



The Mediating Role of Patient Satisfaction in the Relationship Between Service Quality, Brand Image, and Patient Loyalty

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ABSTRACT

This study aims to analyze the influence of service quality and brand image on inpatient loyalty at the Praja Amerta Pavilion of Wangaya Regional General Hospital, Denpasar, with patient satisfaction as a mediating variable. This research employs a quantitative approach using an explanatory research design. The population consists of inpatients at the Praja Amerta Pavilion, and data were collected from 160 respondents through questionnaires using a Likert scale. Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) to evaluate both the measurement model and structural model. The results indicate that service quality has a positive but not significant effect on patient loyalty, suggesting that improvements in service quality alone are not sufficient to directly enhance patient loyalty. Conversely, brand image has a positive and significant effect on patient loyalty, indicating that a strong hospital image increases patients' trust and intention to reuse the service. Furthermore, both service quality and brand image have a positive and significant effect on patient satisfaction. Patient satisfaction also has a positive and significant influence on patient loyalty. Mediation analysis reveals that patient satisfaction fully mediates the relationship between service quality and patient loyalty and partially mediates the relationship between brand image and patient loyalty. These findings highlight that patient loyalty in healthcare services is shaped by the interaction between service quality, brand image, and patient satisfaction. Therefore, hospitals should improve service quality, strengthen brand image, and continuously manage patient satisfaction to enhance patient loyalty.

INTRODUCTION

The health sector has a strategic role in national development, especially after the COVID-19 pandemic which emphasizes the importance of a resilient and quality health service system. The implementation of the National Health Insurance Program (JKN) expands access to health services while increasing competition between hospitals, including local government hospitals. In this context, Wangaya Hospital Denpasar City is required not only to provide quality services, but also maintain operational sustainability through increased patient loyalty, especially in the inpatient segment of the Praja Amerta Pavilion which is one of the important contributors to hospital revenue. Even though it

has a strategic position. Wangaya Hospital actually faces real challenges in maintaining the consistency of inpatient visits. Secondary data from the annual report of Wangaya Hospital for the 2023-2025 period (Semester I) reveals an alarming downward trend. As seen in Table 1. total inpatient visits have fluctuated and decreased significantly from 1,488 visits in the first semester of 2023 to only 1,068 visits in the first semester of 2025.

Table 1. Inpatient Visit of Praja Amerta Pavilion
Wangaya Hospital Denpasar City in 2023-2025 (Semester I)

YES	Patient Visits	2023		2024		2025
		Semester I	Semester II	Semester I	Semester II	Semester I
1	New Patients	1.440	930	1.128	686	1.031
2	Long Term Patients	48	46	32	53	37
	Total	1.488	976	1.160	739	1.068

Source: Prepared author (2026)

Based on this data. Two critical problems were identified: 1). The total decrease in consecutive visits from the first semester of 2023, which was 1,488 visits to the first semester of 2025, as many as 1,068 visits with a cumulative decrease of 28.2%. 2). Instability of the patient base where new patient visits show high volatility, namely (1,440. 930. 1.128. 686. 1.031). while old patient visits tend to stagnate at low levels (48. 46. 32. 53. 37). indicates weak patient retention. In addition. based on the Complaint Report on the Suggestion Box. Hot Line. Web. Questionnaire. Social Media. E-mail. and directly in 2023 - 2024 at the Wangaya Regional General Hospital. Especially in inpatient services at the Praja Amerta Pavilion. Especially since the renovation of the building has had an impact on comfort. facilities. service flow and patient perception of service quality. Several complaints emerged. such as room density due to bed relocation. Damage to the facility (fans. AC. and toilets). because the room is used for more patients. to the attitude of officers who are considered less communicative. shows that the quality of service in this inpatient unit has not fully met the patient's expectations. This condition directly has the potential to reduce patient satisfaction as an important indicator in health services.

Conceptually. Patient loyalty is not only influenced by the quality of service and brand image. but also by the level of satisfaction formed from the experience of service. Based on Expectation-Confirmation Theory. Satisfaction arises when service performance meets or exceeds the patient's expectations. Thus. satisfaction is thought to play a role as a mediation mechanism that bridges the influence of service quality and brand image on patient loyalty. Previous studies have shown that service quality and brand image have a positive effect on loyalty. with satisfaction as a mediation variable. although the level of the role can vary. However, there are still several important research gaps. First, previous studies show inconsistent findings regarding the direct effect of service quality on patient loyalty, where some studies report significant effects while others find insignificant relationships. This inconsistency indicates that the relationship may not be direct and requires further examination through mediating variables such as patient satisfaction. Second, most prior research has predominantly examined direct relationships between variables, with limited emphasis on the mediating role of patient satisfaction, particularly in the context of public hospitals. In fact, patient behavior in public healthcare settings is influenced by unique factors such as referral systems, national health insurance (JKN), and medical necessity, which may alter the formation of loyalty compared to other service sectors. Third, empirical studies focusing on inpatient premium services, such as the Praja Amerta Pavilion, are still limited, especially those integrating service quality and brand image simultaneously within a comprehensive structural model using PLS-SEM. Moreover, there is a lack of recent empirical evidence in the post-pandemic context, where patient expectations and perceptions of healthcare services have significantly evolved.

Therefore. This study aims to analyze the influence of service quality and brand image on the loyalty of inpatients of the Praja Amerta Pavilion of Wangaya Hospital, Denpasar City. and examine the role



of patient satisfaction as a mediating variable in the relationship. Theoretically, This research is expected to enrich the study of health service marketing management by examining the mediation model in the context of local government hospitals. Practically, The results of this research are expected to be the basis for the formulation of strategies to improve service quality and strengthen the image of hospitals in order to increase patient satisfaction and loyalty in a sustainable manner.

LITERATURE REVIEW

Patient Loyalty

Patient loyalty in health services is a multidimensional construct that includes aspects of attitude (attitudinal loyalty) and behavior (behavioral loyalty) (Oliver, 1980). In the context of hospitalization, Attitude loyalty is reflected in preferences, commitment, and the intention of recommending the hospital. Meanwhile, behavioral loyalty is manifested through actual reuse of services. This research focuses on behavioral loyalty as a more objective form, which is operated as a tendency of patients to return to using the inpatient services of the Praja Amerta Pavilion of Wangaya Hospital within a certain period. Recent empirical findings also show that customer loyalty in various service sectors is strongly influenced by service quality and satisfaction as a mechanism for forming long-term relationships (Setini & Putra, 2025).

Patient Satisfaction

Patient satisfaction is defined as a patient's evaluative assessment of the overall experience of consuming health services (Lupo, 2016). In the context of inpatient services, This concept is a key psychological outcome that is a marker of the hospital's success in meeting or exceeding the expectations of patients with high expectations. The most basic theory to explain the formation of satisfaction is the Expectation Confirmation Theory (ECT) popularized by Oliver (1980). This theory explains that patient satisfaction arises from the process of comparing the perception of the performance of the exclusive service received with their initial expectations as premium patients. Other research confirms that satisfaction serves as a bridge that connects service quality with loyalty, so that the improvement of service quality is almost always followed by an increase in satisfaction and loyalty (Wiratama, Setin, & Yasa, 2025).

Quality of Service

Service quality is a fundamental construct in service marketing which is defined as a thorough assessment of the excellence or virtue of a service (Zeithaml, Bitner, & Gremler, 2018). In the context of 23 inpatient services in hospitals, Quality of service has evolved into a holistic concept that emphasizes the exclusive service experience during the patient's treatment period. Based on the SERVQUAL Parasuraman model et al. (1988). The quality of inpatient services can be contextualized in five main dimensions: 1) Tangibles (Physical Evidence), 2) Reliability, 3) Responsiveness, 4) Insurance (Guarantee), 5) Empathy.

Brand Image

Brand Image is defined as a consumer's perception of a brand that is formed through a series of associations inherent in their memory (Keller, 2020). In the context of inpatient services in hospitals, Brand image is not just a logo or slogan, but rather a cognitive representation of all beliefs, feelings, and the impression that middle- and upper-class patients have on the hospital. This image is formed from direct experience, information from others, and exposure to hospital communication activities, especially for the premium service segment. The main theory underlying this construct is Customer-Based Brand Equity (CBBE) from Keller (2020), which emphasizes that the strength of a brand lies in what has been instilled in the minds of consumers. In addition, Brand image has been proven to influence consumer behavior in a variety of contexts, including purchase decisions and intentions to

reuse the services. especially when the brand image is strengthened by psychological factors and perceived value (Surlimna. Setin. & Wahyuni. 2025).

The relationship between variables and hypotheses

Good service quality plays an important role in creating satisfaction and building long-term relationships between patients and hospitals. Responsive service. reliable. and as expected will encourage patients to return to using the service and recommend it to others. The quality of service doesn't just affect satisfaction. but also has a direct impact on patient loyalty. Previous research has shown that service quality has a positive and significant effect on patient satisfaction and loyalty (Rofiah. 2017; Subawa. 2020). Similar findings also prove that the higher the perceived quality of service. the greater the tendency of patients to remain loyal and make repeat visits (Nuryati et al., 2025; Nurfitriani. 2024; Efendi et al., 2025).

Hypothesis 1: The effect of service quality on patient loyalty.

Brand Image is a perception formed in the patient's memory of reputation. credibility. and the quality of a hospital. A positive brand image can increase patient confidence in making decisions to reuse services and build long-term attachments. The better the patient's perception of the hospital's Brand Image. the higher their tendency to remain faithful and make repeat visits. A number of studies show that Brand Image has a positive and significant effect on patient loyalty (Sugiarto et al.. 2018; Yutetu. 2012; Retno. 2018; Trisno et al.. 2023). Although there are findings that show insignificant results (Hisbiyah. 2025). Most studies confirm that a strong brand image plays an important role in building loyalty. especially when supported by a satisfactory service experience (Mene Paradila. 2022). Strengthening brand image can also be understood through the perspective of modern branding strategies. where innovation and consistency of brand communication play an important role in shaping positive consumer perceptions (Setini & Juliasa. 2026).

Hypothesis 2: The Influence of Brand Image on Patient Loyalty.

The quality of service reflects the hospital's ability to meet the needs and expectations of patients through reliable service. responsive. empathetic. and convincing. The better the quality of service the patient feels. the higher the level of satisfaction formed. Consistent and expected service will strengthen the relationship between patients and healthcare providers. A number of studies have shown that the quality of service has a positive and significant effect on patient satisfaction (Singh et al., 2013; Sari. 2020; Anjayati. 2021). Other empirical findings also confirm that various dimensions of service quality such as reliability. responsiveness. insurance. and empathy have a direct contribution to improving inpatient satisfaction (Handoko & Handayani. 2024; Sumarta et al.. 2025; Priyono. 2020).

Hypothesis 3: The effect of service quality on patient satisfaction.

Brand image reflects the patient's perception and belief in reputation. credibility. and the quality of hospital services. A positive brand image can foster trust. convenience. and higher value perception. thus, encouraging the formation of patient satisfaction. The better the Brand Image that the hospital has. The more likely the patient is to be satisfied with the services received. Various studies show that Brand Image has a positive and significant effect on patient satisfaction (Chan Wu. 2011; Setiyowati et al.. 2018; Sudirman et al. 2022). Other empirical findings also confirm that a strong brand image increases the perception of reliability and quality of service. which ultimately strengthens patient satisfaction (Islamiyah & Wuisan. 2024; Wijayanti et al. 2025; Anjayati. 2021).

Hypothesis 4: The Influence of Brand Image on Patient Satisfaction.

Patient satisfaction is an important indicator in assessing the quality of hospital services and is the basis for the formation of long-term loyalty. Patients who are satisfied with the service experience both in terms of speed. Hospitality. Facilities and facilities tend to have a desire to return to using services and recommend them to others. Thus. Satisfaction plays a key role as the foundation in building a sustainable relationship between patients and hospitals. Various studies have shown that patient satisfaction has a positive and significant effect on patient loyalty (Beerli et al., 2004; Tjiptono. 2011; Suarjana. 2014). Other empirical findings also confirm that the higher the level of patient satisfaction.

the greater the tendency of the patient to remain loyal and make repeat visits (Rosyidah. 2018; Puspita & Paramata. 2022; Rosally et al.. 2024).

Hypothesis 5: The effect of patient satisfaction on patient loyalty.

Good service quality doesn't just have a direct impact on patient loyalty. but it also increases satisfaction which ultimately strengthens that loyalty. The higher the quality of the service that is felt, including the physical environment aspect. responsiveness. communication. and safety, the greater the level of patient satisfaction. which then encourages the formation of loyalty. Thus. Patient satisfaction acts as a mediation mechanism that bridges the relationship between service quality and loyalty. A number of studies have proven that patient satisfaction significantly mediates the influence of service quality on patient loyalty (Fatima et al., 2017; Yunida et al. 2016). Similar findings also show that part of the effect of service quality on loyalty works through increased patient satisfaction (Sefnedi et al., 2020; Mahendrayana et al. 2024; Amen & Untoro. 2024; Suryantari et al. 2024).

Hypothesis 6: The effect of patient satisfaction in mediating service quality on patient loyalty.

Brand Image is the perception and association formed in the patient's mind towards the reputation and quality of the hospital. A strong brand image is able to foster trust and emotional attachment. which ultimately drives loyalty. However. These influences generally do not occur directly. rather, it is through the formation of patient satisfaction in response to a positive service experience. Various studies show that patient satisfaction significantly mediates the relationship between Brand Image and patient loyalty (Ervina. 2022; Martini. 2021). Other empirical findings also prove that Brand Image has an effect on satisfaction. which then has an impact on increasing patient loyalty (Agustina et al.. 2023; Sasmita. 2020; Rindasiwi. 2022; Amen & Untoro. 2024).

Hypothesis 7: The effect of patient satisfaction in mediating Brand Image on patient loyalty.

METHOD

In accordance with the formulation of the problem and the purpose of the research. Therefore, this This study employs a quantitative approach with an explanatory research design to examine the causal relationships among variables through hypothesis testing. The research adopts a cross-sectional design, where data are collected at a single point in time. The objective of this study is to analyze the influence of service quality and brand image on patient loyalty, as well as to examine the mediating role of patient satisfaction in the relationship. The population consists of inpatients at the Praja Amerta Pavilion of Wangaya Regional General Hospital, Denpasar, over the last three years, with an estimated total of 200 patients. The sampling technique used is probability sampling with a simple random sampling method, ensuring that each member of the population has an equal opportunity to be selected. The sample size was determined using the Slovin formula, resulting in 160 respondents as the research sample.

Data were collected through a structured questionnaire using a Likert scale ranging from 1 to 5 to measure respondents' perceptions of service quality, brand image, patient satisfaction, and patient loyalty. The variables in this study consist of service quality and brand image as independent variables, patient satisfaction as a mediating variable, and patient loyalty as the dependent variable. Service quality is measured based on the SERVQUAL dimensions, including tangibles, reliability, responsiveness, assurance, and empathy, while other variables are measured using indicators adapted from previous studies and adjusted to the context of inpatient healthcare services.

The data analysis technique used in this study is Partial Least Squares Structural Equation Modeling (PLS-SEM) with the assistance of SmartPLS software. The analysis includes

descriptive analysis to describe respondent characteristics, followed by evaluation of the measurement model (outer model) and structural model (inner model). The outer model evaluation is conducted to assess validity and reliability through convergent validity (outer loading > 0.60 and AVE > 0.50), discriminant validity, and reliability tests using Cronbach's Alpha and composite reliability (> 0.70). Meanwhile, the inner model evaluation is used to examine the relationships between variables by assessing the coefficient of determination (R²), predictive relevance (Q²), and goodness of fit (GoF).

Hypothesis testing is conducted using the bootstrapping method, with criteria of t-statistic greater than 1.96 and p-value less than 0.05 to determine statistical significance. In addition, mediation analysis is performed to identify the role of patient satisfaction in mediating the relationship between service quality and brand image on patient loyalty, by examining both direct and indirect effects. Prior to SEM analysis, the research instrument is tested for validity using Pearson correlation ($r > 0.30$) and reliability using Cronbach's Alpha (≥ 0.70) to ensure that all measurement items are valid and reliable.

RESULT AND DISCUSSION

Respondent Characteristics

This study involved 200 inpatient respondents of the Praja Amerta Pavilion of Wangaya Hospital, Denpasar City. Based on gender. The composition of respondents is balanced between men (50%) and women (50%). indicates that the service is used equally by both groups. Based on age. The majority of respondents were in the range of 25–35 years (42.50%). followed by the age group of 36-49 years (25.63%) and 17-24 years (19.38%). comments. and reasonable analysis from researchers.

Table 2. Respondent Characteristics

YES	Respondent Characteristics	Number (People)	Percentage (%)
1	Gender		
	Men	80	50%
	Women	80	50%
	Quantity	160	100%
2	Age		
	17 – 24 years old	31	19.38%
	25 – 35 years old	68	42.50%
	36 – 49 years old	41	25.63%
	50 – 64 years old	16	10.00%
	65 years and older	4	2.50%
	Quantity	160	100%

Source: Prepared author (2026)

Table 2 shows that inpatients are dominated by productive age groups who tend to have high expectations for the quality of health services. In general. The characteristics of respondents reflect heterogeneous and representative patient profiles in assessing the quality of service. Brand Image. satisfaction. and loyalty.

Reliability Test

The reliability test aims to determine the level of consistency of respondents' answers contained in the questionnaire. In this measurement, the one-shot method is used, namely with the analysis of Cronbach's Alpha (CA) Ghazali (2003: 238). The results of the calculation in Table 3 show that all constructs show a CA value greater than 0.70 so that all constructs are on the criteria of being very reliable. This means that the respondents' answers to the list of questions asked are very consistent.



Table 3. Cronbach Alpha Value Instrument Validity Test

<i>Construct</i>	<i>Crobach Alpha</i>	<i>Remarks</i>
<i>X1 (Quality of Service)</i>	0.934	Highly Reliable
<i>X2 (Brand Image)</i>	0.926	Highly Reliable
<i>M1 (Patient Satisfaction)</i>	0.798	Highly Reliable
<i>Y1 (Patient Loyalty)</i>	0.857	Highly Reliable

Source: SPSS Calculation Results

Validity Test

A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that the questionnaire will measure (Ghozal, 2013). To perform a validity test, look at the total item construct table. If the correlation value is equal to or greater than 0.30 and is statistically significant then the value is valid. Validity test results for construct X1, X2, M and Y can be seen in the following Table 4.

Table 4. Construct Validity Test

	Indicator	Correlation	Significance
X1.1 (Cleanliness and inpatient room facilities of the Praja Amerta Pavilion are well maintained)			
X1.2 (Officers provide services in accordance with applicable procedures consistently and appropriately)	0.908	Significant	Valid
X1.3 (The staff is quick to respond to requests or calls from patients and is willing to help the patient without delay)	0.909	Significant	Valid
X1.4 (Staff maintain patient privacy during treatment)	0.910	Significant	Valid
X1.5 (The officer understood my needs as an inpatient)	0.872	Significant	Valid
X2.1 (Service at the Praja Amerta Pavilion reflects high standards of competence)	0.897	Significant	Valid
X2.2 (Using the inpatient services at the Praja Amerta Pavilion improved my social image)	0.954	Significant	Valid
X2.3 (Praja Amerta Pavilion is viewed favorably by my social environment)	0.948	Significant	Valid
M1.1 (The service I received corresponded to my expectations as a patient of Paraja Amerta Pavilion)	0.822	Significant	Valid
M1.2 (Overall I am satisfied with the inpatient experience at the Praja Amerta Pavilion)	0.846	Significant	Valid
M1.3 (I am satisfied with getting individual attention from the attendants during the treatment)	0.838	Significant	Valid
M1.4 (The cost I incur is proportional to the quality of service I receive)	0.851	Significant	Valid
M1.5 (I am satisfied with the inpatient service of the Praja Amerta Pavilion)	0.692	Significant	Valid
Y2.1 (I have used the inpatient service at the Praja Amerta Pavilion more than once in the last 3 years)	0.783	Significant	Valid
Y2.2 (Praja Amerta Pavilion will be my first choice if I need hospitalization again)	0.864	Significant	Valid

Y2.3 (I will still choose Paraja Amerta Pavilion even though there are other hospitals that offer similar services)	0.873	Significant	Valid
Y2.4 (My inpatient experience made me intend to use other services at Wangaya Hospital)	0.879	Significant	Valid

Source: SPSS Calculation Results

The results of the calculation in Table 4 show that the correlation of product moment of all research indicators with their total construct scores each has a > value of 0.30 and is statistically significant at the level of 0.05. so that it has a valid measurement value. This means that all questions in the questionnaire can be understood well by all respondents.

Inferential Analysis

The data analysis in this study uses Partial Least Square (PLS) to evaluate the measurement model (outer model) and structural model (inner model).

1. Evaluation of the Outer Model

After the reconstruction of the model by eliminating the ineligible indicators. All indicators have an outer loading > 0.60 and are significant.

Table 5. Convergent validity calculation results after Model Reconstruction

Construct	Indicator	Loading Factor	Results
Patient Satisfaction	M1	0.931	Valid
Patient Satisfaction	M2	0.933	Valid
Patient Satisfaction	M3	0.837	Valid
Patient Satisfaction	M4	0.896	Valid
Service Quality	X11	0.794	Valid
Service Quality	X12	0.907	Valid
Service Quality	X13	0.920	Valid
Service Quality	X14	0.904	Valid
Service Quality	X15	0.875	Valid
Brand Image	X21	0.907	Valid
Brand Image	X22	0.935	Valid
Brand Image	X23	0.937	Valid
Patient Loyalty	Y1	0.575	Marginal / Acceptable
Patient Loyalty	Y2	0.920	Valid
Patient Loyalty	Y3	0.916	Valid
Patient Loyalty	Y4	0.791	Valid

Source: Prepared author (2026)

The AVE value > 0.50 and the composite reliability > 0.70 indicate that the model meets the convergent validity criteria. discriminant validity. and reliability. Thus. The measurement model is declared valid and reliable.

Table 6. Discriminant Validity Test

Indicator	Brand Image	Patient Satisfaction	Service Quality	Patient Loyalty
M1	0.697	0.931	0.768	0.761
M2	0.657	0.933	0.779	0.739
M3	0.605	0.837	0.678	0.607
M4	0.668	0.896	0.722	0.750
X11	0.603	0.616	0.794	0.569
X12	0.677	0.730	0.907	0.647



X13	0.642	0.714	0.920	0.615
X14	0.606	0.756	0.904	0.684
X15	0.612	0.780	0.875	0.699
X21	0.907	0.673	0.721	0.629
X22	0.935	0.661	0.605	0.740
X23	0.937	0.698	0.657	0.646
Y1	0.338	0.301	0.244	0.575
Y2	0.680	0.811	0.747	0.920
Y3	0.698	0.769	0.737	0.916
Y4	0.554	0.553	0.485	0.791

Prepared author (2026)

2. Inner Model Evaluation

The R² value of patient satisfaction was 0.716 and patient loyalty was 0.686. which belongs to the strong category. Meaning. service quality and Brand Image are able to explain 71.6% of the variation in patient satisfaction. Meanwhile, patient loyalty is explained by 68.6% by service quality. Brand Image. and patient satisfaction. A Q² value of 0.911 indicates that the model has a very strong predictive relevance. A GoF value of 0.74 indicates that the model has a high level of fit (large fit).

Overall. The research model has excellent predictive power and compatibility.

Path Analysis and Hypothesis Testing

The expected test result is that Ho is rejected or Hi is accepted where the sig value < 0.05. The results of the calculation are shown in Table 9. as follows:

Table 9. Path Analysis & Hypothesis Testing

Variable relationship	Original sample (o)	Sample mean (m)	Standard deviation (stdev)	T statistics	P values
Brand image → patient satisfaction	0.298	0.305	0.093	3.210	0.001
Brand image → patient loyalty	0.273	0.272	0.124	2.200	0.028
Patient satisfaction → patient loyalty	0.476	0.474	0.148	3.221	0.001
Service quality → patient satisfaction	0.607	0.606	0.092	6.619	0.000
Service quality → patient loyalty	0.148	0.153	0.174	0.852	0.395

Prepared author (2026)

The Effect of Service Quality on Patient Loyalty

Quality of service had a positive but insignificant effect on patient loyalty ($\beta = 0.148$). This shows that improving the quality of service has not been directly able to increase patient loyalty without the presence of intermediary factors.

The Influence of Brand Image on Patient Loyalty

Brand image had a positive and significant effect on patient loyalty ($\beta = 0.273$). Meaning. The stronger the premium image that the patient feels. The higher their tendency to stick with the hospital.

The Effect of Service Quality on Patient Satisfaction

The quality of service had a positive and significant effect on patient satisfaction ($\beta = 0.607$). These findings confirm that the SERVPERF dimension is like reliability. responsiveness. and empathy is the main determinant of patient satisfaction.

The Influence of Brand Image on Patient Satisfaction

Brand Image had a positive and significant effect on patient satisfaction ($\beta = 0.298$). A good hospital image reinforces a patient's positive evaluation of the service experience.

The Effect of Satisfaction on Patient Loyalty

Patient satisfaction had a positive and significant effect on patient loyalty ($\beta = 0.476$). This shows that satisfaction is a key factor in forming loyalty in premium healthcare.

The Effect of Patient Satisfaction in Mediating Service Quality on Patient Loyalty

Patient satisfaction has been proven to mediate the relationship between service quality and patient loyalty. This is shown by the insignificant direct influence of service quality on loyalty, while the indirect influence through patient satisfaction is significant. Thus. Service quality can only increase loyalty if it is first able to increase patient satisfaction.

The Influence of Patient Satisfaction in Mediating Brand Image on Patient Loyalty

Patient satisfaction mediates the relationship between Brand Image and patient loyalty. The direct influence of Brand Image on loyalty is significant, and the indirect influence through patient satisfaction is also significant. This shows that Brand Image can increase loyalty both directly and through increased satisfaction. Although there are still other factors that play a role in strengthening patient loyalty.

Table 10. Indirect relationship of analysis paths

Yes	<i>Indirect relationship</i>	<i>Path coefficient (o)</i>	<i>Standard deviation (stdev)</i>	<i>T-statistic</i>	<i>P-value</i>	<i>Conclusion</i>
1	Brand Image → Patient Satisfaction → Patient Loyalty	0.142	0.061	2.336	0.020	Significant
2	Service Quality → Patient Satisfaction → Patient Loyalty	0.289	0.105	2.742	0.006	Significant

Source: Author's Preparation (2026)

Discussion

The Effect of Service Quality on Patient Loyalty

The results of the analysis showed that the quality of service had a positive but not significant influence on patient loyalty with a path coefficient of $\beta = 0.148$ and a p-value = 0.395 (>0.05). This suggests that the first hypothesis that quality of service has a significant effect on patient loyalty is not supported. This finding indicates that the improvement in the quality of services provided by hospitals has not been directly able to increase the loyalty of inpatients at the Praja Amerta Pavilion of Wangaya Hospital, Denpasar City. Theoretically. Service quality is an important factor in shaping customer loyalty through

a positive service experience. According to Parasuraman et al. (1988). Service quality reflects the customer's perception of the excellence of the service provided through the reliability dimension, responsiveness, insurance, empathy, and tangible. In the context of service marketing, Good service quality is expected to be able to create long-term relationships between customers and service providers.

Nevertheless, The results of this study show that in the context of health services, Patient loyalty is not always directly affected by the quality of service. This condition can occur because the patient's decision to return to health services is often influenced by other factors such as medical needs, referral system, insurance cooperation or BPJS, as well as the availability of other health facilities. These findings are in line with the research of Kotler and Keller (2012) which states that customer loyalty is not only influenced by the quality of service, but also by emotional factors, trust, and long-term relationships with service providers. Therefore, Improving patient loyalty requires a more comprehensive approach that considers other factors beyond service quality alone.

The Influence of Brand Image on Patient Loyalty

The results showed that Brand Image had a positive and significant effect on patient loyalty with a path coefficient value of $\beta = 0.273$ and a p-value = 0.028 (<0.05). Thus, The second hypothesis that Brand Image has a significant effect on patient loyalty is acceptable. Brand Image is a perception formed in the minds of consumers towards a brand through various experiences and information received. Keller (1993) in the theory of Customer-Based Brand Equity states that a strong brand image will create positive associations in consumers' memory which ultimately influences their behavior in choosing and reusing a product or service. In the context of health services, A good hospital image can increase patient trust as well as strengthen their confidence in the quality of services provided.

The findings of this study show that the more positive the image of the hospital that patients feel, The higher the patient's tendency to continue using inpatient services and recommend them to others. These results are in line with the research of Sugiarto et al. (2023) and Cham et al. (2022) which found that hospital image has a significant influence on patient loyalty. Thus, Strengthening Brand Image is an important strategy for hospitals in increasing patient loyalty in a sustainable manner

The Effect of Service Quality on Patient Satisfaction

The results of the analysis showed that the quality of service had a positive and significant effect on patient satisfaction with a line coefficient value of $\beta = 0.607$ and p-value = 0.000 (<0.05). Thus, The third hypothesis that the quality of service has a significant effect on patient satisfaction is accepted. Theoretically, Service quality is a major determinant in the formation of customer satisfaction. According to the Expectation Confirmation Theory proposed by Oliver (1980), Satisfaction arises when the performance of the services a customer receives meets or exceeds their expectations. In the context of health services, Good quality of service will increase the positive perception of patients towards the treatment experience received.

The results of this study show that the better the quality of services provided by hospitals, the higher the level of satisfaction felt by the patient. This is supported by research by Singh et al. (2013) and Handoko and Handayani (2024) which found that service quality has a significant influence on patient satisfaction. Therefore, Improving the quality of services through improving the competence of health workers, speed of service, and adequate facilities are important factors in creating patient satisfaction.

The Influence of Brand Image on Patient Satisfaction

The results showed that Brand Image had a positive and significant effect on patient satisfaction with a path coefficient of $\beta = 0.298$ and $p\text{-value} = 0.001 (<0.05)$. Thus, the fourth hypothesis in this study is acceptable. A positive brand image can increase trust and perception of the quality of services owned by an organization. Keller (2020) states that a strong brand image will shape consumers' positive expectations of the products or services offered. In the context of health services, a good image of the hospital will create confidence that the services provided are of high quality and can meet the needs of patients.

The results of this study show that a good hospital image is able to increase patient satisfaction with inpatient services. These findings are in line with research by Setiyowati et al. (2018) and Sudirman et al. (2022) which show that Brand Image has a significant influence on patient satisfaction. Therefore, Hospital image management is an important aspect in improving the perception of service quality and patient satisfaction.

The Effect of Patient Satisfaction on Patient Loyalty

The results of the analysis showed that patient satisfaction had a positive and significant effect on patient loyalty with a path coefficient value of $\beta = 0.476$ and $p\text{-value} = 0.001 (<0.05)$. Thus, the fifth hypothesis in this study is accepted. Customer satisfaction is one of the key factors in building long-term loyalty. Oliver (1980) states that customer satisfaction is a psychological condition formed from a positive customer experience of a product or service, which then influences their behavior to reuse the service.

The results of this study show that the higher the level of patient satisfaction with inpatient services, the higher the patient's loyalty to the hospital. These findings are in line with the research of Beerli et al. (2004) and Tjiptono (2011) which showed that customer satisfaction has a significant influence on customer loyalty. Therefore, improving patient satisfaction is an important strategy in maintaining patient loyalty in the long run.

The Role of Patient Satisfaction in Mediating the Influence of Service Quality on Patient Loyalty

The results of the study show that patient satisfaction mediates the full mediation of the effect of service quality on patient loyalty. This is demonstrated by a direct relationship between service quality and patient loyalty that is not significant, while the indirect relationship through patient satisfaction proved significant. These findings suggest that the quality of service does not directly increase patient loyalty, but first it increases patient satisfaction which then has an impact on loyalty. In other words, patient satisfaction is the main mechanism that bridges the relationship between service quality and patient loyalty. The results of this study are in line with the research of Fatima et al. (2017) and Mahendrayana et al. (2018) which stated that customer satisfaction plays a mediating variable in the relationship between service quality and customer loyalty. Thus, improving service quality must be directed at creating a service experience that is able to meet patient expectations so that it can increase patient satisfaction and loyalty on an ongoing basis.

The Role of Patient Satisfaction in Mediating the Influence of Brand Image on Patient Loyalty

The results of the analysis showed that patient satisfaction partially mediated the influence of Brand Image on patient loyalty. This can be seen from the direct influence of Brand Image on significant patient loyalty and indirect influence through patient satisfaction which is also significant. These findings show that Brand Image can increase patient loyalty both directly and through increased patient satisfaction. A good hospital image does not only create a positive perception of the quality of service, but it also increases patient satisfaction which ultimately strengthens their loyalty.

The results of this study are in line with the research of Ervina (2022) and Agustina et al. (2023) which shows that customer satisfaction plays a mediator in the relationship between Brand Image and customer loyalty. Thus, patient loyalty enhancement strategies do not only depend on strengthening the



hospital's image. but also on improving the quality of the service experience that is able to create patient satisfaction.

Theoretical Implications

This research contributes to the development of theories in the field of health services marketing management. especially related to the relationship between service quality. Brand Image. patient satisfaction. and patient loyalty in the context of hospital inpatient services.

First, the results of this study strengthen the Expectation Confirmation Theory (ECT) put forward by Oliver (1980). This theory explains that consumer satisfaction is formed through a process of comparison between initial expectations and perceived service performance. The findings of the study show that service quality and brand image have a positive and significant effect on patient satisfaction. This indicates that when hospital services are able to meet or even exceed the patient's expectations. then higher satisfaction will be formed. This satisfaction then becomes the main factor that encourages the formation of patient loyalty to hospital services.

Second, this research strengthens the concept of Service Quality Theory developed by Parasuraman. Zeithaml. and Berry (1988) through the SERVQUAL model. This model states that the quality of service consists of five main dimensions. namely reliability. responsiveness. insurance. empathy. and tangible. The results of the study show that the quality of service has a positive and significant influence on patient satisfaction. However, it does not have a significant direct effect on patient loyalty. These findings enrich the previous literature by showing that in the context of healthcare. Quality of service does not always directly result in patient loyalty. rather, it works through patient satisfaction as a mediation mechanism.

Third, this research also supports the Customer-Based Brand Equity Theory (CBBE) put forward by Keller (1993; 2020). which states that the strength of a brand lies in the perception and associations formed in the minds of consumers. The results of the study show that Brand Image has a positive and significant effect on patient satisfaction and patient loyalty. This shows that a strong image of a hospital can increase patient trust and confidence in the quality of services provided. thus, strengthening the long-term relationship between patients and hospitals. Fourth. This research reinforces the theory of Customer Loyalty put forward by Oliver as well as Kotler and Keller, which states that customer loyalty is the result of a satisfying and sustainable consumption experience. The results of the study show that patient satisfaction has a positive and significant influence on patient loyalty. thus confirming that satisfaction is a key factor in the formation of long-term loyalty in health services.

In addition. This study also makes a theoretical contribution by showing that patient satisfaction plays a mediating variable in the relationship between service quality and brand image on patient loyalty. Specifically. This study found that patient satisfaction mediates the relationship between service quality and patient loyalty. and partially mediate the relationship between Brand Image and patient loyalty. These findings suggest that patient loyalty in healthcare is formed through a multidimensional process involving functional aspects. psychological. and perceptual. Thus. This study enriches the literature review in the field of health service marketing by providing empirical evidence on the role of patient satisfaction as a mediating mechanism in the relationship between service quality. Brand Image. and patient loyalty.

Practical Implications

Practically, the results of this study provide several important implications for the management of the Praja Amerta Pavilion of Wangaya Hospital Denpasar City in increasing the satisfaction and loyalty of inpatients. First, from the aspect of service quality. Hospital management needs to ensure that the services provided to patients run in accordance with the established operational standards. Improving the quality of services can be done through improving the competence of health workers. Increased responsiveness of officers in handling patient needs. and improving the quality of communication between medical personnel and patients. In addition, tangible aspects such as room cleanliness, comfort of facilities. And the completeness of medical equipment also needs to be maintained consistently in order to create a positive service experience for patients.

Second, from the aspect of Brand Image, hospitals need to strengthen their image as professional, trusted, and quality health service providers. Strengthening the brand image can be done through a consistent communication strategy regarding the advantages of the services owned. Transparent information delivery to patients, as well as improving the hospital's reputation through a positive patient experience. With a strong image, Hospitals can increase patient trust and strengthen their loyalty to the services provided. Third, from the aspect of patient satisfaction. Hospital management needs to routinely evaluate the patient's experience during treatment. This evaluation can be done through patient satisfaction surveys, provision of a responsive complaint system, and improving the quality of interaction between health workers and patients. High patient satisfaction will create a positive perception of hospital services and encourage the formation of patient loyalty in the long run. Fourth, from the aspect of patient loyalty, Hospitals need to create a consistent and memorable service experience for patients. Patient loyalty is not only formed through good service quality, but also through the emotional connection and trust built between the patient and the hospital. Therefore, Hospital management needs to develop a patient-centered care strategy and maintain long-term relationships with patients through post-care communication, health education, and follow-up services.

Overall, The results of this study show that increasing patient loyalty does not only depend on the quality of service or the image of the hospital, but also in the hospital's ability to create patient satisfaction through a positive and continuous service experience. Therefore, The strategy of increasing patient loyalty needs to be carried out comprehensively through strengthening service quality, hospital image management, and increasing patient satisfaction as the main factor in forming loyalty in health services.

CONCLUSION

This study aims to analyze the influence of service quality and brand image on the loyalty of inpatients at the Praja Amerta Pavilion of Wangaya Hospital, Denpasar City with patient satisfaction as a mediating variable. Based on the results of the analysis, the Partial Least Square (PLS) approach was used. It was found that the quality of service had a positive but not significant effect on patient loyalty. So that improving service quality has not been directly able to increase patient loyalty. Quite the opposite, Brand image has been proven to have a positive and significant effect on patient loyalty, which shows that a strong image of the hospital can increase the trust and attachment of patients to continue using hospital services. In addition, service quality and brand image have also been proven to have a positive and significant effect on patient satisfaction, which shows that good service quality and a positive image of the hospital are able to improve the evaluation and experience of patient service.

Next, Patient satisfaction has been proven to have a positive and significant effect on patient loyalty. So that satisfaction is an important factor in shaping patient loyalty in health services. The results of the study also showed that patient satisfaction mediated a full relationship between service quality and patient loyalty, and partially mediate the relationship between Brand Image and patient loyalty. These findings suggest that patient loyalty in healthcare is formed through interactions between service quality, image of the hospital, and patient satisfaction as the main connecting mechanism. Therefore,



Efforts to increase patient loyalty need to be carried out comprehensively through improving service quality, strengthening Brand Image, and continuous patient satisfaction management.

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