

## **ABSTRACT**

*Generic drugs are often the choice of patients or consumers when buying a drug product. Generic drugs are drugs that are produced after the expiration of a patent that protects branded / patent medicines. The use of generic drugs in Indonesia continues to increase every year, which can be seen from the increase in sales, depending on the fluency of government spending. Consumers buying of generic drugs can not be separated from the influence of various factors such as consumer's knowledge about generic drugs, reference groups, quality, and perceptions of prices.*

*This study aims to analyze the effect of consumer's knowledge about generic drugs, reference groups, quality, and price perceptions of consumer preferences for buying generic drugs at Apotek Kimia Farma Pandanaran Semarang City through a quantitative approach method using a non-probability purposive sampling technique. Analysis was performed using Structural Equation Modeling (SEM) through SPSS and AMOS using 5 variables, namely knowledge, reference groups, quality, perceptions of prices, and consumer preferences through 29 indicators on the 5 variables.*

*The results of this study are 5 proposed hypotheses accepted where knowledge (H1), reference groups (H2), quality (H3), perception of price (H4) have a positive and significant effect on consumer preferences for buying generic drugs at Apotek Kimia Farma Pandanaran Semarang City. Similarly, consumer preferences (H5) have a positive and significant effect on the decision to purchase generic drugs at Apotek Kimia Farma Pandanaran Semarang City. The results of consumer assessments that are respondents in each indicator can be input for efforts to increase sales of generic drugs.*

**Keywords:** *Generic drugs, purchasing decisions, consumer preferences, perceptions of prices, quality, reference groups, consumer knowledge*