Building Patient Loyalty in Private Hospitals: A Narrative Review of Key Determinants

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Abstract: *Patient loyalty has become a strategic outcome for private hospitals competing in increasingly contested health-care markets, yet the literature often treats service quality, satisfaction, trust, and image as standalone variables, with limited integration of perceived value and patient experience. This narrative review synthesises contemporary literature on patient loyalty in private hospitals by linking five core constructs: service quality, perceived value, patient trust, hospital image, and patient experience. Publications from 2010 to 2024 were searched in PubMed, Scopus, Web of Science, and Google Scholar, and the synthesis was structured around these constructs. The discussion shows how the constructs interact, why mixed-financing contexts in developing countries, combining out-of-pocket payment, private insurance, and public coverage, generate distinctive loyalty dynamics, and how digital touchpoints and the lived patient journey are becoming central to value-based care. Patient loyalty is a multidimensional outcome that cannot be cultivated through transactional satisfaction alone; it emerges from consistency of experience, transparent value, and trust built ethically over time. The review identifies open research gaps, namely longitudinal studies, payment-segment analyses, integration of digital patient experience, and context-sensitive mixed-methods designs.*

INTRODUCTION

The private-hospital landscape in many countries, particularly across Southeast Asia, has undergone structural transformation that has intensified inter-hospital competition. The growth of the middle class, the expansion of corporate hospital networks, the entry of cross-border investors, and the rapid scaling of digitally enabled health services have placed private hospitals under competitive pressure that is increasingly comparable to that of other service industries (Darzi, Islam, Khursheed, & Bhat, 2023; Swathi, Barkur, & Somu, 2023). At the same time, the rise of

value-based health-care delivery has reframed quality not as inputs and processes alone but as outcomes that matter to patients per unit of cost (Porter, 2010). In this context, the ability of a hospital to retain patients over time, rather than merely attract new ones, has become a strategic indicator of operational sustainability (Fatima, Malik, & Shabbir, 2018; Meesala & Paul, 2018).

Patient loyalty has long been recognised as a relational asset of greater value than the acquisition of new customers (Meesala & Paul, 2018). Loyal patients tend to choose the same hospital for recurring health needs, recommend it to family and friends, and resist the appeals of competitors (AlOmari & Hamid, 2022; Chen et al., 2022). For private hospitals, patient loyalty not only reflects service quality but also influences revenue stability, marketing efficiency, and institutional reputation (Fatima et al., 2018).

Patient behaviour, however, is no longer what it was a decade ago. Access to information through the internet, online reviews, social media, and telemedicine platforms has transformed how patients evaluate hospitals (Swathi et al., 2023). Contemporary patients, particularly those who pay out-of-pocket or hold private insurance, increasingly position themselves as active consumers who compare and assess providers (Lin & Yin, 2022; Nguyen, Tran, & Nguyen, 2021). They weigh cost, quality, comfort, hospital image, and even administrative experience before reaching a decision (Trisno & Berlianto, 2023). Consequently, private hospitals can no longer rely on loyalty grounded in habit or geographic constraint alone.

The literature on the determinants of patient loyalty has identified several core constructs: service quality, patient satisfaction, patient trust, hospital image, perceived value, and patient experience (Darzi et al., 2023; Shie et al., 2022; Winata, Wahyoedi, & Gunardi, 2022). Yet most studies examine these constructs piecemeal, foregrounding one or two relationships without engaging the complexity of mixed health-financing contexts in developing economies (Prakoeswa, Hidayah, & Dewi, 2022; Setyawan, Supriyanto, Ernawaty, & Lestari, 2020). Patient experience as the lived, descriptive trajectory of care also remains comparatively under-explored relative to service quality and satisfaction (Chen et al., 2022).

This narrative review aims to synthesise contemporary literature on patient loyalty in private hospitals by integrating five core constructs, service quality, perceived value, patient trust, hospital image, and patient experience, within a coherent narrative framework. The review examines how these constructs interact, why mixed-financing contexts in developing countries produce distinctive loyalty dynamics, and which research gaps remain open for empirical follow-up.

LITERATURE REVIEW

Conceptual Framework

This review is guided by a conceptual framework that positions patient loyalty as a multidimensional outcome shaped by five interacting constructs: service quality, perceived value, patient trust, hospital image, and patient experience. This framework draws on established theoretical foundations including the SERVQUAL model (Parasuraman, Zeithaml, & Berry, 1988), the value-based health care framework (Porter, 2010), and the trust literature in health services (Hall, Dugan, Zheng, & Mishra, 2001). The framework acknowledges that these constructs do not operate in isolation; rather, they interact within contextual conditions that shape the loyalty formation process, particularly in developing-country health systems characterised by mixed financing. Patient satisfaction is positioned as a mediating variable between service delivery constructs and loyalty outcomes, consistent with the predominant finding in the literature. The framework also recognises that loyalty has both attitudinal and behavioural dimensions, and

that the relative weight of each construct may vary across service type, payment mechanism, disease severity, and patient sociodemographic profile.

METHOD

This study employed a narrative review methodology to synthesise contemporary literature on patient loyalty in private hospitals. A systematic search of electronic databases was conducted, including PubMed, Scopus, Web of Science, and Google Scholar, covering publications from 2010 to 2024. Search terms included combinations of the following keywords: "patient loyalty", "private hospital", "service quality", "perceived value", "patient trust", "hospital image", "patient experience", "patient satisfaction", and "health-care market". Articles were included if they (1) addressed patient loyalty or its determinants in hospital or primary health-care settings, (2) were published in peer-reviewed journals or as book chapters, and (3) were written in English. Grey literature, conference abstracts without full text, and opinion pieces without empirical or theoretical grounding were excluded. A total of 26 peer-reviewed sources were identified and included in this review. Data extraction focused on the constructs examined, the study design, the health-care setting, the country context, and the key findings. The narrative synthesis was structured around five core constructs, namely service quality, perceived value, patient trust, hospital image, and patient experience, and their interactions within mixed-financing health-care contexts in developing countries.

Search Strategy and Inclusion Criteria

The search was conducted in two phases. The first phase used broad terms such as "patient loyalty" and "hospital" to identify the scope of available literature. The second phase used targeted combinations of constructs, for example "service quality AND patient loyalty AND private hospital" and "perceived value AND patient satisfaction AND developing country", to identify studies relevant to the specific constructs reviewed. Articles identified through database searches were screened by title and abstract, followed by full-text review for eligibility. Reference lists of included articles were also hand-searched to identify additional relevant sources not captured by the database search. Priority was given to studies conducted in developing-country contexts, particularly Southeast Asia, South Asia, and the Middle East, given the review's focus on mixed-financing health systems. However, seminal conceptual works and meta-analyses from high-income settings were also included where they provided foundational theoretical grounding.

RESULT AND DISCUSSION

Trust as the Relational Foundation of Patient Loyalty

Patient trust is frequently positioned as the foundation of long-term relationships between patients and hospitals (AlOmari & Hamid, 2022; Shie et al., 2022). In the health-care context, trust is defined as the patient’s belief that the hospital and its clinicians possess competence, act with integrity, prioritise patient interests (benevolence), and uphold patient safety (Hall et al., 2001; Shie et al., 2022). Because health care is a credence service whose quality cannot be evaluated directly, patients must rely on trust to bridge the knowledge gap between themselves and providers. Trust performs a distinctive functional role: it lowers perceived risk inherent in patient decision-making (Shie et al., 2022). Pre-existing trust in a particular hospital can shorten decision processes because the patient feels sufficiently confident to delegate certain decisions to the institution they trust (AlOmari & Hamid, 2022).

It is important to distinguish trust from satisfaction. Satisfaction is an evaluation of an experience already had, whereas trust is an expectation of how the hospital will behave in the future (Shie et al., 2022; Trisno & Berlianto, 2023). Trust is regarded as having stronger predictive power for loyalty than satisfaction alone (AlOmari & Hamid, 2022; Shie et al., 2022). Patients who trust their hospital are more likely to return, to recommend it, and to resist switching to competitors (Fatima et al., 2018).

Hospital Image and Patient Experience

Hospital image encompasses the overall perception held by the public and prospective patients, shaped by reputation, branding, accreditation, institutional history, online reviews, and community word-of-mouth (Lin & Yin, 2022; Trisno & Berlianto, 2023; Winata et al., 2022). A positive hospital image acts as a quality signal that helps patients reduce uncertainty before making decisions. The study by Winata et al. (2022) in Indonesian hospitals shows that hospital image significantly influences satisfaction and loyalty, both directly and through mediators such as trust.

Patient experience is the entire journey patients live through across the continuum of care: from the first point of contact, registration and initial administration, waiting time, clinical interaction, procedures, communication of results, billing, discharge, and post-care follow-up (Chen et al., 2022; Swathi et al., 2023). Evidence is robust that patient experience is positively associated with clinical safety and effectiveness (Doyle, Lennox, & Bell, 2013).

The digital era extends patient experience into online spaces. Ease of online booking, clarity of website information, and digital access to test results have all become integral to a coherent patient experience (Swathi et al., 2023).

Financing Context and Patient Choice in Developing Health Systems

Health systems in developing countries are characterised by mixed financing involving public health insurance, private health insurance, and out-of-pocket payment (Prakoeswa et al., 2022; Setyawan et al., 2020). In Indonesia, the National Health Insurance scheme (Jaminan Kesehatan Nasional, JKN) administered by BPJS Kesehatan now covers nearly the entire population, yet private hospitals continue to serve self-pay and privately insured patients as an important part of their service portfolio. Comparable patterns are observed in Vietnam, India, and Pakistan: patients with greater ability to pay hold more specific experiential expectations, and their value perceptions are more sensitive to alignment between cost and benefit (Fatima et al., 2018; Meesala & Paul, 2018; Nguyen et al., 2021).

Integrated Conceptual Synthesis

Service quality functions as the starting point that simultaneously affects several constructs. Strong service quality generates patient satisfaction, reinforces hospital image, and supports the gradual formation of trust over time (Darzi et al., 2023; Meesala & Paul, 2018). Hospital image shapes initial expectations and provides a cognitive scaffold for trust. Perceived value strengthens satisfaction by adding a rational dimension to patient evaluation. Trust then becomes the foundation of long-term loyalty. Patient experience serves as the practical bridge connecting service quality to loyalty.

Research Gaps and Future Directions

A number of significant gaps remain open for empirical inquiry. First, the majority of existing studies adopt cross-sectional designs. Longitudinal studies are needed to clarify how service quality, satisfaction, trust, and loyalty co-evolve (Chen et al., 2022). Second, the literature often

fails to distinguish between loyalty intention and actual revisit behaviour (AlOmari & Hamid, 2022). Third, segmentation by payment mechanism remains relatively under-explored (Prakoeswa et al., 2022; Setyawan et al., 2020). Fourth, the integration of patient experience, trust, perceived value, and digital touchpoints in a single model is still rare (Chen et al., 2022; Swathi et al., 2023). Fifth, there is a continuing need for research in private hospitals of developing countries that takes seriously the complexities of local context (Prakoeswa et al., 2022; Setyawan et al., 2020).

Practical Implications for Private Hospital Managers

Improvements in service quality should not be narrowed to investment in physical facilities or cutting-edge medical technology alone. Aspects such as staff communication, waiting-time management, transparency of information, and clinical empathy have been shown to weigh at least as heavily on patient perception (Meesala & Paul, 2018; Swathi et al., 2023). Building trust must be treated as a systematically managed priority rather than a by-product of marketing (Shie et al., 2022). Patient experience should be treated as a managerial discipline in its own right. Loyalty must be built through fair and ethical relationships: durable loyalty can only be built when patients feel free to choose and continue to choose the same hospital on the basis of genuine trust and tangible value (AlOmari & Hamid, 2022).

CONCLUSION

Patient loyalty in private hospitals is a multidimensional outcome shaped by the interaction of service quality, perceived value, patient trust, hospital image, satisfaction, and patient experience. This narrative review shows that these constructs do not stand alone; they interact within a complex, context-dependent web. Service quality provides an evaluative foundation, perceived value adds a rational dimension, trust underwrites long-term relationships, hospital image shapes initial expectations, patient experience serves as the practical bridge along the patient journey, and satisfaction acts as the mediator that maintains the coherence of the entire pathway.

Ultimately, patient loyalty should not be understood as a marketing target alone. Authentic and sustainable loyalty is the consequence of care that is consistent, safe, valuable, and patient-centred, care that respects patients' values, needs, and preferences and engages them as partners in clinical decisions (Epstein & Street, 2011). For private hospitals operating in increasingly competitive health-care markets, particularly in developing countries with mixed-financing structures, building loyalty means building an institution worthy of long-term trust. Future research can enrich this understanding through longitudinal designs, ethical payment-segment analyses, integration of digital experience, and context-sensitive mixed-methods approaches.

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