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## Article

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# The impact of user preference and perceived value on customer satisfaction and marketability at traditional handicraft product

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## ABSTRACT

The main objective of this study is to investigate the impact of user preferences and perceived value on traditional handicraft products in terms of customer satisfaction and sales performance through empirical research. The study used a questionnaire to collect data from 299 customers in retail shops of handicraft products in Yunnan Province, China, and used PLS-SEM (Partial Least Squares Structural Equation Modelling) as well as Smart PLS software to analyse the data. The results of the study clearly show that user preferences have a significant positive impact on customer satisfaction, sales performance, and perceived value. Moreover, perceived value was also found to have a positive impact on customer satisfaction and sales performance. In addition, the findings reveal that customer satisfaction has a positive impact on sales performance. Based on these findings, this study further discusses the potential impact on managers.

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## 1. Introduction

Since the official release of China's Traditional Crafts Revitalisation Plan in 2017, the revitalisation of traditional crafts has received widespread attention from all sectors of society. A total of more than 300 traditional craft projects have been included in the four batches of 1372 representative national intangible cultural heritage project lists announced by the State Council. The core features of traditional crafts lie in creative manual labour and personalised production according to materials, a characteristic that cannot be replaced by industrial production (Strohmayr, 2021). Since the 18th Party Congress, localities have been actively implementing the Chinese Traditional Crafts Revitalisation Programme, which has effectively protected traditional craft projects. More than 1100 intangible cultural heritage workshops have been established in impoverished areas, providing local residents with opportunities to increase their income and employment (The Central People's Government of the People's Republic of China, 2017). 2022 Ten Chinese ministries, including the Ministry of Culture and Tourism, the Ministry of Education, and the Ministry of Science and Technology, jointly issued the Circular on Promoting the High-Quality Inheritance and Development of Traditional Crafts, which aims to promote the creative transformation and innovative development of traditional crafts, and to better serve the economic and social development and the people's high quality of life. This initiative is considered an important step in promoting the development of traditional craft inheritance and injecting new vigour into traditional crafts (The Central People's Government of the People's Republic of China, 2022). The Circular suggests

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that by 2025, the mechanism for high-quality inheritance and development of traditional crafts will be continuously improved, and will further play a role in promoting rural revitalisation, serving high-quality economic and social development, and fostering traditional cultural industries.

Due to its significant influence on customer purchases, user preference has always been of great interest to product designers and marketing professionals (Gkartzonikas & Gkritza, 2019). User preferences are a major factor in choice behavior and purchasing decisions. Consumers typically hesitate to buy things whose product qualities are unknown from an economic perspective. Since businesses are more knowledgeable about their products than consumers are, this uncertainty frequently results from incomplete and asymmetric information about the product's features. In this situation, businesses might use user preferences as a signal that successfully informs customers about their products to remove customer ambiguity. According to Yang et al. (2019), user preferences can also affect how customers evaluate the relative worth of features, qualities, risk perceptions, and information prices while making purchase decisions. Depending on the company's motivation and capacity to fulfill its commitments, user preferences are seen as a reliable indicator of the qualities of a product (Huang et al., 2018). Furthermore, prior studies have demonstrated that user preferences can forecast perceived value (Agmeka et al., 2019). Prior research has also demonstrated that user preferences are a requirement for client happiness and sales performance, which is equally significant. User preferences and their effects on client happiness, sales performance, and perceived value in traditional handmade product industries, however, have not received much attention. The customer also becomes increasingly important as company trends shift. To gain market share and boost profitability, businesses must offer items that please customers (Ahani et al., 2019). The influence of perceived value on consumer behavior has recently attracted to the attention of academics and craft practitioners (Berg & Lindström, 2021). Prior empirical investigations have demonstrated that perceived value can predict both marketability and customer satisfaction (Chae et al., 2020; Li et al., 2019). However, no research has been done so far in the traditional crafts area on the impact of perceived value on customer satisfaction and marketability performance.

Therefore, the goal of this study is to empirically investigate the effects of user preferences and perceived value on customer satisfaction and sales performance of traditional handicraft products.

## 2. Literature review and research hypotheses

### 2.1. User preference

User preference has drawn a lot of attention as a central idea in the study of consumer behavior. It has a significant impact on everyone's purchase decisions as well as product design, marketing plans, and business competitiveness (Marchand & Marx, 2020). A thorough grasp of customer preferences has emerged as one of the essential components for businesses to flourish in the changing business environment in today's world of increased market competition and diversified consumer wants (Arpah et al., 2023). A crucial idea in product design and market competition has been user preference. Product design and company performance depend on an understanding of how user preferences affect perceived value, satisfaction, and market competitiveness.

According to De Kervenoael et al. (2020), perceived value typically includes both the perceived value and the real value that consumers place on a good or service. Prior research has discovered a strong correlation between user preferences and perceived value. User preferences can be thought of as consumers' propensities toward aspects of a good or service that directly affect how much they value it. Customers are more likely to perceive high value in a product or service when they choose excellent quality, usability, or environmentally friendly characteristics, for instance.

A crucial indicator of how satisfied a consumer is with a product or service overall is their degree of satisfaction. Numerous studies have been done on how user preferences and satisfaction relate. When a product or service matches a consumer's preferences, they are more likely to buy it, and this matching typically results in increased satisfaction. As a result, satisfaction and user preferences are strongly correlated. According to earlier studies (Shokouhyar et al., 2020), consumers are more likely to be satisfied and to repurchase a product or service if it fulfills their preferences.

One of the most important ingredients for business success in a cutthroat market is marketability. One could interpret user choices as a sign of consumer demand. Businesses are more likely to get a competitive edge in the market when they can satiate customer preferences. Previous studies have demonstrated that being aware of and meeting customer preferences can strengthen a company's position in the market and encourage rivals to act in suit (Otto et al., 2020).

To better meet consumer wants and boost the competitiveness of their products or services, businesses in today's cutthroat business environment must develop a deeper grasp of consumer requirements and preferences. To satisfy customer expectations and be successful in the market, businesses will be better able to design products and implement marketing strategies if they have an understanding of how user preferences affect perceived value, satisfaction, and marketability. To better understand and meet customer requirements, increase market competitiveness, and achieve commercial success, it is crucial for academics to study user preferences, but it is also useful for business decision-makers and marketing specialists.

Therefore, the following hypotheses are proposed in this study:

**H1:** User preference has a positive effect on perceived value.

**H2:** User preference has a positive effect on customer satisfaction.

**H3:** User preference has a positive effect on marketability.

By carefully analyzing these presumptions, it is possible to gain a deeper understanding of how consumer preferences influence their perceptions of a product's value, satisfaction, and marketability. This understanding not only enables businesses to better meet the needs of their customers, but it also serves as a strong foundation for product design and marketing strategies, boosting the company's competitiveness and market share.

## 2.2. Perceived value

A key idea in the study of consumer behavior and market rivalry is perceived value, which is crucial in determining the quality, satisfaction, and competitiveness of a product or service. In addition to how a product or service is seen by the customer, perceived value also considers the benefits and psychological satisfaction it actually offers (Zhang & Zhang, 2022). A key idea in the study of consumer behavior and market rivalry is perceived value, which is crucial in determining the quality, satisfaction, and competitiveness of a product or service. In addition to how a product or service is seen by the customer, perceived value also considers the benefits and psychological satisfaction it actually offers.

One of the main factors influencing satisfaction is frequently regarded as perceived worth. When consumers believe that a product or service has great value, they are more likely to report higher levels of satisfaction (Shi et al., 2021). Perceived value, according to prior study, is a critical factor in deciding whether and to what extent consumers are satisfied. This satisfaction formation not only boosts customer retention but also has a big impact on a company's long-term success and word-of-mouth advertising (Pagalday et al., 2018).

One of the most important ingredients for a company's success in a cutthroat industry is marketability. One of the essential components for businesses to get a competitive advantage is perceived value. A business is more likely to stand out in the market when a product or service offers consumers a high perceived value. A deeper comprehension of and fulfillment of consumers' perceived values might help businesses create more competitive strategies that increase market share, according to prior study. This competition encourages rivals to take action to preserve their competitive position in addition to assisting enterprises in winning in a market that is competitive (Das et al., 2019). A key factor in product design and market competition is perceived value. It is crucial for product design and business performance because of its significant correlation with satisfaction and market competitiveness.

Therefore, the following hypotheses are proposed in this study:

**H4:** Perceived value has a positive effect on customer satisfaction.

**H5:** Perceived value has a positive effect on marketability.

These hypotheses suggest that perceived value not only plays a positive role in satisfaction, but also has a positive impact on marketability. By satisfying consumers' perceived value needs, firms can increase customer satisfaction and maintain a competitive advantage in the market. The validation of these hypotheses will help to gain insights into the impact of perceived value on consumer behaviour and market competition, and provide a strong basis for corporate decision-making.

### 2.3. Customer satisfaction

One of the main topics that has drawn the attention of both industry and academia for a long time is customer satisfaction. In addition to being an essential component of economic success, it is also a significant topic of consumer behavior study. According to Ahrholdt et al. (2019), customer happiness is not just about a company's financial performance but also includes a variety of important factors, such as product design, market competitiveness, loyalty, and word-of-mouth marketing.

The entire degree of consumer pleasure with a good or service is how customer satisfaction is frequently defined. A wide range of consumer evaluations of product quality, pricing, service, delivery, experience, and expectation gaps are included in this comprehensive concept (Eckert et al., 2022). Researchers typically employ a range of techniques, such as surveys, in-depth interviews, observation, and big data analysis, to gauge consumer happiness. These techniques seek to learn about consumers' levels of satisfaction through their comments and ratings.

Businesses are impacted in a variety of ways by customer satisfaction. First of all, loyal customers are more likely to be satisfied. Customers are more likely to become devoted consumers who keep purchasing and recommending a good or service if they are pleased with it (Dam & Dam, 2021). Second, market competitiveness and consumer happiness are tightly tied. Meeting client requirements and expectations is one of the ways businesses may get a competitive edge in the market. Customers who are extremely satisfied are more likely to buy a specific brand or product, increasing the company's market share (Chuenyindee et al., 2022). Last but not least, brand reputation and word-of-mouth marketing are also connected to consumer pleasure. Customers who are happy with the company are more inclined to recommend it to others, bringing in more potential clients. According to Manyanga et al. (2022), this word-of-mouth advertising is intangible marketing propaganda with significant commercial potential.

Customer satisfaction is said to be significantly influenced by several factors, including product design. Customer satisfaction with a product can be impacted by the product's design elements, functionality, look, and simplicity of use. First off, a customer's first opinion of the shovel skin is strongly influenced by the product's aesthetic and functional design. If a product is powerful, appealing in appearance, and satisfies the user's needs, customers are more likely to be positively happy with it (Bajwa et al., 2019). A well-designed product offers a satisfying user experience, which boosts customer satisfaction. For instance, design elements like product look, screen quality, and user interface directly affect customer happiness in the smartphone market. Customer satisfaction can be increased through high-quality design, and customer dissatisfaction can be increased by poor design.

Second, customer satisfaction is significantly influenced by a product's usability and user experience design. Higher satisfaction scores are typically given to products that are simple to use and offer an appointment scheduling experience. The user experience can be influenced by elements including the user interface's friendliness, simplicity, and responsiveness (Frank, 2021). For instance, a mobile phone application with a simple interface and easy usability is typically well-liked by consumers and has higher satisfaction ratings. A product's dependability and durability are additional important aspects of the user experience. Users are more likely to be happy with the product if the product design ensures long-term stability and durability.

Customer satisfaction can be impacted by product design in terms of pricing perception. When things are made with high-quality design and craftsmanship, customers are more prepared to tolerate higher prices. According to them, premium design and production are worthwhile investments (Hong & Guo, 2019). Therefore, a product's design can alter how customers perceive its pricing, which in turn influences how satisfied they are. Innovative product design can also draw clients and boost their satisfaction with it. Innovative product design may attract consumers' interest and draw their curiosity by satisfying

their desire for novelty and uniqueness (Cooper, 2019). These design advancements can encourage customers to make purchases, boost satisfaction, and aid businesses in standing out in the marketplace. For instance, Apple's iPhone has seen great success because of its cutting-edge functionality and design. Therefore, to increase customer satisfaction, a thorough understanding and analysis of these elements are necessary (Schofield et al., 2020). Product design is intimately tied to elements including appearance, functionality, usability, user experience, reliability, perceived pricing, and innovation, all of which can have an immediate impact on customer satisfaction. To ensure that products match consumer expectations and offer a positive user experience, businesses must give their complete attention to product design (Guo et al., 2020). Businesses can achieve long-term success by retaining customers and being competitive in the market by creating well-designed products. Product design has evolved into one of the essential components for business success in today's competitive industry.

## 2.4. Marketability

Marketability has drawn a lot of attention as a significant term from both corporations and academia. It is directly tied to a variety of important elements, including customer behavior, product design, and satisfaction, in addition to reflecting a firm's position and competitiveness in the market (Fan et al., 2020). The capacity of a business to succeed in the marketplace and draw in clients is a common definition of marketability. According to Viana et al. (2021), it includes market share, market share growth rate, brand recognition, sales growth, market penetration, and customer acquisition. In addition to competition, the market environment, and external factors, internal elements including product attributes, pricing strategy, customer service, and satisfaction can have an impact on a company's marketability (Gans & Stern, 2003). As a result, one of the most important metrics of a company's success in a cutthroat market is its marketability.

One of the most crucial elements determining marketability is satisfaction, according to experts. When customers are satisfied with a product or service, they are more likely to stick around, buy more of it, and tell their friends about it, boosting the company's market share. In general, satisfied consumers spread good word about the business, which draws in additional potential customers (Ahani et al., 2019).

Therefore, the following hypotheses are proposed in this study:

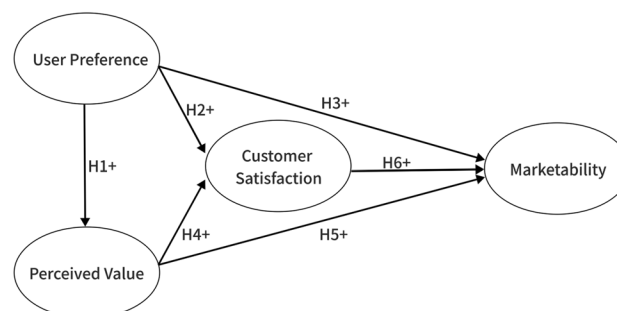
**H6:** Customer satisfaction has a positive effect on marketability.

Based on the research objectives, literature review, and research hypotheses developed, Figure 1 illustrates the proposed research model.

## 3. Research methodology

### 3.1. Measures

The prior study's construct measures were modified and tailored to the study's requirements. All of the factors in this study were measured using a 5-point Likert scale. Four user preference factors, four perceived value variables, four customer satisfaction variables, and three marketability variables were all included in this study.



**Figure 1.** The proposed research model.



### 3.2. Data collection and sample

Consumers who bought traditional handcraft items in Yunnan Province, China, provided the survey data. The sample for this study was based on a convenience sample of various age and gender consumer groups in multiple regions of China's Yunnan Province. The current survey was conducted to determine the sample's representativeness. Two hundred and ninety-nine valid questionnaires in all were gathered. Males made up 52.5% (157) of the study sample while females made up 47.5% (142). The sample's wide age range comprised respondents of all ages.

### 3.3. Analytical approach

PLS-SEM (Partial Least Squares Structural Equation Modelling) analysis will be used to validate these hypotheses to better understand the intricate connections between user preferences, perceived value, satisfaction, and marketability. The model will assist us in determining the mediating function of satisfaction in these connections as well as the effects of user preference and perceived value on satisfaction and marketability of traditional Chinese handcraft products.

The suggested study model was put to the test using PLS-SEM and Smart PLS software. Through two steps of testing—assessment of the measurement model and evaluation of the structural model (PLS-SEM)—the suggested research model and hypotheses were put to the test (Hair et al., 2019).

## 4. Results and discussion

### 4.1. Results

#### 4.1.1. Evaluating the measurement model

Table 1 shows the measurement model terms that constructed the results of the analyses.

In this study, the reliability of the study was evaluated using Cronbach's alpha and composite reliability (CR). To indicate that a construct has enough internal consistency, it is acceptable for it to have a Cronbach's alpha higher than 0.70 or a Cronbach's alpha higher than 0.60 and a CR higher than 0.70 (Zeng et al., 2021). Table 1 demonstrates that the independent variables' Cronbach's alpha is more than 0.70. As a result, the constructions have reliability and internal consistency.

In this study, extracted average variance (AVE) for all item values and component loadings were used to evaluate convergent validity. According to Ghasemy et al. (2020) factor loadings and AVE should be more than 0.50. All of the items' AVE values and factor loadings in the current study were higher than 0.50. Consequently, the construct's convergent validity was good.

Following this, the Fornell-Larcker criterion was used to assess discriminant validity in the study (Magno et al., 2022). This criterion includes contrasting the correlations between latent variables with the square root of the average variance extracted (AVE). The strongest correlation between the AVE and any other construct should be exceeded by the square root of the AVE specifically (Manley et al., 2021).

**Table 1.** Measurement model items of the construct's analysis results.

Construct	Indicators	Factor loading	Cronbach's alpha	CR	AVE
User preference (UP)	UP1	0.903	0.905	0.905	0.778
	UP2	0.886			
	UP3	0.874			
	UP4	0.865			
Perceived value (PV)	PV1	0.878	0.889	0.892	0.751
	PV2	0.866			
	PV3	0.841			
	PV4	0.881			
Customer satisfaction (CS)	CS1	0.857	0.887	0.889	0.747
	CS2	0.872			
	CS3	0.877			
	CS4	0.851			
Marketability (MA)	MA1	0.884	0.860	0.860	0.782
	MA2	0.885			
	MA3	0.883			



The findings shown in Table 2 show that the constructs linked to user preference, perceived value, customer satisfaction, and marketability all have square roots of the AVE that are greater than their individual correlations with other latent variables. Since these constructs have great discriminant validity, we can draw this conclusion.

#### 4.1.2. Evaluating the structural model (PLS-SEM)

##### 4.1.2.1. Evaluating the model fit. Figure 2 and Table 3 show the results of the structural modelling.

According to the findings shown in Figure 2 and Table 3, the chi-square value of 267.163 is significant at the 0.05 level ( $p=0.00$ ). The standardised root mean square residual, or SRMR, is a gauge of the suggested research model's approximate model fit. According to tradition, the SRMR should be  $<0.08$  for the model to have a satisfactory model fit (Zhang et al., 2019). According to the data shown in Table 3, the model has an SRMR index of  $0.043 < 0.08$ . As a result, the suggested research model accounts for the study's results. Furthermore, the test for the multicollinearity issue shows that all VIF values are under the 5 threshold. As a result, the multicollinearity issue is not present in the structural model (Hair et al., 2020).

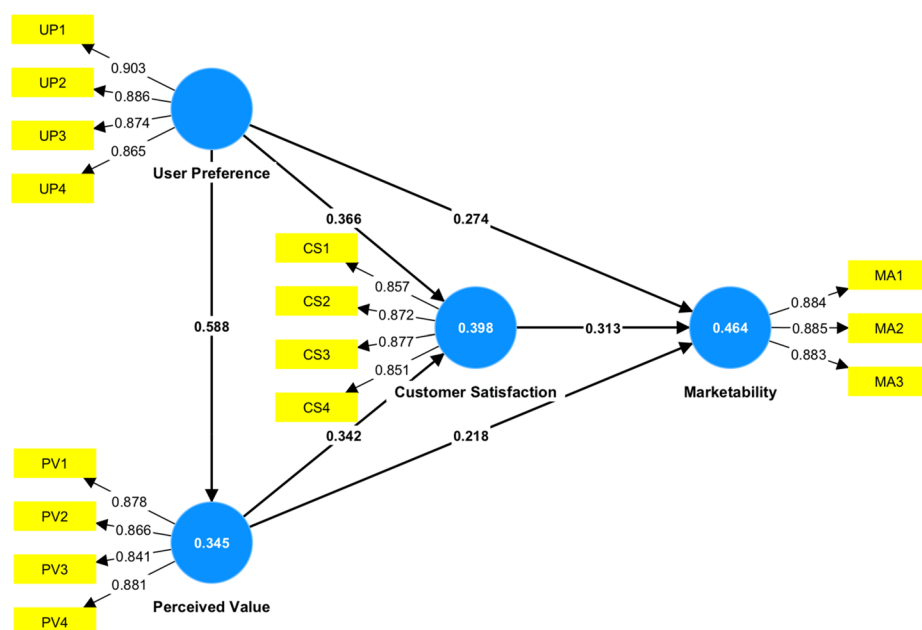
**4.1.2.2. Hypotheses testing.** The findings of the hypothesis testing are shown in Table 4. The  $t$ -values for H1, H2, H3, H4, H5, and H6 are all  $>1.96$  according to the bootstrap results (5000 resamples) for the inter-construct relationships, and these hypotheses are significant at the 5% level. These theories were therefore accepted.

**4.1.2.3.  $R^2$  (explained variance),  $f^2$  (effect size), and  $Q^2$  (predictive relevance).**  $R^2$  (explained variance),  $f^2$  (effect size), and  $Q^2$  (predictive relevance) are the three main evaluation criteria for structural models (Cepeda-Carrión et al., 2022). According to Shmueli et al. (2019), the overall impact size metric for structural models is  $R^2$ . It can be demonstrated that  $R^2$  values of 0.19, 0.33, and 0.67 are weak,

**Table 2.** Discriminant validity.

Construct	Customer satisfaction (CS)	Marketability (MA)	Perceived value (PV)	User preference (UP)
Customer satisfaction (CS)	<b>0.864</b>			
Marketability (MA)	0.590	<b>0.884</b>		
Perceived value (PV)	0.557	0.554	<b>0.866</b>	
User preference (UP)	0.568	0.580	0.588	<b>0.882</b>

Note: Squared AVE values are shown on the main diagonal (Bolted).



**Figure 2.** Structural modelling (PLS-SEM) findings.

**Table 3.** Model fit results.

	Saturated model
SRMR	0.043
d_ULS	0.219
d_G	0.149
Chi-square	267.163
NFI	0.911

**Table 4.** Hypotheses testing results.

Path	Hypotheses	Path coefficients	t-Value	p-Value	Finding
UP->PV	H1	0.588	4.580	0.000	Supported
UP->CS	H2	0.366	5.346	0.000	Supported
UP->MA	H3	0.274	3.772	0.000	Supported
PV->CS	H4	0.342	5.135	0.000	Supported
PV->MA	H5	0.218	2.865	0.004	Supported
CS->MA	H6	0.313	4.580	0.000	Supported

**Table 5.**  $R^2$ ,  $f^2$ , and  $Q^2$ .

Relationship	$f^2$	Construct	$R^2$	$Q^2$
UP->PV	0.527	Perceived value	0.345	0.256
UP->CS	0.146	Customer satisfaction	0.398	0.293
UP->MA	0.080			
PV->CS	0.127			
PV->MA	0.052	Marketability	0.464	0.357
CS->MA	0.110			

moderate, and strong, respectively (Mohammadi et al., 2020). According to Rodríguez et al. (2020), an  $f^2$  value of 0.02 is low, 0.15 is moderate, and 0.35 is high. The  $Q^2$  value gauges how well the structural model predicts the behavior of each endogenous structure.  $Q^2$  value should be  $>0$  (Law & Fong, 2020).

We detected a moderate effect of UP (0.274), followed by CS (0.313) and PV (0.218), with an  $R^2$  value of 0.464 (see Figure 2 and Table 5) and  $<0.67$ , which is considered a significant effect. Additionally, UP (0.366) and PV's influence (0.342) together explained 39.8% of the variance in CS. In addition, UP contributed a moderately significant effect (0.588) by explaining 34.5% of the variance in PV.

Also included in Table 5 are the  $f^2$  effect sizes.  $f^2$  effect sizes for the UP->PV relationship were fairly large (0.527). The UP->CS (0.146), PV->CS (0.127), and CS->MA (0.110) associations all had medium  $f^2$  impact sizes. The UP->MA and PV->MA correlations showed smaller  $f^2$  impact sizes (0.080 and 0.052, respectively).

Additionally, Table 5 demonstrates that all three endogenous components have  $Q^2$  values larger than zero. Specifically, the  $Q^2$  values for Marketability, Perceived Value, and Customer Satisfaction are 0.357, 0.256, and 0.293, respectively. These outcomes attest to the model's predictive applicability for the endogenous latent variables.

## 4.2. Discussion

According to the research model, the current study provides an empirical analysis of how user preferences and perceived value affect customer satisfaction and the marketability of traditional handcraft products. In comparison to earlier studies, the present study's contribution is to examine and test how user preferences and perceived value affect customer satisfaction and marketability in a different setting. The current study describes the effects of these on the market for traditional crafts, whereas most other studies concentrated on the influence of these on various industries.

The results of the current study show that the six hypotheses in the proposed model are supported.

According to this study, user preference has a favorable impact on customer satisfaction. Customer satisfaction is a predicate of user preference, which has a moderate ( $=0.366$ ) impact on customer satisfaction and a moderate ( $f^2=0.14$ ) impact on the relationship between user preference and customer

satisfaction. The findings of this study are confirmed by earlier empirical studies (Prentice et al., 2020). The results also demonstrate that marketability is strongly impacted by user preference. User preference was a predictor of marketability, although its impact on marketability was small ( $\beta=0.274$ ), and the relationship between user preference and marketability had a little (0.080)  $f^2$  effect size. The results also show that user preference influences perceived value favorably, that this effect is relatively strong ( $\beta=0.588$ ), and that the  $f^2$  effect size of the relationship between user preference and perceived value is quite significant (0.527).

According to the study's findings, perceived value has a favorable impact on consumer satisfaction. Customer satisfaction is predicted by perceived value, perceived value has a moderate impact on customer satisfaction ( $\beta=0.342$ ), and the relationship between perceived value and customer satisfaction has a moderate  $f^2$  effect size (0.127). The findings of this investigation are supported by earlier empirical studies (Chen & Lin, 2019; Kusumawati & Rahayu, 2020). The findings of this study also suggest that perceived value influences marketability in a favorable way. Although perceived value is a requirement for marketability, its impact is minimal ( $\beta=0.218$ ), and the  $f^2$  effect size for the association between perceived value and marketability is negligibly small (0.052). The findings of this study are confirmed by earlier empirical studies (Peng et al., 2019).

According to the study's findings, marketability can be predicted by customer satisfaction, and customer satisfaction has a moderate impact on marketability ( $\beta=0.313$ ); the relationship between customer satisfaction and marketability has a moderate  $f^2$  effect size (0.110). The findings of this investigation are supported by earlier empirical studies.

## 5. Managerial implications, limitations, and future research

### 5.1. Managerial implications

This study supports earlier research in that user preferences and perceived value have an impact on customer satisfaction and marketability. Therefore, managers of traditional craft stores should plan and implement strategies that improve how consumers perceive the value of traditional craft products.

According to the study's findings, customer satisfaction, marketability, and perceived value all depend on user preference. This study will assist traditional craft practitioners in realizing the significance of customer choices on marketability, perceived value, and customer satisfaction. Managers should avoid making claims that products are unavailable because doing so will damage a product's credibility and, in the long term, lower customer satisfaction and marketability. Although it is theoretically valid, perceived value has not been frequently used in typical craft consumer preference surveys. User preferences were found to have a significant and advantageous influence on perceived value.

Furthermore, the results show that perceived value is crucial for both marketability and customer satisfaction. Therefore, to increase customer satisfaction and marketability, managers need to have a strategy plan to deal with the variations in perceived value. Additionally, the findings demonstrate that marketability is significantly influenced by customer satisfaction. From the standpoint of the consumer, raising customer satisfaction raises marketability. Managers should therefore work harder to boost customer satisfaction, which will increase the marketability of traditional crafts.

### 5.2. Limitations and future research

There are some limitations to the current investigation. In the beginning, the study focused on a few traditional handcraft stores in Yunnan Province, China, which are not yet typical of other Chinese cities. Second, because the effects of various factors other than user preferences and perceived value on customer satisfaction and the marketability of traditional handicraft products were not examined in this study, future research should concentrate on those effects. Consequently, these restrictions can offer some suggestions for further research.

## 6. Conclusion

The purpose of this study is to explore in depth the impact of user preferences and perceived value on the satisfaction and market competitiveness of traditional Chinese handicraft products. Through quantitative research and structural equation modelling analysis, this study draws the following main conclusions:

First, user preference plays a crucial role in the traditional Chinese handicraft products industry. Consumers' product preferences directly affect their satisfaction and the competitiveness of their products in the market. This finding emphasises the importance of product design, packaging, and promotion to satisfy consumer needs and enhance the market appeal of products.

Secondly, perceived value has an equally important impact on product satisfaction and market competitiveness. Consumers do not only focus on the actual function of the product but also on the cultural value, quality, and price that the product represents. This suggests that producers of traditional Chinese handicraft products need to pay attention to the cultural heritage and quality standards of their products to attract more consumers and increase market competitiveness.

Combined with these findings, this study highlights the importance of user preferences and perceived value in the traditional Chinese handicraft industry. These factors are not only key to meeting consumer needs but are also driving forces that promote cultural heritage and foster market competitiveness.

In terms of practical application, the results of this study are of great significance to the Chinese traditional handicraft industry. Industry practitioners can improve product design, pricing strategies, and marketing based on the findings to enhance the market appeal of their products. The findings also contribute to cultural heritage by promoting traditional Chinese culture and quality standards to support the sustainable development and marketing of traditional handicrafts.

Overall, the findings of this study emphasise the importance of user preferences and perceived value on product satisfaction and market competitiveness of traditional Chinese handicrafts, providing industry practitioners and policy makers with practical insights on how to enhance competitiveness and promote cultural heritage. This study provides a valuable reference for future research and industry practice.

## Author contributions

Methodology and software, H.L.; validation, H.A.; resources, writing-original draft preparation, writing-review and editing, and visualization, H.L.; supervisor, H.A., and I.S.M.Y. All authors have read and agreed to the published version of the manuscript.

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## Data availability statement

Not applicable.

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## Appendix A

**Table A1.** Constructs and sources.

Constructs	Sources
1. User preference <ul style="list-style-type: none"> <li>- Aesthetic</li> <li>- Personalization</li> <li>- User-friendliness</li> <li>- Novelty</li> </ul>	Marchand A, Marx P. 2020; Ho C Q, Mulley C, Hensher D A. 2020; Shao Z, Zhang L, Chen K, et al. 2020; Iigaya K, Yi S, Wahle I A, et al. 2021; Aheleroff S, Mostashiri N, Xu X, et al. 2021
2. Perceived value <ul style="list-style-type: none"> <li>- Quality</li> <li>- Utility</li> <li>- Sustainability</li> <li>- Cultural relevance</li> </ul>	Watanabe E A M, Alfinito S, Curvelo I C G, et al. 2020; Molinillo S, Aguilar-Illescas R, Anaya-Sánchez R, et al. 2021; Özkan P, Süer S, Keser İ K, et al. 2020; Horrell J, Thompson T P, Taylor A H, et al. 2020; Dorce L C, da Silva M C, Mauad J R C, et al. 2021; Rosillo-Díaz E, Blanco-Encomienda F J, 2020
3. Customer satisfaction <ul style="list-style-type: none"> <li>- Demand</li> <li>- Pricing</li> <li>- Branding</li> <li>- Trendiness</li> </ul>	Uzir M U H, Al Halbusi H, Thurasamy R, et al. 2021; Uzir M U H, Al Halbusi H, Thurasamy R, et al. 2021; Zhong Y, Moon H C. 2020; Neumann H L, Martinez L M, Martinez L F. 2020; Cuong D T. 2020; Oscarius Yudhi Ari Wijaya A P, Sulistiyani S, Pudjowati J, et al. 2021
4. Marketability <ul style="list-style-type: none"> <li>- Competitiveness</li> <li>- Market share</li> <li>- Word-of-mouth</li> </ul>	Paputungan S, Mokoagow M M, Paputungan A I, et al. 2023; Chiriko A, Hawassa E. 2020; Rahman M K, Hoque M N, Yusuf S N S, et al. 2023