

CHAPTER I

INTRODUCTION

1.1 General description of research objects

1.1.1 PT Sanbe Farma

PT Sanbe Farma, as one of the largest players in the national pharmaceutical industry, has recorded a long journey full of innovation since it was founded in 1974. In the past five decades, this company has become a symbol of Indonesian pharmaceutical excellence through the quality products it produces, continuous innovation, and real contribution to society. The company philosophy that places quality as a top priority is a solid foundation in every strategic step for Sanbe Farma, from product development to effective distribution. A key element in Sanbe Farma's continued success is its strong brand image, which has been cultivated over decades of consistent quality and trust. Many healthcare professionals recommend Sanbe products due to their proven safety and efficacy. This recommendation plays a significant role in shaping consumer behavior and influences purchasing decisions.

In its operations, Sanbe Farma is very oriented towards product quality as the main element in building consumer trust. Every product produced has gone through a strict research, development and supervision process to ensure that the product meets applicable international standards. This superior quality is also supported by the implementation of modern technology, including the Water for Injection (WFI) system which produces pure pyrogen-free water, an important raw material in making sterile products such as infusion fluids, eye drops and injections. This technology not only shows the company's commitment to innovation, but also illustrates its responsibility in maintaining patient safety throughout Indonesia.

As a company that focuses on the future, Sanbe Farma has also invested heavily in research and development (R&D). The company's R&D center is not only equipped with sophisticated equipment, but is also supported by competent experts in their fields. The main focus of Sanbe Farma's R&D is the development of innovative new products and improving the formulation of existing products so that they remain relevant to market needs. The results of this commitment are clearly visible from the various awards received by Sanbe Farma for its products which are not only accepted in the domestic market, but also recognized in the international market.

In facing increasingly fierce competition in the pharmaceutical industry, Sanbe Farma also understands the importance of innovative marketing strategies. This company not only relies on traditional distribution through pharmacies and hospitals, but also utilizes advances in digital technology to reach consumers. By marketing its products on e-commerce platforms such as Tokopedia and Shopee, Sanbe Farma makes it easier for people to get quality medicines without having to leave the house. This strategy is increasingly relevant in the digital era, where the need for easy access is one of the main factors in consumer purchasing decisions.

Apart from focusing on product quality and marketing, Sanbe Farma also shows its commitment to environmental sustainability. By operating a Water Waste Treatment Plant (WWTP) facility, this company ensures that production waste is managed in a safe and environmentally friendly manner. This step not only protects the local ecosystem but also reflects the company's social responsibility in supporting sustainable development.

In carrying out its social responsibilities, Sanbe Farma is also active in various programs aimed at improving the quality of life of the community. Health education campaigns, donation of medicines to remote areas, and training for medical personnel are some examples of initiatives carried out by the company. These programs not only increase public awareness about the importance of maintaining health but also strengthen Sanbe Farma's position as a trusted partner in the world of health.

Sanbe Farma's success so far cannot be separated from professional human resource management. Additionally, Sanbe Farma has built solid relationships with medical professionals through educational initiatives, training, and consistent product innovation. This close collaboration with healthcare providers ensures that their products remain a trusted choice, which positively impacts both medical prescriptions and consumer purchasing behavior. This company realizes that employees are the biggest asset that determines the sustainability and success of the company's operations. Therefore, Sanbe Farma regularly holds training, skills development programs, and provides scholarships for employees who wish to continue their education. By creating a work environment that supports innovation and collaboration, Sanbe Farma has succeeded in building a team that is not only competent but also committed to the company's vision and mission.



Figure 1 : PT. Sanbe Farma Vision and Mission

source: <https://www.sanbe-farma.com>

By continuing to prioritize quality, innovation and sustainability, PT Sanbe Farma has not only succeeded in becoming a leader in the national pharmaceutical market but also an inspiration for other companies in creating health solutions that benefit society. Over time, PT Sanbe Farma has achieved remarkable success in the Indonesian pharmaceutical industry, both in terms of product quality and its impact on society. This success is not only due to the company's commitment to producing high-quality products but also through the various awards it has received over the past few decades. Prestigious awards such as the Good Manufacturing Practice (GMP) certificate, which assesses the company's production facilities, as well as recognition in research and development, further solidify the company's reputation as a leader in the pharmaceutical industry. These awards demonstrate that PT Sanbe Farma not only prioritizes product quality but also has a clear vision to make a positive impact on public health, both in Indonesia and globally.

In addition to the awards received, PT Sanbe Farma continues to maintain a strong reputation through its strong research and development (R&D) focus. The company has recently made notable strides in the development of innovative solutions to tackle various health challenges in Indonesia and beyond. By investing heavily in R&D, PT Sanbe Farma is able to create cutting-edge products that meet the demands of an evolving healthcare landscape. The company collaborates with research institutions and universities to ensure that its innovations align with the latest scientific advancements and market needs. As a result, PT Sanbe Farma is recognized for its ability to develop not only new products but also improved versions of existing products, ensuring that they remain relevant and effective in addressing emerging health issues. The company's R&D efforts also include the development of therapeutic solutions for diseases that have previously been difficult to treat, showcasing the company's ongoing commitment to improving public health.

To remain relevant in an ever-evolving market, PT Sanbe Farma continues to innovate in various fields, especially in research and development (R&D). In recent years, the company has been actively developing new products that are greatly needed by the market, particularly in addressing the growing number of communicable and non-communicable diseases. The company's R&D initiatives are focused on both expanding its therapeutic portfolio and introducing innovative health solutions such as digital healthcare platforms and preventive care measures. The growing demand for digital health services has led PT Sanbe Farma to explore the potential of e-health technologies that empower individuals to manage their health better, seek advice from health professionals, and access pharmaceutical products from the comfort of their homes. Additionally, the company collaborates with leading universities and research institutions to accelerate the pace of innovation, so that the products developed can be quickly accepted in the market with internationally recognized quality standards. These efforts are also evident in the company's achievements in developing new vaccines and therapies, which not only benefit the people of Indonesia but also make a significant contribution to the global community. The increasing role of digital tools in the healthcare sector highlights the company's foresight in aligning its strategic goals with technological advancements.

As part of its commitment to always provide safe and effective products, PT Sanbe Farma also implements a rigorous clinical trial process before launching products to the market. Every product produced must undergo pre-clinical trials and clinical testing conducted by professional experts in their respective fields. In doing so, the company ensures that all products

meet market needs and are safe for consumers. The clinical trials conducted at Sanbe Farma are also carried out in compliance with international standards, ensuring that every product is well-received by consumers and gains global recognition. This robust process helps PT Sanbe Farma uphold its strong commitment to product quality and safety, which is crucial for maintaining public trust. By adhering to global regulatory standards, PT Sanbe Farma ensures that its products are able to serve not only the Indonesian market but also meet the stringent requirements of international markets.

On the other hand, PT Sanbe Farma is also highly dedicated to social development and public health through various Corporate Social Responsibility (CSR) programs. As a responsible company, PT Sanbe Farma engages in various initiatives to improve the quality of life for communities. One such initiative is providing healthcare access to remote and underserved areas in Indonesia. Programs such as health education and the distribution of medicines to these areas are concrete steps taken by the company to support those in need. Moreover, PT Sanbe Farma actively promotes health education to raise public awareness of the importance of maintaining good health and vaccination, an initiative that has become increasingly relevant in today's context. In collaboration with various health organizations and local governments, the company has initiated programs that reach marginalized groups and vulnerable populations, ensuring they receive essential health services. PT Sanbe Farma's CSR programs also include training and skill development for healthcare professionals, empowering them to provide better care in underserved regions.

Through its diverse product offerings and innovative health services based on technology, PT Sanbe Farma is not only active in the pharmaceutical sector but also contributes to developing health solutions that are based on digital technology. One such initiative is the development of a health application that makes it easier for consumers to access information about health products and engage in online consultations with medical professionals. This digital service enhances public access to necessary health information, while also facilitating consumers in accessing quality health products. In addition, PT Sanbe Farma has begun integrating artificial intelligence and big data analytics into its operations to enhance customer service and improve product offerings. These technologies allow the company to offer personalized healthcare solutions and ensure that consumers receive the right products for their specific needs.

Sustainability and environmental policies are also essential elements in PT Sanbe Farma's business strategy. In its operations, the company strives to reduce the negative environmental

impact by utilizing renewable energy in its production processes. PT Sanbe Farma also ensures that the waste generated during production is managed properly and does not harm the surrounding environment. With policies supporting environmental sustainability, the company not only focuses on business profits but also contributes to environmentally-friendly development for future generations. Furthermore, PT Sanbe Farma is involved in various environmental conservation efforts, such as reducing water consumption and minimizing the carbon footprint of its production facilities. These initiatives reflect the company's dedication to operating in an environmentally conscious manner, demonstrating that corporate growth and sustainability can go hand-in-hand.

Through a mature strategy, collaboration with strategic partners, and dedication to continuing to develop, Sanbe Farma is on the right track to strengthen its position as a pioneer in the pharmaceutical industry that supports the welfare of the Indonesian people. The company not only sells products, but also offers hope and improved quality of life to millions.



Figure 2 : Sanbe logo

source: <https://www.sanbe-farma.com>

PT Sanbe Farma is a leading pharmaceutical company in Indonesia that produces various health products, from medicines to health supplements. Some of the superior products produced by PT Sanbe Farma include Colsancetine® Capsules, which are medicines for treating certain diseases, as well as health supplements such as Sanbe Multivitamin, Sanbe C, and Sanbe Calcium. Apart from that, PT Sanbe also produces other health products which are widely known in the market. Table 1.1 will show a complete list of products offered by PT Sanbe Farma. This company is always committed to providing quality products that are safe and beneficial to the wider community.

PT Sanbe Farma also utilizes various distribution channels to sell its products, including through the company's official website, offline stores and various online marketplaces. PT Sanbe products are available on a number of leading e-commerce platforms, such as Tokopedia, Shopee, Bukalapak, and other online stores. Apart from that, PT Sanbe Farma also

has wide distribution through pharmacies throughout Indonesia and even throughout the world, especially Asia.

Table 1 : Comparison of PT. Sanbe Farma's Best-Selling Products with Main Competitors

Jenis (Category)	Produk Sanbe (Sanbe Product)	Pesaing Utama (Main Competitor)	Perusahaan Pesaing (Competitor Company)
Analgesik & Paracetamol (Pain & Fever Reliever)	Sanmol	Panadol	Kalbe Farma
Obat Flu & Batuk (Cold & Cough Medicine)	Sanaflu	Decolgen	Dexa Medica
Obat Sakit Kepala & Migrain (Headache & Migraine Medicine)	Poldan Mig	Bodrex Migra	Tempo Scan Pacific
Obat Maag & Pencernaan (Antacid & Digestive Medicine)	Neosanmag	Promag	Kalbe Farma
Analgesik (Pain Reliever)	Mefinal (Mefenamic Acid)	Ponstan	Pfizer
Vitamin & Supplement (Vitamins & Supplements)	Becom Zet	Neurobion	Merck
Vitamin Saraf (Nerve Vitamins)	Neurosanbe	Neurobion Forte	Merck
Obat Batuk & Alergi (Cough & Allergy Medicine)	Sanadryl	OBH Combi	Dexa Medica

1.1.2 Products and Distribution Channels

PT Sanbe Farma produces various types of health products divided into several main categories, which are designed to meet people's health needs both domestically and in export markets. PT Sanbe Farma's products can be grouped into non-prescription drugs, ethical drugs, veterinary products, infusion solutions, and vision products. Non-prescription drug products include a variety of domestic products and export products. These products are designed to be used by consumers directly without requiring a doctor's prescription, with quality that meets international standards. Meanwhile, ethical medicinal products consist of various categories,

including local and general anesthetics, antibiotics and chemotherapy, as well as antihistamines and anti-allergies, which are used in treatment based on a doctor's prescription.

PT Sanbe Farma also has a veterinary product line which includes antibiotics and chemotherapy, anti-parasites, as well as disinfectants and antiseptics, which are intended for animal healthcare. In addition, the company produces infusion solutions such as electrolyte solutions and carbohydrate combinations used in treatment in healthcare facilities. In the field of eye and ear health, PT Sanbe Farma has a vision product line which includes ear treatment, corticosteroids, and specific eye and ear treatment. These various products are designed to provide effective solutions in dealing with health problems in this area.

PT Sanbe Farma's products are widely distributed through a network of pharmacies and drug stores in various large cities in Indonesia, such as Jakarta, Bandung, Surabaya, Medan, and Makassar. Apart from that, PT Sanbe Farma also has international markets, especially in the ASEAN region, including countries such as Malaysia, the Philippines, Thailand, Vietnam, and Myanmar. Through this distribution strategy, PT Sanbe Farma ensures that its products are easily accessible to consumers both through offline and online channels. Sanbe products are also marketed through leading marketplaces such as Shopee, Tokopedia, as well as through direct distribution to hospitals and health institutions.

The pharmaceutical industry in Indonesia has grown rapidly in recent years, making a significant contribution to the healthcare sector. As one of the leading pharmaceutical companies in Indonesia, PT Sanbe Farma plays an essential role in providing quality medicines that the public needs. The company has produced various types of medicines, ranging from generic drugs to specialized medications that help meet national health needs. The pharmaceutical trade in Indonesia has seen significant development alongside the rapid growth of the healthcare sector. In this rapidly expanding market, Sanbe Farma faces competition from major players like Kalbe Farma, Kimia Farma, Dexa Medica, Tempo Scan Pacific, Pfizer, and Merck. Despite these challenges, PT Sanbe Farma has maintained a strong foothold, holding the second-largest market share in Indonesia with 5.4% as of 2019, according to industry reports. Demand for pharmaceutical products continues to rise due to population growth and broader access to healthcare services. In 2020, the Indonesian pharmaceutical market was estimated to reach USD 7.6 billion and is projected to grow by 10.7% annually. This growth is driven by various factors, including increased foreign investment and government policies that support the pharmaceutical industry. As the largest pharmaceutical market in Southeast Asia,

Indonesia has substantial growth potential, with the pharmaceutical market expected to reach IDR 176.3 trillion by 2025. This growth reflects the increasing demand for pharmaceutical products, both generic and branded drugs. In 2019, PT Sanbe Farma ranked second in the pharmaceutical market, with a market share of 5.4% (Source: farmasiindustri.com). This position places it among the top pharmaceutical companies in Indonesia, following closely behind Kalbe Farma, which holds the largest share of 6.1%. Sanbe Farma's market share growth is significant, especially when compared to competitors such as Kimia Farma (3.9%) and Dexa Medica (3.8%). This shows that despite the competitive landscape, Sanbe Farma is expanding its presence through continuous innovation and market adaptation driven by advancements in the healthcare system and rising public awareness of the importance of health.

Furthermore, consumer interest in pharmaceutical products in Indonesia continues to show a significant upward trend year after year. The growing prevalence of chronic diseases, greater attention to healthy lifestyles, and advances in technology such as telemedicine and e-health have all contributed to the high demand for medicines. Changing consumer shopping habits also affect the pharmaceutical sector, with a shift toward online purchasing, expanding the reach of the pharmaceutical market throughout Indonesia. Although specific sales data for PT Sanbe Farma is not publicly available, the company is known to play a key role in the Indonesian pharmaceutical market. Sanbe continues to innovate by offering quality products and expanding its distribution network to reach consumers in various regions. Sanbe leverages the growth potential of this market to maintain its market share through superior products that meet the public's needs.

PT Sanbe Farma has a strong brand image in the Indonesian pharmaceutical market. According to a study published in the *Journal of Business and Accounting* (2021), the positive brand image of PT Sanbe Farma plays a significant role in consumer purchasing decisions, particularly within the pharmaceutical industry. The trust in Sanbe's products is reflected in the high recommendations from healthcare professionals, with many doctors advocating for its products based on the brand's longstanding reputation for quality and safety. This factor strengthens Sanbe's position in both the consumer market and medical communities. As a company that has been in operation for more than five decades, Sanbe Farma has successfully built trust not only among consumers but also within the medical community. Many doctors recommend Sanbe Farma's products due to their consistent quality and effectiveness in addressing various health issues. This reputation has been built on the company's commitment to producing safe,

effective, and internationally compliant medicines. This positive brand image is also supported by the company's continuous research and development efforts, ensuring that Sanbe Farma's products remain relevant and meet the evolving needs of the market. Furthermore, the influence of a strong brand image plays a crucial role in purchasing decisions, both among end consumers and in the medical community. A study published in the *Journal of Business and Accounting (2021)* highlights that perceptions of product quality and brand loyalty significantly affect purchasing decisions in the pharmaceutical industry. Consumers tend to choose products from trusted brands, especially those that have proven to be safe and effective. Sanbe Farma is also active in health education campaigns, further strengthening its brand image as a company that focuses not just on profit but also on the welfare of society. Additionally, Sanbe Farma maintains strong relationships with healthcare professionals through continuous educational seminars, training sessions, and collaborative research efforts. The company ensures that medical staff are well-equipped with knowledge of its products, which helps build trust and improves prescribing practices. These initiatives not only improve medical outcomes but also enhance the company's credibility and reliance within the medical community. This helps reinforce the relationship between the company and consumers, increasing loyalty to its products.

1.2 Background

The pharmaceutical industry in Indonesia has developed rapidly in recent years, with a significant contribution to the health sector. Driven by the expanding demand for both generic and patented drugs, the Indonesian pharmaceutical market continues to experience robust growth. PT Sanbe Farma has positioned itself strategically to tap into this demand, with a comprehensive distribution strategy that leverages both offline and online platforms. PT Sanbe Farma, as one of the leading pharmaceutical companies in Indonesia, plays an important role in providing quality medicines that the public needs. This company has produced various types of medicines, ranging from generic medicines to special medicines that help meet national health needs.

Trade in pharmaceutical drugs in Indonesia has experienced significant development in line with the rapid development of the health sector. Demand for pharmaceutical products continues to increase due to population growth and wider access to health services. In 2020, the

Indonesian pharmaceutical market is estimated to reach USD 7.6 billion and is predicted to grow by 10.7% per year.

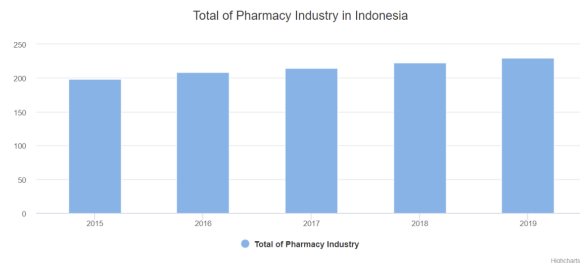


Figure 3 : Total of Pharmacy Industry In Indonesia

Source:<https://www.diklatkerja.com/blog/prospek-cerah-industri-farmasi-di-indonesia-perbangun-yang-pesat-dan-peluang-investasi>

This is influenced by many factors, including increasing foreign investment and government policies that support the pharmaceutical industry. As the largest pharmaceutical market in Southeast Asia, Indonesia has great growth potential, where in 2025, the value of the pharmaceutical market in Indonesia is estimated to reach IDR 176.3 trillion. This growth reflects the ever-increasing need for pharmaceutical products, both generic and patented drugs, which is increasingly driven by developments in the health system and increasing public awareness of the importance of health.

Apart from that, purchasing interest in pharmaceutical products in Indonesia continues to show a significant upward trend from year to year. The increasing number of chronic diseases and greater attention to healthy lifestyles, coupled with technological advances such as telemedicine and e-health, have contributed greatly to the high demand for medicines. Changes in consumer shopping habits also affect the pharmaceutical sector, where purchasing of pharmaceutical products is now mostly done online, further expanding the reach of the pharmaceutical market throughout Indonesia.

Although PT Sanbe Farma's specific sales data is not publicly available, this company is known to have an important role in the Indonesian pharmaceutical market. Sanbe continues to innovate by presenting quality products and expanding its distribution network to reach consumers in various regions. Sanbe takes advantage of this market growth potential to maintain its market share through superior products that meet people's needs.

In relation to purchasing decisions, there are various factors that influence consumers in choosing pharmaceutical products, including perceptions of product quality, price attractiveness, promotions offered, and brand reputation. This purchasing decision model includes various interrelated elements, which can influence consumer choices. These factors play a large role in determining the products consumers ultimately choose, especially in the highly competitive pharmaceutical market.

According to the IQVIA report (2023), the pharmaceutical market value in Indonesia is estimated to reach IDR 130 trillion in 2023, an increase of 8% compared to the previous year.

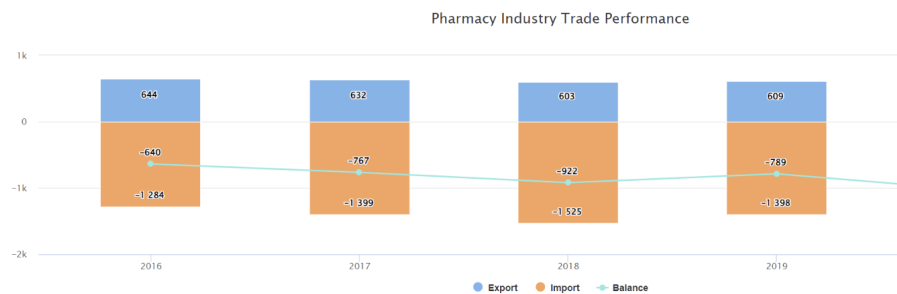


Figure 4 : Pharmacy Industry Trade Performance

source : Ministry of Industry of the Republic of Indonesia

This growth was triggered by increasing public awareness of health, as well as support from the National Health Insurance (JKN) program through BPJS Health. The pharmaceutical market in Indonesia is set to reach IDR 176.3 trillion by 2025, growing at an annual rate of 10.7%. This growth is not only a reflection of the overall increase in public health awareness but also the role of government policies, including subsidies for generic medications and national health programs. Sanbe Farma's involvement in the sector's expansion aligns with these trends, and the company's market share is expected to increase in line with the industry's growth. In this context, PT Sanbe Farma has a great opportunity to strengthen its position as a major player in the national pharmaceutical market.

As competition becomes increasingly fierce, understanding the factors that influence purchasing decisions for pharmaceutical products has become very important. Consumers today have a wide choice of pharmaceutical products, and the decision to choose a particular

brand is influenced by various factors such as price, product quality, promotion, and brand image.



Figure 5 : Indonesian Pharmaceutical companies rank

Sources : <https://farmasiindustri.com/industri/largest-pharmaceutical-companies.html>

The pharmaceutical market in Indonesia is highly competitive, with major players like Kalbe Farma, Kimia Farma, DEXA Medica, Tempo Scan Pacific, Pfizer, and Merck. These companies have significant market share, and each plays an important role in providing pharmaceutical products to meet the growing demand. Despite these strong competitors, PT Sanbe Farma continues to innovate and expand its presence. By offering quality products and expanding its distribution network, Sanbe Farma has positioned itself as a leader in the market, maintaining its market share while facing increasing competition from both local and international brands.

For example, research from the *Journal of Business and Accounting (2021)* shows that consumer perceptions of product quality and brand loyalty greatly influence purchasing decisions in the pharmaceutical industry. Consumers tend to choose products that come from trusted brands and have a reputation for good quality.

Apart from that, deep research from the *Journal of International Business and Management (2020)* emphasizes that brand image and company reputation play a large role in influencing consumer purchasing behavior. In the context of the pharmaceutical industry, where product safety and effectiveness are highly prioritized, a positive brand image can build consumer trust and increase their loyalty to the products they choose.

In the midst of intense competition in the pharmaceutical industry, understanding the factors that influence purchasing decisions is very important for PT Sanbe Farma. With this understanding, it is hoped that this research can identify the main factors that influence consumers in choosing PT Sanbe Farma products, so that the company can better understand consumer needs and optimize its marketing strategy.

However, several studies show different results. Research by Laila and Tri (2018) states that product quality does not always have a positive impact on purchasing decisions. This result is contrary to the findings of Alim, Mawardi, and Bafadhal (2018), who stated that product quality has a significant influence on purchasing decisions. This discrepancy shows that there is a research gap that can be filled through further research, especially in the context of PT Sanbe Farma.

Thus, this research aims to analyze the factors that influence purchasing decisions for PT Sanbe Farma products. This research is not only expected to provide important insights for companies in formulating more effective marketing strategies, but can also be a reference in understanding the behavior of pharmaceutical consumers in Indonesia. With the results of this research, PT Sanbe Farma is expected to be able to increase its competitiveness in the national and international pharmaceutical market.

Despite having various achievements, PT Sanbe Farma faces major challenges in maintaining competitiveness in the highly competitive pharmaceutical market. Modern consumers not only look for safe and effective products, but also consider other aspects such as price, promotions, and brand reputation before making a purchasing decision. When making purchasing decisions, there are several factors that consumers need to consider. According to Kotler and Armstrong (2014: 159-174), consumer purchasing decisions are influenced by several factors, namely product quality, price, promotion, and brand image. Product quality describes a product that can be offered to satisfy consumer needs and desires. If the quality of the products offered by the company is good, then consumer purchasing decisions will increase. Conversely, if the quality of the products offered by the company is poor, then consumer purchasing decisions will decrease. This is in accordance with the theory of Kotler and Armstrong (2014), which states that consumer purchasing decisions are influenced by four main factors: product quality, price, promotion, and brand reputation.

Product quality is one of the main factors in purchasing decisions about pharmaceutical products. As a company that has been involved in the pharmaceutical industry for a long time, PT Sanbe Farma has a reputation for providing high-quality products. However, consumer perceptions of quality need to continue to be maintained and improved, considering the intense competition with other pharmaceutical companies, both local and international.

Apart from product quality, price is also an important factor that can influence consumer purchasing decisions, especially in the pharmaceutical industry. Price is often the main consideration because it is directly related to consumer purchasing power. Consumers will consider whether the price set by the company is commensurate with the benefits and quality offered. If prices match consumer expectations and purchasing power, purchasing decisions tend to increase. On the other hand, prices that are considered too high or not commensurate with the quality of the product can make consumers switch to other products.

In the pharmaceutical context, price is often considered a reflection of product quality. Consumers typically associate higher prices with better quality, greater safety, or greater effectiveness. However, there are also consumers who expect affordable prices without having to sacrifice quality. This challenge has become greater with the emergence of many generic pharmaceutical companies offering similar products at lower prices. PT Sanbe Farma must be able to adjust its pricing strategy to remain competitive in the market, without reducing quality, which has become the company's main strength.

Factors that influence purchasing decisions besides product quality and price are promotions (Lupiyoadi, 2013). Promotion is also an important element in influencing consumer purchasing decisions. Effective promotions can increase brand awareness, introduce new products, and build closer relationships with consumers. In the pharmaceutical industry, promotions not only include traditional advertising, but also activities such as medical seminars, health education campaigns, and collaboration with health workers. However, if promotions are carried out without a mature strategy or are not relevant to the needs of the target market, these efforts can be in vain. PT Sanbe Farma needs to ensure that their promotional strategy not only attracts consumer attention but also provides clear information about the advantages of the products offered.

The final factor that influences purchasing decisions is brand image (Sopiah, 2013). With a brand image, consumers who are accustomed to using a particular brand tend to have

consistency with the brand image. The good and bad of the brand image of the product will be formed and embedded in the minds of consumers. Consumers tend to choose products that have a good brand image. A well-known brand image will increase consumer purchasing decisions. On the other hand, if the brand image is not good, then consumers' purchasing decisions will be low and they will even switch to other products. Brand reputation has an important role in building consumer trust and loyalty. As a pharmaceutical company that has been established for five decades, PT Sanbe Farma has a strong reputation in the market. This reputation is based on the company's consistency in providing high-quality products and complying with international standards. However, maintaining your reputation in the current digital era is a challenge in itself. Information about brands can easily spread through social media, both positive and negative. Therefore, PT Sanbe Farma needs to be proactive in maintaining and strengthening its brand reputation, for example by responding transparently to consumer input and publishing their achievements in product innovation or quality certification.

1.3 Problem Formulation

Based on the background above, the problem formulation in this research is as follows:

1. What are the factors that influence the decision to purchase PT Sanbe Farma products?
2. How do product quality, price, promotion and brand reputation influence PT Sanbe Farma product purchasing decisions?
3. Which factors have a dominant influence on purchasing decisions for PT Sanbe Farma products?

1.4 Research Objectives

The aim of this research is to:

1. To fulfill one of the academic requirements to obtain a Bachelor's degree in the Business Administration study program at Telkom University.
2. To identify factors that influence consumer purchasing decisions for PT Sanbe Farma products.
3. To analyze the influence of product quality, price, promotion, and brand reputation on purchasing decisions for PT Sanbe Farma products.
4. To determine the dominant factors that influence purchasing decisions for PT Sanbe Farma products.

1.5 Benefits of Research

The results of this research are expected to provide the following benefits:

1. Theoretical Benefits: This research can add to literature and insight in the field of marketing, especially regarding consumer behavior in the pharmaceutical industry.
2. Practical Benefits: The results of this research can be a basis for PT Sanbe Farma to design marketing strategies that are more effective and relevant to consumer needs and preferences.

1.6 Systematics of Final Assignment Writing

The systematics of writing this final assignment are structured as follows:

- CHAPTER I Introduction
Presents a general description of the research object, research background, problem formulation, objectives, benefits, and writing systematics.
- CHAPTER II Library Survey
Discusses related theories that are relevant to the factors that influence purchasing decisions.
- CHAPTER III Research Methodology
Explains the research methods used, data collection techniques, and data analysis.
- CHAPTER IV Research Results and Discussion
Presents the results of research and analysis related to factors that influence consumer purchasing decisions.
- CHAPTER V Conclusions and Suggestions
Summarize the main findings from the research and provide suggestions for related parties.