Travel Insurance & trends ’23
Consumer Traveler trends
Consumers confirm their will to travel in 2023

1. Sustained traveler interest
   • Search volumes maintained quarter over quarter
   • Steady traveler interest and enthusiasm

2. Travelers open to planning further out
   • Still planning trips in the near term (steady research level for <90d)
   • Some travelers planning further out – growing 180+d research

3. Holiday travel and beyond
   • Searches for year-end holiday are up (+60% year over year)
   • Searches for 2023 holiday are also up (+65% year over year)

4. City breaks grow in popularity
   • Major cities kept in the top 10 of destinations (NY, London, SG)…
   • … with also increasing cities (Boston, Berlin, Bangkok)

5. Evolving business travel outlook
   • 10% year over year demand uplift with business travel profile
   • 32% of customers plan to take a business trip in the next 12 months

Source: Expedia Group Media Solutions, Q4 Traveler Insights Report, Nov 2022
Despite inflation, consumers still plan to travel in (early) 2023

Source: Oxford Economics, October 2022; European Travel Commission, October 2022
In Europe, the major concern vs. travel are the rising costs & personal finance

Leading concerns for those who are most likely to travel next

- **23.0%** Rise in the overall 5%* cost of my trip due to inflation
- **9.0%** Implementation of sudden quarantine measures during my trip
- **8.3%** Changes in travel restrictions during my trip
- **8.0%** Becoming ill with COVID-19 during my trip
- **17.1%** Economic situation and personal finances
- **8.9%** The ongoing conflict between Russia and Ukraine
- **8.1%** Booking and cancellation policies (refunds, etc.)
- **6.6%** Rising COVID-19 cases in the destinations I want to visit

Top 4 markets concerned with rising travel costs

- **Spain** 28.0%
- **Poland** 25.3%
- **Belgium** 24.7%
- **Italy** 23.5%

Top 4 markets concerned with personal finances

- **Belgium** 19.9%
- **Germany** 19.6%
- **Poland** 18.7%
- **UK** 18.3%

Source: European Travel Commission, Oct 2022
For their happiness, consumers want to travel despite inflation, and will look for better prices.

Impact of inflation on next trip and accommodations decisions:
- Extremely impact: 14% US, 10% UK, 11% DE, 15% FR, 18% ES, 8% AU
- High impact: 27% US, 31% UK, 31% DE, 36% FR, 38% ES, 26% AU
- Moderate impact: 39% US, 40% UK, 39% DE, 34% FR, 35% ES, 37% AU
- No impact: 19% US, 19% UK, 20% DE, 15% FR, 10% ES, 28% AU

Importance of trips booked in advance on happiness & mental wellbeing:
- Extremely important: 11% US, 7% UK, 12% DE, 6% FR, 6% ES, 9% AU
- Very important: 19% US, 17% UK, 14% DE, 15% FR, 15% ES, 15% AU
- Important: 26% US, 27% UK, 28% DE, 25% FR, 26% ES, 25% AU
- Somewhat important: 28% US, 35% UK, 34% DE, 38% FR, 39% ES, 30% AU
- Not important: 15% US, 14% UK, 22% DE, 17% FR, 15% ES, 20% AU

Time to be spent on looking for the best price for accommodation (vs 2 years ago):
- Much more: 19% US, 16% UK, 12% DE, 14% FR, 14% ES, 12% AU
- More: 33% US, 31% UK, 26% DE, 28% FR, 34% ES, 30% AU
- About the same: 42% US, 48% UK, 58% DE, 55% FR, 50% ES, 54% AU
- Less: 5% US, 5% UK, 5% DE, 5% FR, 5% ES, 5% AU
- Much less: 55% US, 55% UK, 55% DE, 55% FR, 55% ES, 55% AU

Source: SiteMinder, Changing traveler report, sept 2022
Younger generations tend to travel more, in particular to international destinations

Significant travel in the last 24 months – by age (2022)

Domestic travel

International travel

Source: Finaccord, Travel Metrics, Sept 2022
Travel Insurance Distribution
Both travel providers and insurers are top of mind for the purchase of a travel insurance.
In all countries, the share of digital TI sales has increased, vs. face to face or other interfaces.

Share of distribution interface for Travel Insurance – for standalone policies

**Digital (2020-) 2022**
- AU: 51%
- ES: 55%
- FR: 59%
- DE: 79%
- US: 70%
- CA: 63%

**Face to Face (2020-) 2022**
- AU: 22%
- ES: 45%
- FR: 41%
- DE: 31%
- US: 13%
- CA: 14%

Source: Finaccord, Travel Metrics, Sept 2022
International travel is more insured

Percentage of travelers with an insurance

Source: Finaccord, Travel Metrics, Sept 2022
The share of domestic insurance and backpackers has increased compared to standard insurance

Insurance types (declarative - last 24 months)

Source: Finaccord, Travel Metrics, Sept 2022
Out of Europe, the elder travelers are generally more insured than the younger generations

Percentage of travelers with an insurance (2022 - last 24 months) – for international trips – by age

• Out of Europe, elder generation are significantly more insured for their international trips
• In Europe, though, the level of insurance is more aligned, with the younger generations being slightly more insured for their trips abroad

Source: Finaccord, Travel Metrics, Sept 2022
Risks covered are mainly Accidents, Traveler Assistance, Luggage and Medex + local specificities

Risks covered (declarative 2022 – for trips in the last 24 months) [% of insured travelers – several answers]

Source: Finaccord, Travel Metrics, Sept 2022
Wrap up & expectations for 2023

✓ Consumers confirm their will to travel in 2023 but want to be secured/protected reducing their risk exposure

✓ Inflation, rising costs of travel and personal finances are the main concerns.

✓ Flexibility (ability to get a full refund; ability to make changes without penalty) and low pricings on the top of mind

✓ Younger generations tend to travel more, although the elder generations travel more protected

✓ Big increase in domestic insurance while international travels are yet to reach 2019 figures

✓ Digital travel insurance has increased vs. face-to-face
Thank You / Gracias