

## Travel Insurance - UK - February 2016

Report Price: £1750.00 | \$2834.04 | €2223.04

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“Travel insurance is at risk of becoming synonymous with low cost, low cover policies that fail to meet the needs of customers. Repositioning the product as transparent and helping to educate people would help insurers to stand out from the rest of the market.”

– Patrick Ross, Financial Services Analyst

### This report looks at the following areas:

- Mobile apps with claims functionality could help build brand
- Too many cheap policies come at the price of customer protection
- Point-of-departure sales could serve the forgetful and the fearless

In 2015, travel insurance premiums are expected to have grown for the second consecutive year, relieving some of the pressure that had built on the industry following three years of decline. Single-trip policies grew at the expense of annual policies as the pursuit of lower price continues among holidaymakers.

Travel insurers can no longer rely purely on growth in the number of trips and travellers, as travel insurance penetration is being limited by lower engagement among younger generations. The people that do arrange insurance are sometimes so motivated by price that they are blind to the lack of cover associated with their low cost policy. Educating and informing the public about the importance of quality travel insurance cover is a difficult task, but it remains key to stopping low value, low cover policies from becoming the norm.

Nonetheless, there are relatively untapped opportunities available to insurers willing to invest in the travel market. Mobile apps are few in number and have the potential to build better relationships with customers. Claims-led apps are the safest bet, supported by content that users can access while they are abroad. Mobile has further potential as a sales channel, particularly at the point of departure where the forgetful are likely to be thankful for a quick and simple arrangement option.

This report covers both single-trip and annual policies, reviewing the market as a whole and how insurers are going about increasing their share of the market. Mintel's consumer research examines how people arranged travel insurance for their last holiday, before assessing attitudes towards travel insurance and the role of mobile technology.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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## Table of Contents

### Overview

What you need to know

### Executive Summary

The market

Muted growth in market value in 2015

Figure 1: Travel insurance gross written premium and claims incurred/loss ratio, 2011-15

Total claims costs have steadily decreased

Figure 2: Cost of travel insurance claims incurred, by type of claim, 2011-14

Key players

AXA returns to growth at the top of the market

Figure 3: Leading travel insurance underwriters, by GWP (UK business only), 2014

Post Office stands out from rivals with recent rebrand

Figure 4: Attitudes towards and usage of selected finance brands, November 2015

The consumer

84% had insurance cover for their last holiday abroad

Figure 5: Proportion of people who had any travel insurance cover for their last holiday abroad, by age, November 2015

Direct channel takes close second behind comparison sites

Figure 6: Travel insurance provider for last holiday abroad, November 2015

One in 10 holidaymakers arranged their insurance using a smartphone or tablet

Figure 7: Travel insurance arrangement method for last holiday abroad, November 2015

Two thirds arranged their insurance within a month of departure

Figure 8: Travel insurance arrangement timeframe for last holiday abroad, November 2015

Travel insurance suffers from an overriding sense of obligation

Figure 9: Attitudes towards travel insurance, November 2015

Protection against failure of travel companies is key for customers

Figure 10: Interest in different aspects of cover, November 2015

45% of people are interested in managing claims using their smartphone

Figure 11: Most useful mobile app features, November 2015

What we think

### Issues and Insights

Mobile apps with claims functionality could help build brand

The facts

The implications

Too many cheap policies come at the price of customer protection

The facts

The implications

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Point-of-departure sales could serve the forgetful and the fearless

The facts

The implications

## The Market – What You Need to Know

Muted growth in market value in 2015

Claims volumes slide but costs are on the rise

Growth in the number of holidays is limited

## Market Size and Forecast

Muted growth in market value in 2015

Figure 12: Travel insurance gross written premium and claims incurred/loss ratio, 2011-15

Average premiums grow and single trip insurance shows a slight upturn

Figure 13: Travel insurance volume, value and average premium, by cover type, 2011-14

Figure 14: Proportion of annual vs single-trip travel insurance policies, by GWP, 2011-14

Market value to increase by 4.5% by 2020 ...

Figure 15: Forecast of value of gross written travel insurance premiums, 2010-20

Figure 16: Forecast of value of gross written travel insurance premiums, 2010-20

...and policy volume will slip further before recovering

Figure 17: Forecast of volume of travel insurance policies, 2010-20

Figure 18: Forecast of volume of travel insurance policies, 2010-20

Forecast methodology

## Claims Patterns

Total claims costs have steadily decreased

Figure 19: Cost of travel insurance claims incurred, by type of claim, 2011-14

Only baggage and money claims grew in number during 2014

Figure 20: Number of travel insurance claims incurred, by type of claim, 2011-14

Claims success rates show the majority of claims are paid

## The Overseas and Domestic Travel Market

Two thirds have holidayed in the UK in the past year

Figure 21: Holiday destinations visited in the past 12 months, November 2015

Growth in the number of holidays is limited

Figure 22: Estimated total holiday market, volume, value and average spend, 2010-20

Global migration is driving an increase in visits abroad

Figure 23: UK residents' visits abroad, by purpose of visit, 2011-14

## Key Players – What You Need to Know

AXA leaves rivals behind at the top of the market

Mobile presents a clear opportunity to differentiate

Saga and Staysure battle it out for dominance among older customers

Brand research reveals the strength of Post Office

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## Underwriter Share

AXA returns to growth at the top of the market

Figure 24: Leading travel insurance underwriters, by GWP (UK business only), 2012-14

## Competitive Strategies

Making the most of mobile

ACE Group

ERV

Distribution shifts as insurers look beyond the aggregators

Columbus Direct

Staysure

Growing over-50s market attracts strategic investment

Talk to TIM

Swinton

## Advertising and Marketing Activity

Insurers scale back their use of direct mail

Figure 25: Recorded above-the-line, online display and direct mail advertising expenditure on UK travel and sports insurance, by media type, 2012/13-2014/15\*

Staysure invests heavily to rival Saga for older customers

Figure 26: Top 8 advertisers of travel and sports insurance, by recorded above-the-line, online display and direct mail advertising, by media type, 2012/13-2014/15\*

Search and social media are growing in importance

Nielsen Media Research coverage

## Brand Research

What you need to know

Brand map

Figure 27: Attitudes towards and usage of selected finance brands, November 2015

Key brand metrics

Figure 28: Key metrics for selected finance brands, November 2015

Brand attitudes: AXA and Aviva lead the way with reputation for quality

Figure 29: Attitudes, by brand, November 2015

Brand personality: Advertising has helped Direct Line invigorate its brand

Figure 30: Brand personality – Macro image, November 2015

Sainsbury's and Tesco are struggling to get their finance message across

Figure 31: Brand personality – Micro image, November 2015

## Brand Analysis

Retailer brands lack clarity when it comes to finance

Saga and Staysure brands are driven by standard of service

Longstanding insurers inspire confidence

The Thomas Cook brand is under pressure

Post Office stands out from rivals with recent rebrand

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## The Consumer – What You Need to Know

- 84% had insurance cover for their last holiday abroad
- Direct channel is a close second behind the aggregators
- One in 10 holidaymakers arranged their insurance using a smartphone or tablet
- Two thirds arranged their insurance within a month of departure
- Protection against failure of travel companies is key for customers
- 45% of people are interested in managing claims using their smartphone

## Travel Insurance Cover for Last Holiday Abroad

- 84% had insurance cover for their last holiday abroad  
Figure 32: Travel insurance cover for last holiday abroad, November 2015
- Youngest travellers are least likely to arrange protection  
Figure 33: Proportion of people who had any travel insurance cover for their last holiday abroad, by age, November 2015

## Type of Travel Insurance Provider for Last Holiday Abroad

- Direct channel takes close second behind comparison sites  
Figure 34: Travel insurance provider for last holiday abroad, November 2015
- Post Office has garnered a following among Millennials  
Figure 35: Travel insurance provider for last holiday abroad, by generation, November 2015

## Method of Arranging Policy

- One in 10 holidaymakers arranged their insurance using a smartphone or tablet  
Figure 36: Method of arranging insurance for last holiday abroad, November 2015
- One in five over-55s arranged insurance by phone  
Figure 37: Proportion of people who arranged the travel insurance for their last holiday by phone, by age, November 2015

## Timeframe for Arranging Policy

- Two thirds arranged their insurance within a month of departure  
Figure 38: Travel insurance arrangement timeframe for last holiday abroad, November 2015
- Millennials are most likely to leave insurance until the last minute  
Figure 39: Travel insurance arrangement timeframe for last holiday abroad, by age, November 2015

## Attitudes towards Travel Insurance

- Travel insurance suffers from an overriding sense of obligation
- Struggle to see value in annual policies
- Airport kiosks will need to convince people they offer value for money  
Figure 40: Attitudes towards travel insurance, November 2015

## Most Important Factors in Choosing a Policy and Provider

- Price and level of cover strike an uneasy balance for customers  
Figure 41: Most important factors in choosing a travel insurance policy and provider, November 2015
- Quality factors gain importance as customers age  
Figure 42: Most important factors in choosing a travel insurance policy and provider, by age, November 2015

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## Interest in Different Aspects of Cover

Protection against failure of travel companies is key for customers

Figure 43: Interest in different aspects of cover, November 2015

Millennials more likely to lack interest in cover specifics

Figure 44: Interest in different aspects of cover, by generation, November 2015

## Most Useful Mobile App Features

45% of people are interested in managing claims using their smartphone

Figure 45: Most useful mobile app features, November 2015

## Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

## Appendix – Market Size and Forecast

Figure 46: Forecast of value of gross written travel insurance premiums, 2015-20

Figure 47: Forecast of volume of travel insurance policies, 2015-20

Forecast methodology

Fan chart explanation

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