form, but in the form of a project, as a body of knowledge, skills, and experience of the contractor, as a functionally integrated product to meet a specific need. This is the result of the performer's own activities, formed by him either by direct order of the client, or by market signals about the expectations of customers, or as an innovative product that forms the specific needs of people or organizations. We called this product a service in a virtual form or a “*service*” goods (Figure 3).

In this sense, a service is the goods, a kind of virtual procurement, which is realized in a more or less long period of time. But the service itself in the form of a pre-formed virtual thing differs from the product in the subject-tangible form in that it (the service) has not yet been realized. But at the same time it is fully prepared for action.

Let us repeat the summarizing conclusion regarding the above: Organizationally, technically, technologically, financially prepared for the use the complex of possible actions of the performer, we call either a “*service*” goods, or a virtual service, or a potential service. This complex can be compared with the plan of combat action, together with its resource base. This is a comprehensively prepared but not yet completed throw.

So, our concept of “*service*” goods as an economic category is as follows.

The service prepared for the exchange in the economic sense is a goods, i.e., economic good, which is a product of labor and produced for exchange. The service, as a goods, has a cost—the amount of socially necessary working time for its production. In this sense, it is impossible to find any difference between the service and the goods as the costs, since the work of creating one and the other is abstract labor, i.e., being a single substance.

The utility of a thing makes it a consumer value. The consumer value of a service is its ability to satisfy a specific and concrete (rather than a generalized, abstract) need of a person. This consumer value of the service (for example, a bank loan) is formed due to the client's need to satisfy it (in our example, in borrowed money). If we talk about the ability of both goods and services to exchange for other benefits to the extent that abstract labor was spent on their production, then here we should use the concept of exchange value, expressed in the price of the service (goods).

As consumer values, goods differ, first of all, qualitatively, as exchangeable values, they can only have quantitative differences, therefore, they do not contain a single atom of consumer value (as many authors repeat the classic statement of the classics). But differences are found only when we consider the product and service as entities that satisfy the needs of people. This fully applies to the concept of service.

Consequently, the concepts of goods and services are absolutely identical as values, but they differ from each other as consumer values.

The further movement of the prepared service in the circulation in social production is an activity for its marketing. The prepared virtual product acts here as the subject of the relationship between the contractor and the beneficiary. And this marketing takes place necessarily with the participation of the manufacturer of the service (as we designated above: “*for the consumer*” or “*on the consumer*”)-this is the circumstance makes the service different from the goods (consumer value in the commodity form).

The contractor directly extracts useful properties from this product and puts them in the recipient of the service (haircut, massage, manicure, etc.) or in some object intended for consumption by the beneficiary (shipping, insurance protection, the subject of outsourcing, etc.).

The latter, as an active participant in the implementation of the service, is a party:

- a) Participating in the process of implementing the service as a customer and controller.
- b) Consuming the results of the activities of the contractor.

The economic interests of the parties in the implementation of this mutual activity are:

- For the performer-receiving income, profits.
- For the beneficiary-the satisfaction of his needs through the acquisition and consumption of goods in the service form.

The process and the result of the interaction of the contractor and the beneficiary are economic relations about the production (preparation), exchange and consumption of goods in the service form.

Consideration of two forms of service implementation allows you to summarize the judgments about this phenomenon. The implementation of a service (a service activity) or, in general, the process of meeting needs can be divided into several phases or stages. The movement from one phase to another occurs in an alternating sequence of forms.

The process always begins with the activity of manufacturing (forming) the goods in a tangible form or services in a virtual form - this is the first phase. A service in a virtual form can be called the goods in a virtual form or a conditional product (it would not be a mistake to call

this product a “*service product*”), since it still has an undisclosed potential for its implementation.

The next phase, which for the best explanation of our concept is necessary to highlight, is always a certain state (not a process), qualitatively different from the previous one: a service in a virtual form or goods in a tangible form are in readiness for implementation. In a concrete form, it can be represented in such a way that a real product is placed in a warehouse in anticipation of shipment, and the service product finds its existence in the form of a developed technology (this state is quite accurately expressed in running speech circulation among artisan people: “... *hands remember*”) and prepared material, personnel, organizational and other necessary base.

The third stage. Neither real goods nor goods in the service form are needed by anyone (recall the key expression of marketing specialists and sales samurai: “*people don't need two-inch drills, people need two-inch holes*”). Therefore, the meaning of services as a business is the satisfaction of the economic interests of the parties, which is carried out at the stage of its exchange, and then-consumption. At this stage, the service, regardless of its form (commodity or “*service*”), is bought, paid for and consumed by the beneficiary, the performer sells the service either with his direct participation-action, or indirectly through the action of the functionally programmed product.

Due to the dual nature of the service and its rather complex connection with the concept of goods in the Russian economic literature of recent years, as shown above, different views were expressed on this problem.

Our point of view on the relationship and dynamics of the concepts of goods and services presented above, as it turned out, is close to the judgments of the well-known in Russia economist Gomellja (2010) studying this scientific problem using the example of insurance. He found that the goods and services have are the same economic nature and can coexist in the same subject (Bohn et al., 2018). As such a subject, he considered the concept of “*insurance protection*”, which, as a result of research on its rationale, called “*product-service*”, combining two concepts into one term, with which we can agree with certain reservations.

Indeed, one of the essential points of contact between these concepts is the process of selling and purchasing goods (services), considered as an act of commodity-money exchange. A comparative analysis of various types of commercial transactions, where different use values are the subject of exchange, is made and demonstrated in Table 1.

Types of commercial transactions	Subject of the transaction	Unit of purchase	Unit price	Number of units of purchase	Purchase price	Distinctive features of the transaction
Buying goods in the store	milk	1 pack	30 rubles	2 packs	60 rubles.	This product has a natural-material form, paid for at once, consumed in a short period
Buying social services	massage	1 session	400 rubles	10 sessions	4 000 rubles	The goods (service) is not real, but sensual, consumed in the period
Use of banking services	loan	1 ruble	0.10 rub.	50 000	5 000	The client for 500 rubles buys the right to use the

			(i.e., 10% of the loan amount)	rubles	rubles	bank's money in the period in the amount of 50,000 rubles. The service has a virtual form, paid for immediately or in installments.
Purchase and consumption of insurance services	insurance cover	1 unit of sum insured=100 rubles	3 rub. (insurance rate)	1,000 units or=100,000 rubles. (sum insured)	3 000 rubles (insurance premium)	The insured person buys insurance protection size of 100,000 rubles for 3, 000 rubles. The goods (service) has a virtual form, paid for immediately or by periodic installments, consumed in the period.

The analysis of Table 1 shows that both goods and services as consumer values are exchanged in the market for goods and services using a single algorithm. Financial services, which are considered as bank loans and insurance protection, can be exchanged for money under the laws of the market, because they have a value expressed in prices per unit of service: for a bank loan, this is the rate to receive the corresponding loan; The cost of the “*insurance protection*” service is measured by the rate per unit of the sum insured (insurance rate).

DISCUSSION

A targeted review of publications devoted to the problem of the essence and development of services as an economic phenomenon, as well as business training issues, shows that science still lacks the generally accepted interpretation of the term “*service*”. Today, there are several well-established approaches to the definition of the concept under consideration:

- Defining by compiling a list of the main features, such as inability to long-term storage, activity, immateriality, and so on.
- Classifying services as a residual to the third sector of the economy (everything that does not apply to industry and agriculture is services).
- The assignment of certain types of economic activity to the service sector according to formal features.
- Extremely functional, sectoral definition of a service through a tautological reception: “*a service is a service ...*”.

A characteristic approach of modern science, which can already be called obviously erroneous, is also an evaluative definition of a service as an activity, and not as a relationship.

All the knowledge of the service achieved by science is based on the ideas and special studies of a number of economists.

Say (1972), who is considered one of the first authors to include the problem of services in the scope of his research, pointed out that “*services*” produce an “*intangible product*”. Say’s fundamental idea for understanding the essence of a service is his thesis that the provision of services requires the acquisition of knowledge and skills: “*Before a doctor can give professional advice, and his patient can benefit from it, the doctor or his patient must bear the cost of training the doctor for many years*” (Say, 1972).

Marx (1974) did not study services, but in the context of his theory of value, he proved that services cannot be separated from goods: they are deeply woven into the production and use of goods.

The consideration of the scientific problems of services within the “*tertiary sector*”, the concept of which was introduced by Fisher (1935), greatly advanced the understanding of services as an economic phenomenon. Many analysts credit Fourastie with his statement that “*Using the products of the secondary sector takes time, while using the same products of the tertiary sector saves it*” because it is possible to replace goods with services in order to meet the same needs. We believe that this thesis somewhat leads the researcher away from the truth, because the use of both goods and services is a consistent chain of events, rather than alternative sources of satisfaction of needs, so it’s wrong to talk about replacement-according to our concept, we can talk about the transition of goods into the service form.

Introduction by Bell (1973) a five-sector model of the economy, in which the tertiary sector is divided into three separate groups of services, and its analysis clarified in some way the difference between goods and services. But these explanations did not affect their essential analysis, so the increment of scientific knowledge about the service was not very significant.

The research and conclusions of Galbraith (1967), Gershuny (1983) led to the conclusion that a) at the end of the 20th century, there was a phenomenon of domination of goods over services, b) the main trend of “*the development of our society leads not to a service society, but to a self-service society, in which more and more industrial products enter the house*”. Thus, according to researcher, the satisfaction of needs for education, recreation, transportation, and health care can be achieved within households through self-care and self-production using physical goods and reducing the share of services provided by the formal sector.

These results were revolutionary for society, but the very conceptual content of services remained generally at the same level. But, nevertheless, in the course of the natural development of the science of services, approaches were developed expressing its objective position in the reproduction system. So, Hill (1977) “*A service is a change in the condition of a person or product belonging to an economic unit, occurring as a result of the activity of another economic unit with the prior consent of the first one*”. Here, as we see, we can talk about the interaction of two subjects (economic units) that are included in economic relations in order to change the “*state of the person or product*”. Previously, researchers, giving the definition of services, concentrated on the moment of activity, but not on relations.

The approaches to meet the challenges of time in the field of scientific knowledge of the phenomenon of services relate to some of its new types. Anderson et al. (2013) conceptualize the situation in the field of transformational services, which is located at the intersection of service research and transformational consumer research. This structure considers both micro-and macro-level phenomena, studies the dynamics of individual, collective service actors, as well as ecosystem consumer subjects.

We have derived important regularities in the process of teaching entrepreneurship as a form of service management, which in some aspects intersect with our views on this problem:

- A conceptual model for the analysis of learning processes considers entrepreneurship as a typical example of planned intentional behaviour.
- The effect of a large-scale compulsory entrepreneurship course is studied at a large university using a preliminary test-post-test.
- To come to a comprehensive assessment of entrepreneurship, it should be noted that focusing on the problem of starting a business can be misleading, so people who are not entrepreneurs and are not suitable for the startup activity should be considered (Von-Graevenitz et al., 2010).

In view of the above, our concept of a service is based on the following provisions.

In the economic sense, a potential service is a commodity, i.e., economic good, which is a product of labor and produced for exchange.

The implementation of the service, regardless of its form, is a relationship between persons in which one party (the performer) provides the activity for a certain fee, the other (the beneficiary) accepts it and thus satisfies its need.

In the explicit form, it is necessary to distinguish between the service provided by the product and the service sold by the labor-the activities of the contractor.

The concepts of product and service are absolutely identical as values, but they differ from each other as consumer values.

A service through labor (action) is a commodity, a kind of virtual procurement, which is realized directly by the performer in a more or less long period of time.

The commodity service is, in contrast to the labor service, the contractor's service through the functional product provided to the beneficiary.

In essence, unlike the phenomenon, the movement and economic content of a commodity service and a service realized through a commodity-service in a virtual form are the dynamics of the same substance.

The goods ends its journey in the business cycle by consuming it through the service. The industry definitions of the service phenomenon follow from the logic of the relationship between the concepts of goods and services. Thus, a financial service is a relationship between a financial carrier and a beneficiary in meeting the economic and interests of participants through the production (formation) of a financial product in a service form, its exchange and consumption.

However, in the real educational process in most cases the concept of service is studied by students without proper scientific reflection, superficially. Therefore, the concept of a service we offer, which regards it as a relationship between the beneficiary and the contractor, arising between them in the process of consuming goods, can be used in the educational process as an essential phenomenon explaining the nature of the service.

CONCLUSION

The scientific value of the article lies in the substantiation of the new approach to the study of the essence of the concept "*service*".

As the main result of the research, we can show our definition of a concept: a service is a relationship between a beneficiary and a performer for satisfying the economic and consumer interests of the subjects participating in them through the production (formation) of a commodity in real or service forms, its further exchange and consumption.

The importance of studying the concept of service in entrepreneurial education arises from the fact that the service sector (service) occupies a steadily increasing share in national economies (the economies of the overwhelming majority of countries today are entrepreneurial economies).

Thus, when we say "*service*", we almost always encounter entrepreneurship. Consequently, business education is, in fact, a cognitive process associated with the concept of "*service*". It follows that when studying entrepreneurship (business), students inevitably must learn the entire economic cycle of the movement of goods and services in the reproduction cycle.

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