The purpose of this study was to examine the mediation mechanism of customer affection to account for the influence of perceived justice dimensions (distributive justice, procedural justice and interactional justice) on word of mouth and customer loyalty.

This study has theoretical foundation on emotional appraisal theory, theory of love and theory of justice. This cross-sectional study was conducted on car insurance sector of Faisalabad region. Self-administrated questionnaire was distributed to respondents (using convenient sampling technique). 210 properly filled questionnaires were used for analysis in SPSS. Cronbach alpha and Principal Component Analysis (PCA) had been used for assessing validity and reliability of the instrument. Pearson correlation, Regression analysis and Preacher and Hayes (2008) were the statistical techniques used for data analysis. Regression results depict significant direct relationships between all variables under study, further interactional justice accounts for highest variance in word of mouth and loyalty as compared to other dimensions of perceived justice and affection has strongest effect on WOM.

Mediation analysis depicts that customer affection fully mediates the relationship between procedural justice and customer loyalty. While customer affection partially mediate the relationships between "distributive justice and loyalty" and "interactional justice and loyalty". Similarly, customer affection also plays its role as partial mediator on the relationships between "distributive justice and WOM," "procedural justice and WOM" and "Interactional Justice and WOM".

This research extended previous studies by adding affection as an affective mediator. Further this research also contributed to practitioners by providing strategies for effective service recovery that would positively affect customer justice perception, strengthen customer affection and ultimately generate loyal customer that will prove positive advocator of company.