



Americans Spend Nearly \$4 Billion on Travel Insurance Annually, According to New USTiA Study

American travelers display an increasing interest in safeguarding their travel investments against the unknown with travel protection. In 2018, Americans spent nearly \$3.8 billion on all types of travel protection, as conveyed in the recently released 2016-2018 Travel Protection Market Study conducted for the US Travel Insurance Association. This amount represents an increase of 40.9% from 2016. 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.

"The industry has continuously evolved to meet the needs of the marketplace," says Megan Cruz, USTiA's executive director. "With increased mobility, the travel insurance industry has met the needs of the market by providing products and coverages that protect lives, valuables and investment."

65.8 million people covered

In 2018, approximately 65.8 million people were protected by more than 46.3 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 insurance producers. The number of people covered increased by 49.1% from 2016, while the number of plans sold has increased by 36.5%.

Trip cancellation/interruption remains the most popular choice

Programs that include trip cancellation/interruption benefits account for almost 90% of the travel protection products purchased in 2018. Programs focusing on medical and medical evacuation benefits account for 6.3% of the programs sold.

Background

The 2016-2018 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 market information and disseminate it 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, 2014, and 2016. 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.

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