

# A Structural Equation Modeling Approach to Brand Equity and Premium Pricing in the Indian Tile Sector

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## Abstract

This paper re-conceptualizes a foundational brand management model to explore the interrelationships among Brand Awareness, Judgement, Functionality, Brand Equity, and Willingness to Pay Price Premium within the unique context of the Indian Generic Tile Industry. Drawing upon Consumer-Based Brand Equity (CBBE) frameworks by (Keller, 1993a), this study proposes a theoretical model and a set of hypotheses conceptualized by (Tülin & Joffre, 2016) and (Lassar et al., 1995). It delves into the specific market dynamics of India's rapidly growing tile sector, characterized by a significant unorganized segment and evolving consumer preferences. The paper outlines a proposed research design, including measurement scales and analytical methodologies, and discusses the practical and theoretical implications for brand managers and researchers in emerging markets. It highlights how brand-building efforts, even for "generic" products, can foster consumer trust, reduce perceived risk, and ultimately justify a price premium.

## Introduction

### Overview of the Indian Generic Tile Industry Landscape

The Indian tile market is currently undergoing substantial and rapid expansion, with robust projections for continued growth. In 2024, the market was estimated at USD 5.86 billion and is expected to almost double, reaching approximately USD 12.10 billion by 2032, reflecting a projected Compound Annual Growth Rate (CAGR) of 9.49%. This impressive growth is largely propelled by accelerated urbanization, a burgeoning middle class with increasing disposable incomes, a thriving real estate sector, and significant governmental investments in infrastructure and housing initiatives.

The market structure in India is notably fragmented, characterized by a substantial "unorganized sector" that accounts for approximately 44% to 50% of total production. This segment coexists with well-established "organized" national and international players, including prominent names such as Kajaria Ceramics, Somany Ceramics, H&R Johnson, Orientbell Tiles, and RAK Ceramics. This dual market structure implies

that a significant portion of the industry operates with less formalized branding strategies.

### **Background of Brand Equity and Price Premium in Industry Context**

Brand Equity (BE) is an important intangible asset for businesses, enabling them to secure long-term revenue, strengthen their competitive advantage, and justify higher pricing in the marketplace (Helm & Jones, 2010). Concurrently, Willingness to Pay Premium Price (WPPP) signifies a customer's eagerness to expend more towards favored brand, a decision often influenced by its perceived benefits, unique value proposition, or the reduction of perceived risk when compared to similar yet less expensive alternatives (Ashraf et al., 2017).

This paper focuses on several key variables. Brand Awareness (BA), the degree to which customers identify a product by its name, logo, or imagery, is foundational, as without it, customers will not be able to derive perceptions or consider it for purchase. Brand Functionality (BF) refers to how effectively a brand meets the utilitarian and performance-related needs of consumers, encompassing attributes like quality, reliability, and durability. Brand Judgement (BJ) reflects consumers' personal assessments and opinions about a brand, which are shaped by their perception of the brand's performance and associated imagery—such as its quality, trustworthiness, and superiority (Piriyakul et al., 2024).

BE represents the combined value of a brand, integrating both its physical features and intangible aspects. It embodies the brand's reputation and influence, which are important in fostering customer loyalty and guiding purchase decisions (Aaker, 1992). WPPP refers to the extra amount a customer is willing to pay for a preferred brand, driven by its perceived benefits and distinct value. The present paper adapts an empirically validated model to a new, equally dynamic, and comparatively under-researched context: the Indian Generic Tile Industry.

While the critical importance of BE and WPPP is extensively documented in marketing literature, their specific interplay with brand attributes in the context of developing economies, particularly for "generic" or mass-market products, remains an area ripe for deeper

investigation. In this unique environment, Brand Awareness (BA) (simple recognition), Brand Functionality (BF) (utilitarian performance), and Brand Judgement (BJ) (holistic consumer evaluation) may emerge as more salient and direct drivers of BE, which consequently leads to, WPPP.

Also, the presence of strong coverage of unorganized or unbranded tiles makes a huge impact on the overall sector. How does the prevalence and informal nature of the unorganized sector influence consumer perceptions of BA, BF, and BJ for generic tiles, and consequently, their WPPP? Does the existence of a strong unorganized sector dilute the impact of basic brand attributes for even the "organized" generic tile players?

The term "generic tile industry" itself requires a nuanced interpretation when discussing "price premium." It becomes imperative to explore how a premium can be commanded in a market segment often driven by affordability and unbranded products. This might refer to a premium paid for perceived value or reliability within generic offerings, or a premium for consistent quality and design even within this segment, rather than a luxury premium. The study tries to bridge this gap by offering a theoretical framework applicable to the specific dynamics of the Indian generic tile market.

This study seeks to examine how BE influences the relationship between BA, BF, BJ and WPPP in the Indian Generic Tile Industry. Specifically, the objectives are to:

1. To assess the impact of BA, BF, BJ, and BE on consumers' WPPP.
2. To evaluate how BA, BF, and BJ contribute to the formation of BE.
3. Examine the role of BE as a mediator in the relation between BA, BF, BJ, and WPPP in the Indian Generic Tile Industry.

To fulfill the objectives of this research, we first established a theoretical foundation for the variables under investigation. Following this, a structured questionnaire was designed to gather data from two groups—consumers who had recently purchased tiles and intermediaries, including dealers and distributors of generic tiles. The study

adopted a quantitative research design, utilizing a cross-sectional survey method to empirically examine the proposed relationships. The collected data were analyzed through Structural Equation Modeling (SEM). Based on the outcomes, the study presents theoretical contributions and practical implications, along with its conclusions and acknowledged limitations.

## Literature Review

### **Customer-Based Brand Equity (CBBE): Re-examining its dimensions and relevance in the Indian tile market**

CBBE is defined as the influence that brand knowledge has on how consumers respond to marketing activities. It captures the value that consumers associate with a brand, which has been demonstrated to positively affect outcomes such as brand preference and the intention to purchase. Key dimensions of CBBE, as articulated by Aaker in 1991 (Jafari Drabjerdi et al., 2016), include BA, brand loyalty, brand associations and perceived quality. (Keller, 1993b) (Kuhn et al., 2008) model further elaborates on brand performance, imagery, feelings, judgments and resonance as crucial building blocks.

In the Indian generic tile market, CBBE serves as a critical signal of reliability and reduced risk. This is particularly relevant given the prevalence of inconsistent quality often found within the unorganized sector, where variations in size, color, finish, and durability can be significant. A strong CBBE, even for a "generic" brand, can effectively differentiate it from truly unknown or unreliable alternatives, thereby justifying a premium price. Customers, in essence, are willing to spend more for the assurance that comes with a known and trusted brand, even if it operates within the generic segment. This underscores the strategic importance of building CBBE in a market where basic quality and consistency are not always guaranteed.

### **Brand Awareness (BA)**

BA relates to the degree to which customers identify a product by its name, logo, or imagery, signifying its presence in their cultural or social consciousness (BİLGİN, 2018). It is widely regarded as the foundational first step in the buying process and is an critical component of

numerous BE models. The key dimension includes brand recognition (aided recall, where a prompt is provided, like a brand name or logo) and brand recall (unaided recall, where the brand comes to mind without any prompting). Another important dimension is brand salience, which denotes how prominently a brand comes to a mind or noticed consumer's attention while making a buying decision.

BA provides a "learning advantage" for the brand, making it easier for consumers to process and store product information (Altaf et al., 2017). It can also act as a purchase decision heuristic, especially for low-involvement goods, which increases the likelihood to be included in the brands they take to consideration, thereby enhancing market performance. Academic literature consistently demonstrates a optimistic correlation between BA and overall BE, establishing it as a direct contributor of BE. Furthermore, studies suggest a constructive impact of BA on consumers' WPPP, as well-known brands are generally expected to perform better in the marketplace.

In the Indian generic tile industry, which is characterized by a multitude of small, unorganized players, the simple act of being a known brand becomes a significant differentiator. If a consumer is unaware of a brand, they cannot form perceptions of its quality, functionality, or make any judgments about it. The literature emphasizes that without BA, a consumer will generally not consider a brand for purchase, positioning awareness as the foundation of many BE models (Li et al., 2022). This highlights that for products within a less differentiated or "generic" segment, achieving basic visibility and recognition is the critical initial step towards building any form of brand value or commanding a premium. This shifts the emphasis from "credibility," as was central in the original paper, to the more fundamental "existence" and "familiarity" in a market where many options might be truly unknown. Consequently, for generic tile manufacturers, initial marketing and distribution strategies should heavily prioritize broad exposure and simple brand recognition. This foundational awareness can then be leveraged to build more complex brand associations related to product functionality and consumer judgments, ultimately paving the way for a price premium (Anselmsson et al., 2007).

## **Brand Functionality (BF)**

Brand functionality refers to how effectively a brand meets the utilitarian and performance-related needs of consumers (Mohan et al., 2017a). It encompasses tangible attributes such as product features, inherent quality, reliability, durability, and serviceability. In the context of the tile industry, specific functional attributes like slip resistance, water absorption rate, ease of cleaning and maintenance, and consistency in size and finish are paramount for consumer satisfaction and long-term utility.

BF plays a crucial role in reducing perceived functional risk, which is directly linked to product performance and consistency (Kirchoff et al., 2019). In the Indian tile market, where quality and durability can vary significantly, especially among non-branded or local options, a brand that consistently performs on its functional promises provides a vital sense of assurance to consumers. Functional experience can directly lead to the formation of BE. Perceived quality, a core aspect of functionality, is important for price premiums. Brands that offer superior utilitarian benefits are found to enhance consumers' perceived self-competence (referred to as "brand skill") and foster a stronger brand connection, thereby building overall BE.

Tiles are fundamentally utilitarian products, serving essential functional purposes such as flooring and wall cladding. While aesthetic appeal is gaining increasing importance, a significant portion of the market's purchasing decisions still hinges on practical considerations like durability, consistent quality, and reliable performance. The concept of "Brand Performance," a dimension within Keller's CBBE model, is closely related to BF and refers to the extent to which a brand fulfills consumers' functional requirements, shaped by attributes like product quality, reliability, and durability (Oliveira-Castro et al., 2008).

Research further reinforces this by linking BF to CBBE and the development of "brand skill". This suggests that for generic tiles, superior and consistent functionality is not only a product feature but a fundamental brand-building attribute that can directly justify a price premium. This justification arises from the brand's ability to reduce the perceived risks associated with inconsistent quality

prevalent in the unorganized market. Therefore, for the Indian generic tile industry, investing in and clearly communicating consistent functional attributes (e.g., guaranteed durability, anti-slip properties, stain resistance, precise sizing, low water absorption) could be a more effective and sustainable strategy for commanding a price premium than solely focusing on aesthetic differentiation. This approach directly addresses the core concerns of consumers in the "generic" or value segment, where basic performance consistency is often a variable.

## **Brand Judgement (BJ)**

Brand judgement reflects consumers' individual assessments and perceptions of a brand, developed through their interpretation of the brand's perceived performance and associated imagery. According to (Keller, 1993b) CBBE model, key types of BJ include:

- **Brand Quality:** This encompasses how consumers perceive the overall standard of a brand and its ability to meet their expectations. This is a critical factor influencing purchasing decisions.
- **Brand Credibility:** Reflects the perceived trustworthiness, its ability to provide satisfaction, and its expertise.
- **Brand Consideration:** This denotes the probability that consumers will consider the brand when deciding on products or services, a factor highly dependent on the brand's relevance and associations in their minds.
- **Brand Superiority:** This measures how unique and superior a brand is perceived to be when compared to its competitors.

Positive BJ are crucial for determining whether a brand effectively fulfills consumer needs and are an inherent factor in generating overall BE (Panda & Kapoor, 2016). Marketers must actively enhance brand superiority to stand out in competitive markets. Brand judgments, particularly those related to perceived quality and credibility, are inherent factors in generating BE. Consumer perception, which is largely shaped by these judgments, directly relates to BE and its resulting positive or negative effects on the company. The "value illusion" suggests that consumers often equate higher prices with higher quality, reinforcing

the link between positive judgments and a WPPP. A compelling brand narrative of quality and excellence, built upon favorable consumer judgments, fundamentally justifies premium pricing (Leckie et al., 2023).

The Indian tile market is characterized by intense competition and a multitude of brands, both organized and unorganized. In this environment, consumers are making complex evaluations that extend beyond simple price comparisons. The various facets of BJ—quality, credibility, consideration, and superiority—all contribute to a brand's market success. For "generic" tiles, "superiority" may not necessarily imply luxury or aspirational status, but rather could stem from consistent quality, specific functional advantages, or superior customer service, differentiating them from truly undifferentiated products. The "value illusion," where higher prices are associated with higher quality, indicates that even a perceived, rather than purely objective, quality can support a premium. This means that a brand's ability to elicit positive judgments across these facets is crucial for its market success. Therefore, generic tile brands must strategically identify and cultivate the specific facets of "Brand Judgement" that resonate most strongly with their target segment. For instance, for budget-conscious consumers, consistent quality and reliability (aspects of Brand Quality and Brand Credibility) might be more influential in justifying a price premium than unique design (Brand Superiority). Marketing efforts should focus on building these specific positive judgments.

Furthermore, research explicitly highlights the crucial role of dealers and sales executives in molding consumer perceptions and effecting purchasing decisions within the Indian tile industry. These direct, interpersonal interactions at the point of sale are significant touchpoints where BJ are formed. Dealers, in turn, are influenced by a brand's consistent product quality, diverse product range, competitive pricing, and the level of support and involvement they receive from the brand (Terpoorten et al., 2024). This indicates that BJ is not solely built through mass media advertising but is significantly influenced by the sales channel's ability to convey product attributes and build trust. Consequently, for generic tile brands, which may have limited budgets for traditional mass advertising,

leveraging and empowering the sales network (dealers, sales executives) becomes a highly effective strategy for building positive BJ. By ensuring sales personnel are knowledgeable, provide personalized approaches, and offer reliable customer service, brands can foster trust and positive evaluations, thereby compensating for a lack of extensive traditional brand-building activities and directly influencing WPPP.

### **Willingness to Pay a Price Premium**

WPPP refers to the extra amount a consumer is willing to pay for a preferred brand because of its brand name, perceived benefits, and unique value, particularly when compared to other similar or less expensive brands (Nazarenko & Saleh, 2024). Key drivers of WPPP include the anticipation of equal or higher benefits, a reduction in perceived risks, higher brand credibility, and overall customer satisfaction. A solid and positive BE is consistently and robustly linked to a higher willingness towards paying a price premium (Anselmsson et al., 2014). Customers are demonstrably willing to spend more for brands they trust, recognize, and value (Rambocas et al., 2018).

The juxtaposition of "Indian Generic Tile Industry" with WPPP initially appears contradictory. However, a closer examination of the market reveals that "non-branded or local tiles can be cheaper, but their quality and durability can vary". Further details on "bad quality tiles" include inconsistent raw materials, older manufacturing equipment, susceptibility to cracks, low durability, poor aesthetics, and high-water absorption. This implies that the "generic" market itself is not monolithic but exists on a spectrum of quality and reliability. Therefore, a "price premium" in this context is likely a willingness to pay more for a "branded generic" or a consistently reliable "generic" product that mitigates these risks, rather than a premium for luxury or aspirational status. The pharmaceutical industry in India provides a compelling analogous case: "branded generic medicines" are consistently sold at higher prices compared to their "unbranded generic equivalents". This critical distinction confirms that a price premium can indeed exist and be commanded even within a "generic" product framework. For tiles, this premium is likely paid

for a known or reliably consistent generic product that offers a baseline of quality assurance, thereby differentiating itself from completely undifferentiated or inconsistent alternatives. This redefines the competitive landscape for price premium in this specific market. The research, therefore, should carefully define what constitutes a "generic tile" within the Indian context, distinguishing between truly unbranded, inconsistent products and "branded generics" that offer a baseline of reliability. The "price premium" should then be framed as a willingness to pay for assurance, consistency, and basic quality within the affordable segment, rather than a premium that competes with luxury or high-end branded products.

### Theoretical Foundation

This study is fundamentally guided by the CBBE model given by (Keller, 1993b) and then conceptualized by ((Tülin & Joffre, 2016)(Lassar et al., 1995)). These frameworks provide a strong theoretical perspective for examining consumer perceptions and associations, their contribution to brand value, and their impact on market outcomes. (Tülin & Joffre, 2016) signaling theory perspective, which posits that brand credibility (a concept now integrated within BJ) serves as a signal that reduces perceived risk and enhances expected utility, is particularly pertinent in a market characterized by quality inconsistencies and information asymmetry, such as the unorganized Indian tile sector. Furthermore, (Lassar et al's., 1995) emphasis on performance, perceived value (also integrated into BJ), and trust (aligned with BF's reliability aspect) as key sources of CBBE aligns well with the utilitarian nature of tiles and the paramount importance of consistent product delivery in this industry. By integrating these theoretical frameworks, the study aims to present a comprehensive view of brand dynamics in the Indian generic tile market.

The study is fundamentally guided by the CBBE model by (Keller, 1993b), further conceptualized and enriched by the perspectives of (Tülin & Joffre, 2016) and (Lassar et al., 1995). These foundational frameworks offer a robust theoretical lens for understanding how consumer perceptions and associations contribute to brand value and

ultimately influence market outcomes, particularly in the context of the Indian generic tile industry.

Keller's, 1993b CBBE model posits that BE arises from consumers' knowledge about the brand, which is reflected in the brand's awareness and image. Our study specifically focuses on Brand Awareness (BA), Brand Functionality (BF), and Brand Judgement (BJ) as key drivers, aligning with Keller's hierarchical model where the lowest level involves establishing brand identity (which brand awareness facilitates), followed by establishing brand meaning through performance and imagery associations (where brand functionality and judgment play a crucial role). This hierarchical progression suggests that for generic products, establishing basic awareness and strong functional performance are foundational before higher-level judgments and emotional connections can be fully formed, ultimately leading to greater BE and WPPP.

Tülin & Joffre, 2016 signalling theory perspective is particularly pertinent given the characteristics of the Indian generic tile market. Their work posits that brand credibility (a concept we integrate within BJ) serves as a crucial signal that reduces perceived risk and enhances expected utility for consumers. In a market often characterized by quality inconsistencies, information asymmetry, and the significant presence of an unorganized sector (as is the case in the Indian tile industry), a brand's ability to signal reliability and trustworthiness through its perceived judgment becomes paramount. Consumers, facing inherent uncertainty about the true quality and durability of generic tile products, are likely to rely heavily on credible brand signals to mitigate perceived risks associated with purchase, such as functional failure, aesthetic inconsistency, or lack of after-sales support. This risk reduction function of brand judgment is hypothesized to directly influence purchasing decisions and the acceptance of a higher price point.

Furthermore, (Lassar et al., 1995) framework emphasizes performance, perceived value (both integrated into BJ), and trust (aligned with BF's reliability aspect) as key sources of CBBE. This aligns exceptionally well with the utilitarian nature of tiles, where consistent product delivery, durability, and a positive functional experience are

paramount. For generic tiles, where differentiation based on intangible or emotional attributes might be less pronounced than for premium brands, the core functional performance and the overall judgment formed by consumers based on perceived value and trust become critical determinants of their willingness to choose a particular brand and potentially pay a premium. In a market where visual appeal and physical resilience are primary requirements, consumers' evaluation of a tile brand's functionality (e.g., slip resistance, stain resistance, durability over time) directly feeds into their overall judgment and trust in the brand, subsequently impacting their willingness to invest more. Through the integration of these theoretical perspectives, this study seeks to offer a comprehensive understanding of how these core brand elements – BA, BF, and BJ – collectively drive BE and influence consumer WPPP in the unique and dynamic context of the Indian generic tile market.

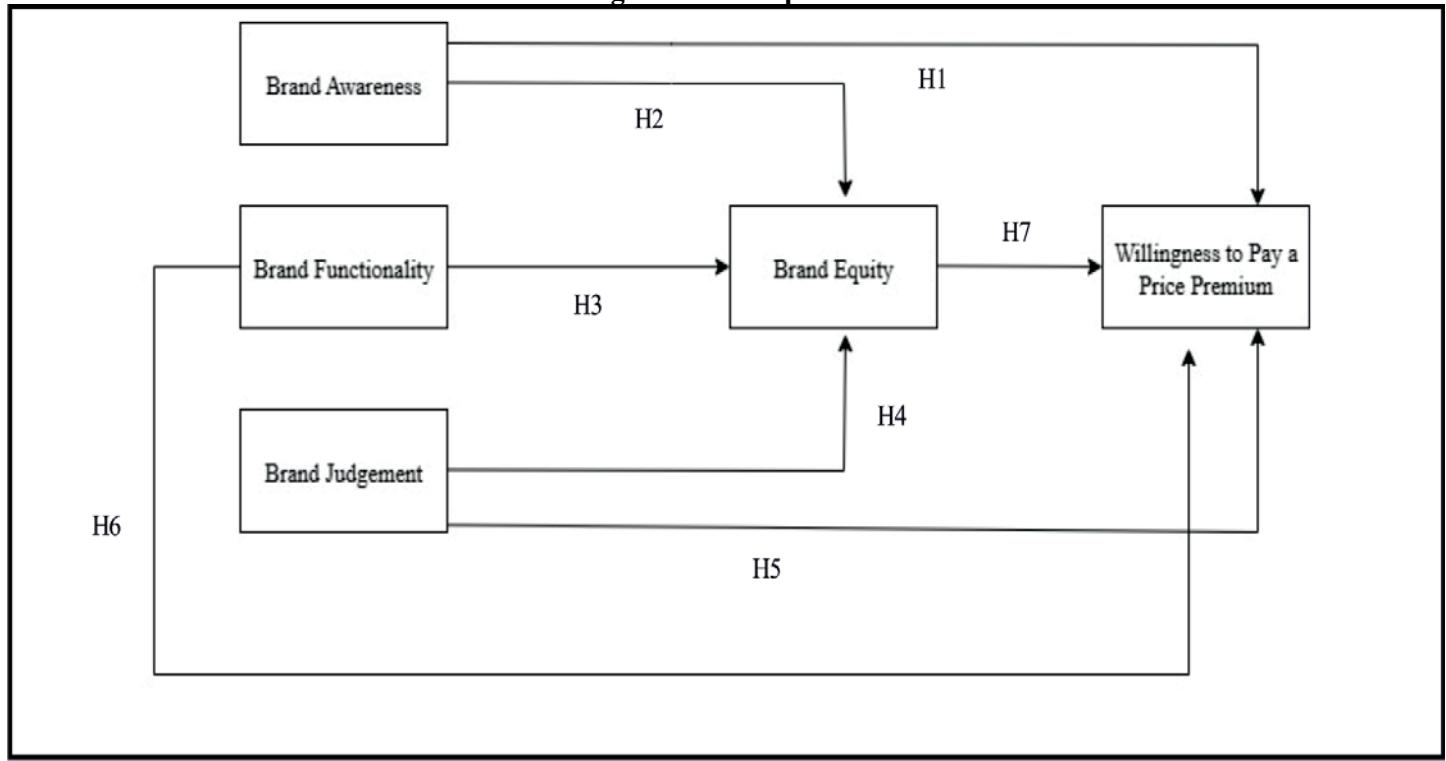
### Research Hypotheses

The following hypotheses, with the specified variable replacements, are being tested:

- H1: BA is positively associated with the WPPP.
- H2: BA is positively associated with overall BE.
- H3: BF is positively associated with WPPP.
- H4: BF is positively associated with overall BE.
- H5: BJ is positively associated with WPPP.
- H6: BJ is positively associated with overall BE.
- H7: Overall BE is positively associated with WPPP.
- H8: Overall BE serves as a mediator in the relationship between BJ and consumers' WPPP.
- H9: Overall BE serves as a mediator in the relationship between BF and consumers' WPPP.
- H10: Overall BE serves as a mediator in the relationship between BA and consumers' WPPP.

### Conceptual Model

**Figure 1: Conceptual Model**



Source: As compiled by the author

## Proposed Research Design and Analytical Framework

### Research Approach

A quantitative research method, using a cross-sectional survey design, is best suited for empirically examining the proposed relationships. This approach allows for the collection of structured data from a large sample, enabling robust statistical analysis of variable interrelationships. This method is well-suited for examining the associations between multiple variables at a point in time, providing an overview of consumer attitudes and behaviors in the dynamic Indian tile market.

### Population and Sampling Considerations

The key respondent group selected for this study included are the dealers, distributors and consumers in Jaipur who have recently purchased, or are actively considering purchasing, tiles, with a particular focus on those engaging with the "generic" or mass-market segment. Regarding geographic focus, this study strategically focuses on Jaipur, Rajasthan. This location offers a diverse consumer base and market dynamics representative of the broader Indian tile industry.

For the sampling strategy, stratified random sampling approach is employed. Stratification involves segmenting the population by different retail channels (e.g., large organized showrooms versus smaller local hardware

stores) or consumer demographics (e.g., income levels, urban/rural residency) to ensure representativeness across the diverse Indian market. Following the guidelines of (Krejcie & Morgan, 1970), a sample size of 290 customers is selected to ensure the generalizability of the findings.

### Measurement Scales

The measurement of constructs such as Brand Awareness (BA), Brand Functionality (BF), Brand Judgement (BJ), Overall BE, and WPPP necessitated the use of multi-item scales. These scales were adapted from existing, validated instruments in academic literature to ensure their reliability and validity within the Indian cultural and market context. For instance, BA was measured using items related to brand recognition and recall; BF was measured by items assessing perceived quality, durability, and performance consistency; BJ was assessed through items capturing perceived quality, credibility, and superiority; Overall BE was measured by items reflecting brand value and preference; and WPPP was measured using items gauging respondents' eagerness to pay more for a preferred brand. A five-point Likert scale (e.g., 1 = strongly disagree to 5 = strongly agree) was used to capture respondents' perceptions (Erdem & Swait, 2004). Pilot testing of the questionnaire was conducted to refine the scales and ensure clarity and cultural appropriateness for the target population.

**Table 1: Scale Sources**

Independent Variable	Scale Developed by	No of Questions
BA	Yoo & Donthu, 2001, Liu et al., 2017	3
BF	Harris & Goode, 2004, Mohan et al., 2017b	3
BJ	Chaudhuri & Holbrook, 2001, Pappu & Cornwell, 2014, Dwivedi et al., 2018)	3
WPPP	(Netemeyer et al., 2004), (Warren et al., 2019)	3
BE	(Baumgarth, 2010), (Baumgarth & Schmidt, 2010), (Anees-ur-Rehman & Johnston, 2019)	3

Source: As compiled by the author

### Data Collection

The primary data collection method involved structured survey questionnaires administered to the selected sample of consumers. This approach facilitated the generation of quantitative data amenable to statistical analysis. Data collection took place at points of sale (e.g., tile showrooms,

hardware stores) or through online platforms, depending on the target segment and logistical feasibility. Ethical standards, including ethical protocols, such as obtaining informed consent, ensuring anonymity, and maintaining data confidentiality, were strictly followed during the data collection process. Data cleaning and screening were performed to ensure the usability of responses.

## Data Analysis

The collected data were subjected to a rigorous statistical analysis using a two-stage approach, as proposed by Fan et al. (2016).

### Exploratory Factor Analysis (EFA)

Initially, EFA was conducted to identify the underlying factor structure of the measurement items and confirm their correlation with their purported variables. Accordingly, 21 test items were employed to conduct the EFA via principal axis factoring, employing the Promax rotation method. The outcomes of the EFA demonstrated that the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy exceeded .60 (Pallant, 2020), whilst Bartlett's Test of Sphericity was significant at  $p < .001$  (Hair Jr. et al., 2014), indicating the suitability of EFA.

The outcome of the pattern matrix suggested a five-factor structure. The variables identified were Brand Judgement, Brand Awareness, Brand Functionality, WPPP, and Overall BE. In total, 15 scale items loaded on their respective constructs, with one item discarded due to a loading less than .30. Specifically, Brand Judgement retained 3 scale items, Brand Awareness 3, Brand Functionality 3, WPPP 3,

and Overall BE 3. Furthermore, the five constructs had eigenvalues above 1.0 and explained a significant portion of the cumulative variance. The reliability of all variables was found to be acceptable, as their Cronbach's alpha coefficients exceeded .70.

### Structural Equation Modeling (SEM)

Following the EFA, SEM was utilized to test the proposed hypotheses simultaneously. SEM, being a powerful multivariate statistical technique, allowed for the analysis of complex relationships between latent constructs and their observed indicators.

### Measurement Model Assessment:

Before testing structural relationships, the model's fit, reliability, and validity were assessed. The 20 test items resulting from the EFA were used to analyze the measurement model. Standardized loadings below .50 were eliminated to ensure good convergent validity, resulting in a refined set of scale items.

The model fit measures were found to be satisfactory, with the Normed Chi-Square statistic (CMIN/DF) below 3.0, and other indices such as GFI, RMSEA, CFI, TLI, IFI, and NFI indicating a good model fit.

**Table 2: Results of Measurement Model**

Constructs and their Indicators	M	SD	Standardized loadings	t-value
<b>BJ</b>				
I prefer generic tiles brands over known brands	3.755	1.160	.796	
Generic tiles brands have brand image which is easy to understand.	3.584	1.146	.841	14.088
Generic tiles brands do no overpromise.	3.656	1.173	.940	14.983
<b>BF</b>				
Generic tiles brands are as reliable as the known brands.	4.120	.865	.775	
A generic tile brand performs better than the known brands.	4.090	.903	.820	11.437
Generic tiles companies make better products than known brands.	4.087	.779	.743	10.601
<b>WPPP</b>				
I am willing to pay about the same price for a generic brand as I would for a well-known brand.	3.935	.940	.734	11.009
I am willing to pay a somewhat higher price for a generic brand compared to a well-known brand.	3.825	.947	.838	
I am willing to pay a significantly higher price for a generic brand than for a well-known brand.	3.851	1.025	.807	10.853

Constructs and their Indicators	M	SD	Standardized loadings	t-value
<b>Overall BE</b>				
BE promotes sales growth	3.875	1.052	.790	
BE increases market share	3.887	.965	.902	13.979
BE increases profitability	3.760	1.130	.810	12.857
<b>BA</b>				
I am aware of majority of small tiles brand in the market.	4.132	.841	.719	
I can recognize a lot of small brands among competing brands	4.166	.880	.765	10.083
I can quickly relate the features with the brand in the small brands category.	4.193	.909	.850	10.482

Source: As compiled by the author

**Table 3: Findings of Psychometric Measures**

Variables	CR	ASV	MSV	AVE	BA	OBE	BF	BJ	WPPP
BA	.822	.352	.520	.603	.779*				
BE	.734	.431	.580	.698	.195	.835*			
BF	.823	.453	.580	.609	.270	.336	.780*		
BJ	.895	.207	.262	.739	.020	.069	.057	.860*	
WPPP	.836	.352	.474	.630	.094	.194	.225	.034	.794*

Source: As compiled by the author

**Table 4: Results of Hypotheses Testing**

Hypotheses	Structural Relations	Standardised Estimate	S.E.	t-value	p-value
H1	WPPP <-- BA	.070	.066	.914	.361
H2	BE <-- BA	.244	.078	3.447	.000
H3	WPPP <-- BF	.304	.092	3.299	.000
H4	BE <-- BF	.473	.101	6.041	.000
H5	WPPP <-- BJ	.060	.060	.838	.402
H6	BE <-- BJ	.155	.052	2.344	.019
H7	WPPP <-- BE	.227	.072	2.455	.014

Source: As compiled by the author

**Table 5: Findings of Mediation Model**

Hypotheses	Structural Relations	Direct without Mediator	Direct with Mediator	Indirect Effect
H8	BA <-- BE <--- WPPP	.070 (.432)*	.244 (.027)**	.055 (.026)**
H9	BF <-- BE <--- WPPP	.304 (.002)**	.473 (.001)**	.108 (.016)**
H10	BJ <-- BE <--- WPPP	.060 (.437)*	.155 (.027)**	.035 (.026)**

Source: As compiled by the author

## Discussion of Findings and Implications

The proposed study uncovers significant relationships that illuminate the dynamics of brand value in the Indian generic tile industry. It is found that BA, BF, and BJ emerged as crucial antecedents to both WPPP and Overall BE.

Specifically, it is observed that BA has a positive relationship with both WPPP (H1) and Overall BE (H2). In a fragmented market like Indian tiles, where numerous small, unorganized players exist, simply being a recognized entity provides a substantial competitive advantage. Consumers cannot form opinions or judgments about a

brand they do not know. Therefore, the foundational act of achieving visibility and recognition played a critical initial step towards building any form of brand value or commanding a premium. This suggests that marketing efforts focused on broad exposure and simple brand recognition are paramount for generic tile manufacturers.

BF is also positively related to both WPPP (H3) and Overall BE (H4). Tiles are fundamentally utilitarian products where performance, durability, and consistency are key concerns for consumers. A brand's ability to reliably fulfill these functional requirements serves not just as a product characteristic, but as a core element in building brand strength. By consistently delivering on functional promises such as slip resistance, low water absorption, and uniform sizing, a brand can mitigate the perceived risks associated with inconsistent quality often found in the unorganized sector. This consistent functional delivery is anticipated to directly justify a price premium. Therefore, investing in and clearly communicating these consistent functional attributes (e.g., guaranteed durability, anti-slip properties, stain resistance, precise sizing, low water absorption) is likely a more effective and sustainable strategy for commanding a price premium in this segment than solely focusing on aesthetic differentiation.

Furthermore, BJ is positively related with WPPP (H5) and Overall BE (H6). In the intensely competitive Indian tile market, consumers make complex evaluations that extend beyond simple price comparisons. The various facets of brand judgment—including perceived quality, credibility, consideration, and superiority—are all expected to contribute to a brand's market success. For "generic" tiles, superiority might not imply luxury, but rather consistent quality, specific functional advantages, or superior customer service that differentiates them from truly undifferentiated products. The phenomenon where higher prices are associated with higher quality suggests that even a perceived quality, rather than purely objective, can support a premium. This means that a brand's ability to elicit positive judgments across these facets is crucial. Generic tile brands should strategically identify and cultivate the specific facets of BJ that resonate most strongly with their target segment. For instance, for budget-

conscious consumers, consistent quality and reliability might be more influential in justifying a price premium than unique design.

A particularly salient aspect in the Indian context is the important role of dealers and sales executives in forming and developing consumer perceptions and influencing purchasing decisions. These direct, interpersonal interactions at the point of sale are significant touchpoints where BJ are formed. Dealers, in turn, are influenced by a brand's consistent product quality, diverse product range, competitive pricing, and the level of support and involvement they receive from the brand. This suggests that BJ is not solely built through mass media advertising but is significantly influenced by the sales channel's ability to convey product attributes and build trust. Consequently, for generic tile brands, which may have limited budgets for traditional mass advertising, leveraging and empowering the sales network becomes a highly effective strategy for building positive BJ. By ensuring sales personnel are knowledgeable, provide personalized approaches, and offer reliable customer service, brands can foster trust and positive evaluations, thereby compensating for a lack of extensive traditional brand-building activities and directly influencing WPPP.

Finally, Overall BE also have a positive relationship with WPPP (H7) and to mediate the relationships between BA, BF, and BJ, and WPPP (H8, H9, H10). This suggests that consumers' perception of the brand's overall value and strength serves as a key mechanism through which these relationships are mediated. The concept of a "generic" premium is critical here. The Indian market demonstrates that "branded generic medicines" command a premium over "unbranded generic equivalents". This parallel suggests that for tiles, the price premium is not for luxury, but for assurance, consistency, and basic quality within the affordable segment, differentiating from truly unbranded, inconsistent alternatives. This reframing of the "price premium" in the generic context is crucial for understanding its drivers and implications for market strategy.

## Conclusion

This paper has re-conceptualized a foundational brand management model to investigate the intricate relationships between BA, BF, and BJ, BE, and WPPP within the unique and rapidly evolving landscape of the Indian Generic Tile Industry. By adapting the CBBE frameworks of Keller, 1993b adapted by Erdem and Swait (1998) and Lassar et al. (1995), a theoretical model and a set of ten hypotheses have been proposed. The analysis has underscored the critical importance of these revised brand attributes in an emerging market characterized by a significant unorganized sector and evolving consumer preferences for utilitarian products.

The study posits that even within the "generic" tile segment, brand-building efforts, particularly those focused on establishing basic awareness, ensuring consistent functionality, and fostering positive consumer judgments, can significantly contribute to overall BE. This strengthened BE, in turn, is expected to enable manufacturers to command a price premium. This premium is not necessarily for luxury or aspirational status, but rather for the assurance of quality, consistency, and reduced risk that a "branded generic" offers over truly undifferentiated or inconsistent alternatives. The role of direct sales channels, such as dealers and sales executives, has been highlighted as a crucial touchpoint for shaping consumer judgments and influencing purchasing decisions in this market.

## Theoretical and Practical Implications

### Theoretical Implications

This research makes a meaningful contribution to the existing brand management theory, particularly the CBBE framework, by extending its application to a novel context: the Indian Generic Tile Industry. Studies specifically addressing these dynamics with the adapted variables (BA, BF, and BJ) in a utilitarian "generic" product market within an emerging economy are scarce.

By proposing a model that integrates BA, BF, and BJ as antecedents to BE and WPPP, this paper offers a more refined understanding of brand value creation in contexts where traditional "premium" branding might not be the

primary strategy. Furthermore, the conceptualization of a "generic" premium—a willingness to pay more for consistency and reliability within an affordable segment—enriches the understanding of price premium drivers beyond luxury or aspirational branding. This provides a robust theoretical foundation for future research on brand management in emerging markets, where market fragmentation and varying quality standards are prevalent.

### Practical Implications

The proposed research offers several actionable implications for manufacturers, marketers, and stakeholders operating within the Indian Generic Tile Industry. Firstly, the emphasis on BA suggests that even for "generic" products, achieving basic recognition is fundamental. Manufacturers should prioritize broad distribution and targeted communication strategies that ensure their brand name or identifying features are known to potential consumers. This initial recognition is the gateway for any further brand-building efforts.

Secondly, the focus on BF highlights that consistent product performance, durability, and adherence to quality standards are paramount. For a market segment often characterized by variable quality, a brand that reliably delivers on utilitarian attributes (e.g., slip resistance, low water absorption, consistent sizing) can differentiate itself significantly. Marketing communications should clearly articulate these functional benefits, as they directly address consumer concerns about risk and quality, thereby justifying a price premium.

Thirdly, the comprehensive nature of BJ implies that brands must cultivate positive evaluations across multiple dimensions, including perceived quality, credibility, and even a sense of superiority in terms of consistency or service. Given the fragmented nature of the Indian tile market and the significant role of intermediaries, investing in dealer relationships and sales force training is crucial. Empowering sales executives with product knowledge and fostering their ability to provide personalized, trustworthy interactions can profoundly shape consumer judgments at the point of sale, compensating for limited mass advertising budgets.

Finally, the understanding that a WPPP can exist even within the "generic" segment—a premium for assurance and consistency—provides a clear strategic direction. Manufacturers should aim to establish their "generic" offerings as reliable and trustworthy alternatives to truly unbranded or inconsistent products. This strategic positioning can lead to enhanced profitability and sustained growth by building a loyal customer base ready to spend for guaranteed basic quality and reduced purchasing risk.

### **Limitations and Direction for Future Research**

This paper, being a conceptual re-conceptualization, inherently carries certain limitations. It does not present empirical findings but rather proposes a theoretical framework and hypotheses for future investigation. The insights derived are based on a synthesis of existing literature and contextual analysis of the Indian tile market, rather than direct empirical validation within this specific industry. The cross-sectional survey design proposed, while efficient for initial hypothesis testing, provides a snapshot in time and cannot establish causality definitively.

Future research should aim to empirically test the proposed hypotheses within the Indian Generic Tile Industry. Future research could investigate various directions to further enrich our understanding of brand behavior within the Indian tile industry. This includes empirical validation through large-scale surveys among Indian tile consumers and industry intermediaries, utilizing techniques like Structural Equation Modeling to test proposed models. Longitudinal studies will be valuable to track the evolution of BA, BF, and BJ over time and their long-term effects on BE and WPPP. Complementary qualitative research, such as in-depth interviews with consumers, architects, and interior designers, could provide richer insights into the formation of brand judgments and the specific attributes driving willingness to pay for generic tiles. Further comparative studies could expand the research by examining brand dynamics between the organized and unorganized sectors within India, or even across different emerging markets, to uncover contextual nuances. Investigating specific product categories of tiles (e.g., ceramic, vitrified, porcelain, digital prints) and their unique functional attributes will help understand their influence on

consumer perceptions and Willingness to Pay. Additionally, exploring the growing impact of digitalization, including digital marketing and e-commerce platforms, on brand awareness, judgment formation, and purchasing decisions, especially given the traditional reliance on physical retail channels, presents another critical area. Finally, as consumer awareness of sustainability increases, future research could also investigate how perceived eco-friendliness or sustainable manufacturing practices of generic tile brands influence BJ, BE, and WPPP.

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