



Americans Spending More on Travel Insurance

Americans are increasingly interested in the coverage and peace of mind offered by travel protection. In 2016, Americans spent nearly \$2.8 billion on all types of travel protection, as conveyed in the recently released 2014–2016 Travel Protection Market Study conducted for the US Travel Insurance Association. This amount represents an increase of 19.1% from 2014. Coverage and protection includes annual products and per-trip travel protection, with benefits ranging from trip cancellation and interruption, lost luggage, emergency medical, medical evacuation and various other benefits and programs from UStiA member companies.

“Our members observe a growing awareness of the types of things that can disrupt travel—extreme weather, natural disasters, and airline delays to name a few. This, I think, combined with consumers’ desire to protect their travel investment, is driving the increase in plans purchased and people covered,” says Megan Freedman, UStiA’s executive director.

42.6 million people covered

In 2016, approximately 42.6 million people were protected by more than 32.3 million plans provided by UStiA members. Consumers purchased these plans through distribution channels such as travel suppliers, travel agents, travel insurance providers, internet aggregators, and brokers. The number of people covered has increased by 23.7% from 2014, while the number of plans sold increased by 28.5%.

Trip cancellation/interruption remains the most popular choice

Programs that include trip cancellation/interruption benefits account for more than 87% of the travel protection products purchased in 2016. Programs focusing on medical and medical evacuation benefits account for 7.8% of the programs sold.

Background

The 2014–2016 Travel Protection Market Study was conducted for UStiA by Willis Towers Watson, an independent actuarial and benefits consulting firm. The study was designed to gather and disseminate market information to UStiA members and the general public. It follows the Travel Insurance Benchmark Survey of 2004 and biannual

follow-up surveys conducted in 2006, 2008, 2010, 2012, and 2014. Full results of the study are provided to UStiA members who participate in it.

About UStiA

UStiA is a nonprofit association of insurance carriers and allied businesses involved in the development, administration, and marketing of travel insurance and assistance services. UStiA promotes fairness, integrity, and a commitment to excellence in the travel insurance industry, with a mission to educate the public on travel insurance while maintaining high industry standards. For more information on UStiA and travel insurance, visit www.ustia.org.

UStiA also sponsors TRIP (Travel Responsibly, Informed, and Protected), a consumer advocacy website with helpful information, including timely tips on travel, health, safety, and security. For more information, visit www.trip.ustia.org.

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