



# TRAVEL INSURANCE

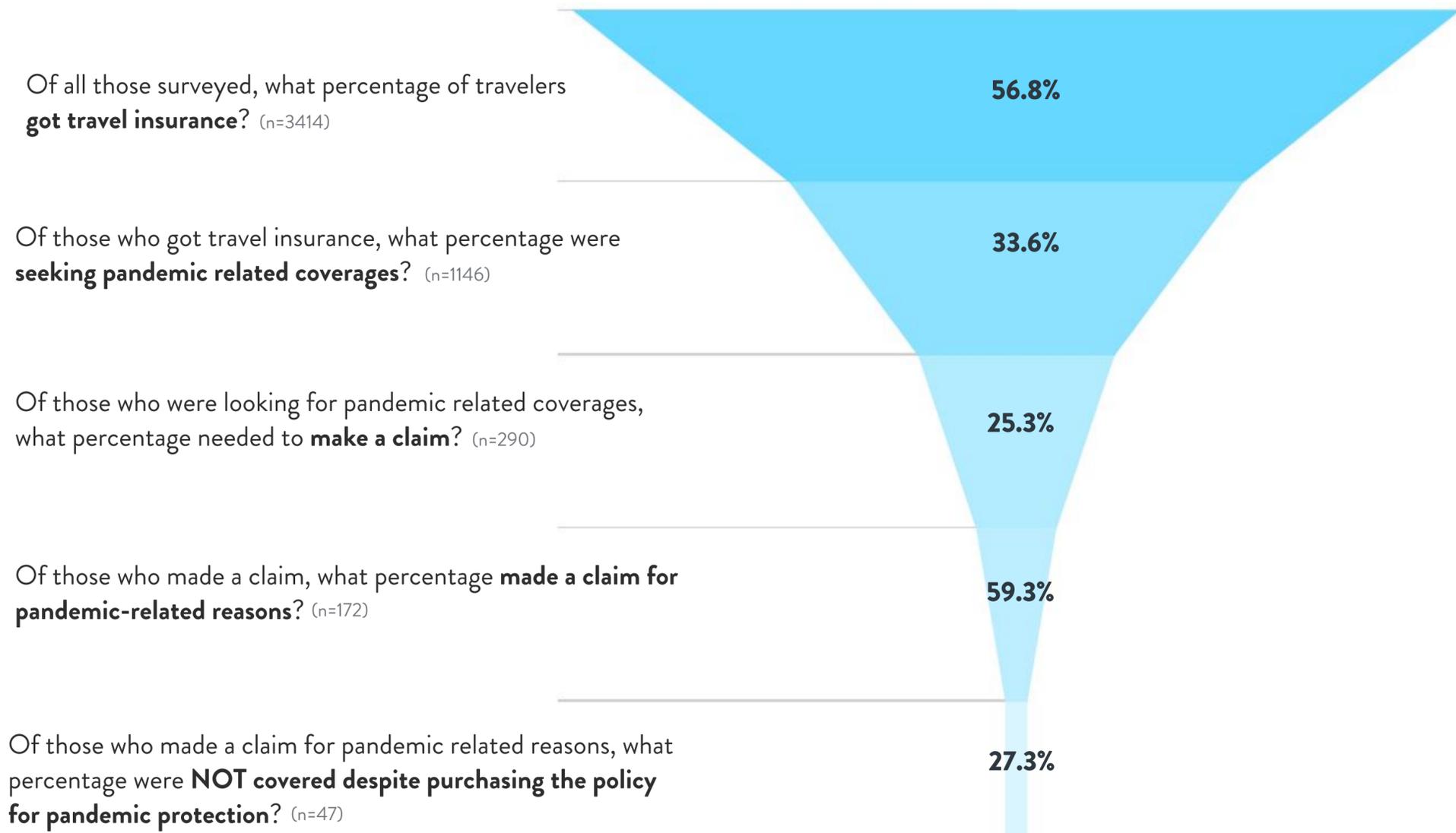
# SURVEY: UNITED STATES

A consumer-focused survey on claims experience and embedded offers for the travel industry

This report from embedded insurance leader Cover Genius and Momentive.ai (the research company of SurveyMonkey) examines consumer sentiments when it came to purchasing travel insurance and the claims experience during the COVID-19 pandemic. The report is based on a survey conducted in September-October 2021 of 6,000 census-balanced travelers in the United States.

The report is part of a global series that includes Canada, Brazil, Mexico, UK, Germany, Spain, Italy, France, Sweden, the Netherlands, UAE, Russia, Australia, Singapore, India, Thailand, Korea, Indonesia, Japan and the United States. To qualify for the survey, respondents had to have traveled either domestically or internationally since March 2020. The respondents answered up to 30 questions concerning their insurance purchase source, whether they made a pandemic-related claim, and the overall claim experience. In-depth country studies are also available at [covergenius.com/resources](https://covergenius.com/resources).

# WHEN IT CAME TIME TO MAKE A CLAIM, DID THE PROTECTION COVER PANDEMIC-RELATED ISSUES?



# FUTURE PREFERENCE FOR PURCHASING TRAVEL INSURANCE, BY SOURCE

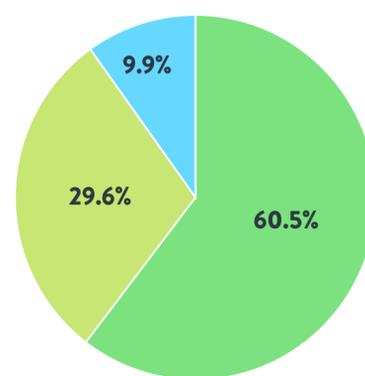
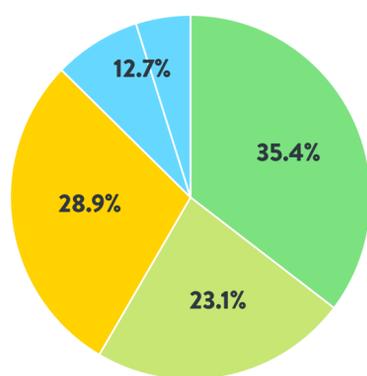
[How would you prefer to get travel insurance in the future] “For the most recent trip, where did you get travel insurance?”

Overall, 42% of customers who purchased insurance in the last 12 months intend to switch to an alternate insurance source next time. Travel providers and agents are the channel set to benefit the most, with 35% of respondents using them last time, while 61% prefer to use them next time. The growth of this “embedded” channel comes at the expense of credit card customers and online direct insurers, 44% of whose customers indicated a desire to switch. Only 31% of the insurance customers of travel providers/agents indicated a preference to switch, the lowest figure of any source in the study. Of those who purchased travel insurance from an online insurer for their last trip, just 56% opted to purchase from an online insurer again for their next trip.

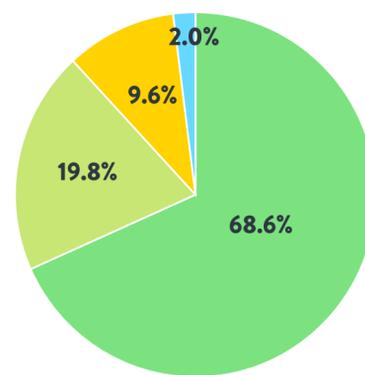
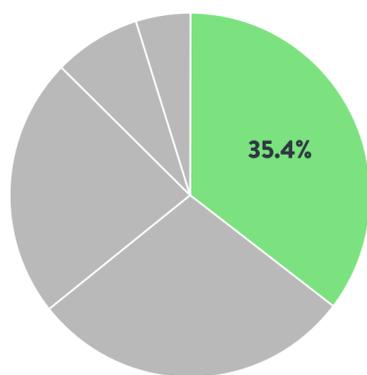
Source of travel insurance for the last trip booked

Preferred source of travel insurance for next trip

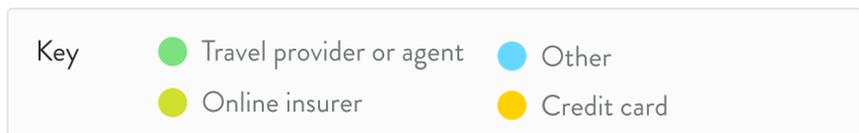
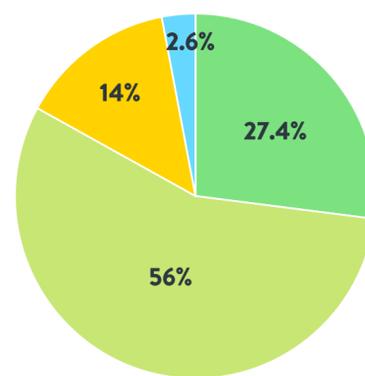
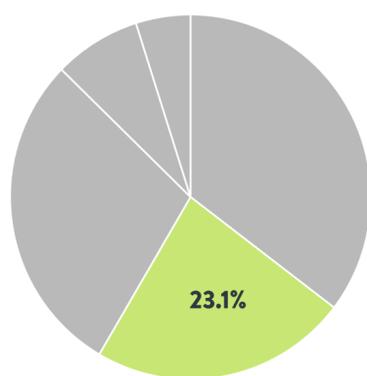
Total (n=3414)



Travel provider or agent (n=1191)



Online insurer (n=761)



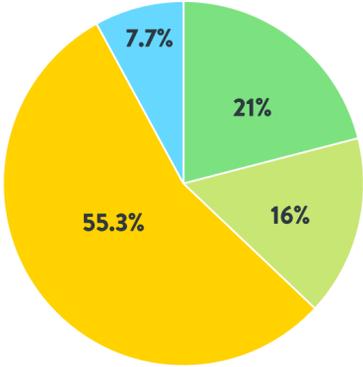
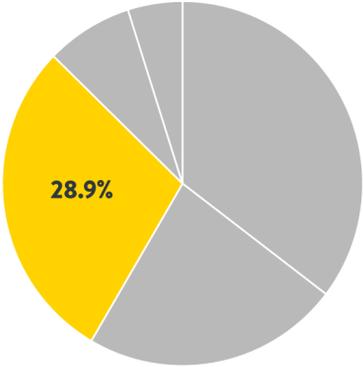
# FUTURE PREFERENCE FOR PURCHASING TRAVEL INSURANCE, BY SOURCE

[How would you prefer to get travel insurance in the future] “For the most recent trip, where did you get travel insurance?”

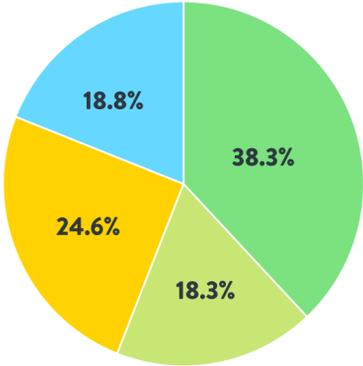
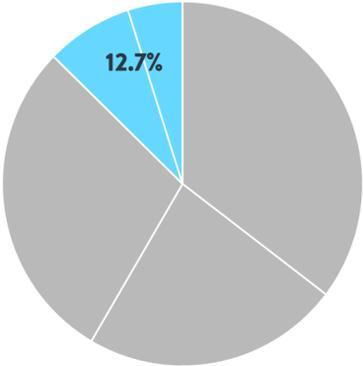
Source of travel insurance booked last trip

Preferred source of travel insurance for next trip

Credit card (n=996)



Other (corporate policy, don't remember) (n=171)



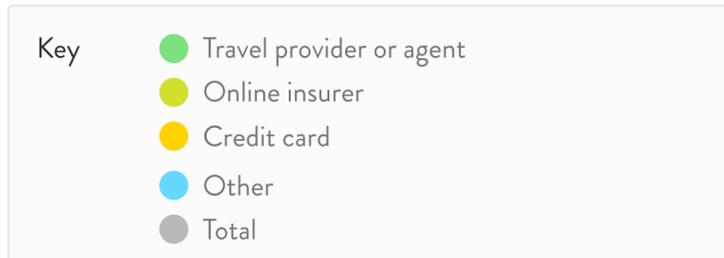
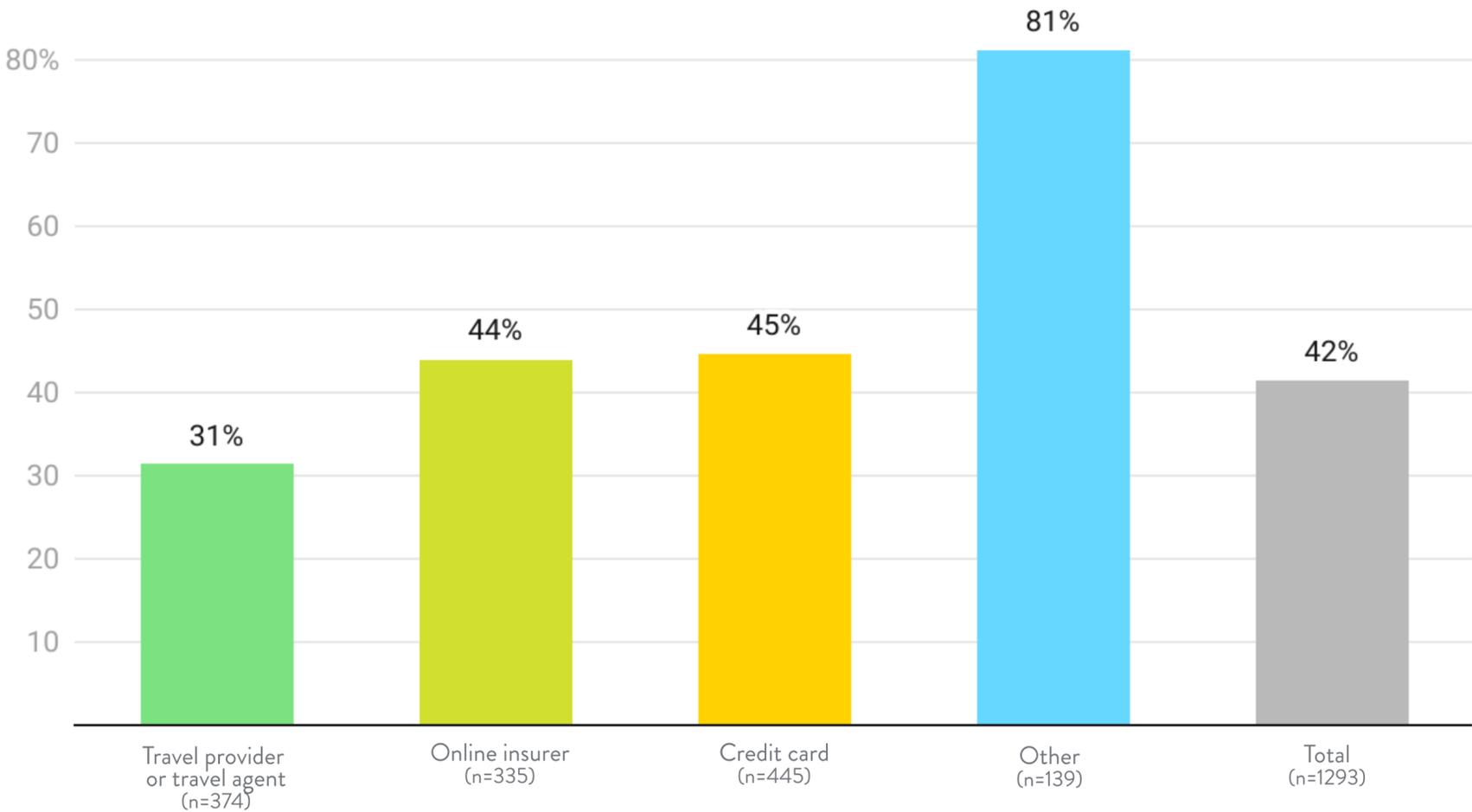
Key

- Travel provider or agent
- Online insurer
- Credit card
- Other

## PREFERENCE TO SWITCH, BY SOURCE

[For the most recent trip, where did you get travel insurance] “How would you prefer to get travel insurance in the future?”

Of the travelers who previously got protection from a credit card or online insurer, over 40% of them would prefer to switch to another insurance source for their next trip.

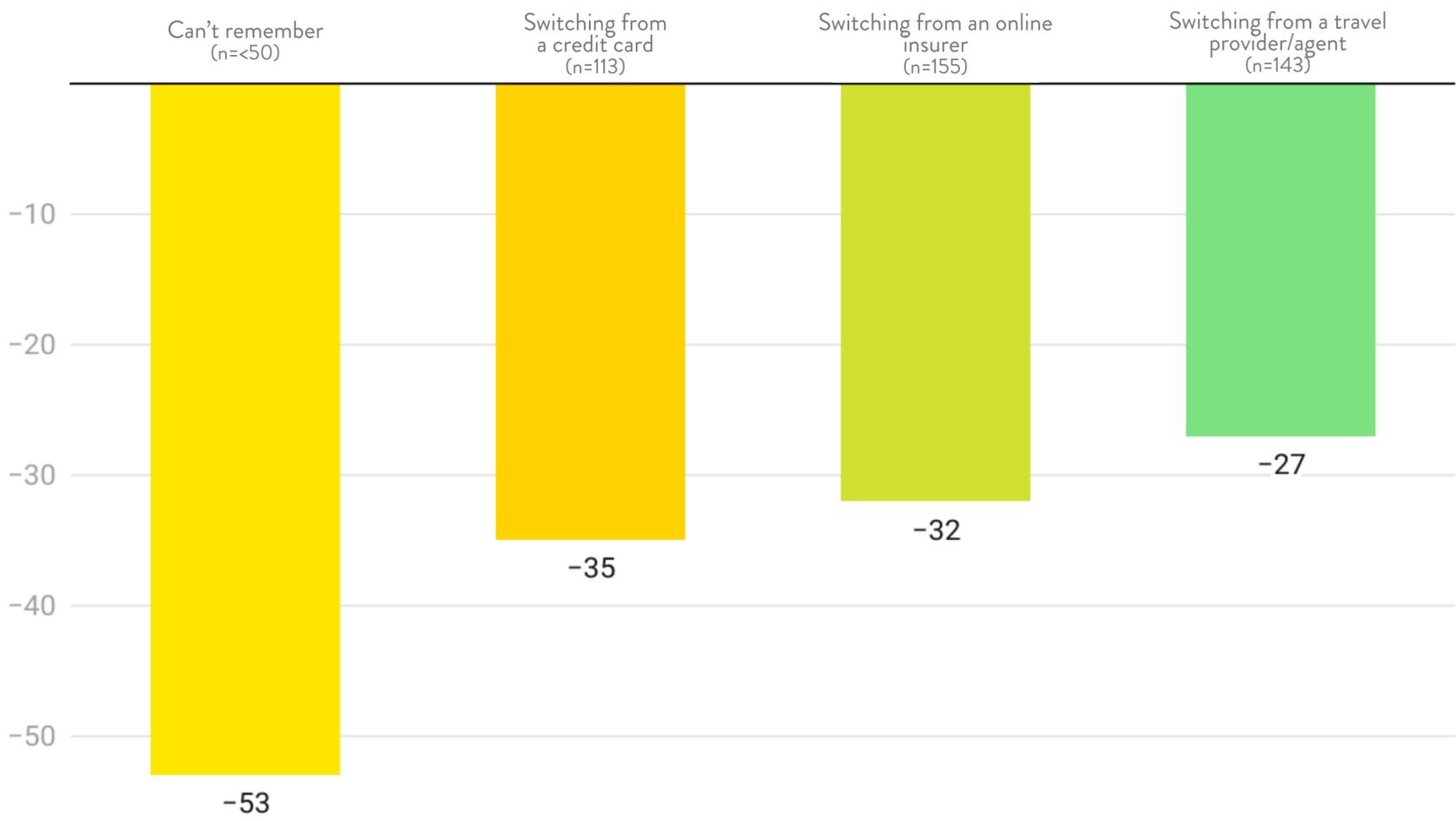


## NPS, BASED ON PREFERENCE TO SWITCH INSURANCE SOURCE

[How would you prefer to get travel insurance in the future] “Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process?”

The average post-claim NPS for those customers who intend to switch from their current source is -28.

This chart shows the NPS scores for respondents who prefer to switch to another source of insurance next time they book travel. The wider set showing the average NPS per source is shown on page 8.



Key

- Travel provider or agent
- Online insurer
- Credit card
- Can't remember

# FUTURE PREFERENCE FOR PURCHASING TRAVEL INSURANCE, BY REASON

“Why would you want to receive travel insurance from this source (travel provider, online insurer or other)?”



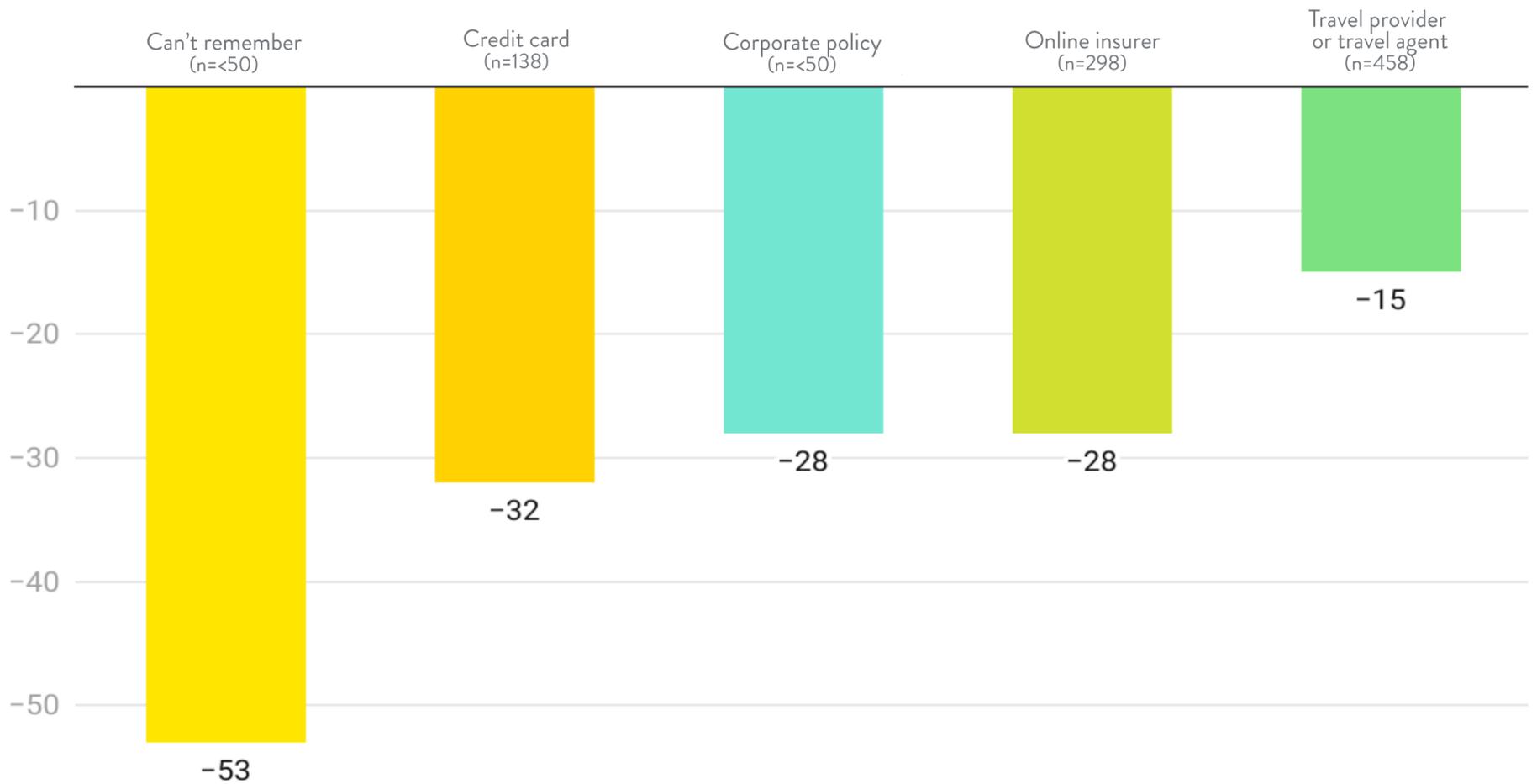
Key

● Entire sample

## THE CLAIMS EXPERIENCE - NPS BY SOURCE

[For the most recent trip, where did you get travel insurance] “Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process?”

Credit card insurance programs deliver the poorest outcomes for their customers, with post-claim NPS measuring -32 versus online insurers (-28) and travel providers/agents (-15).



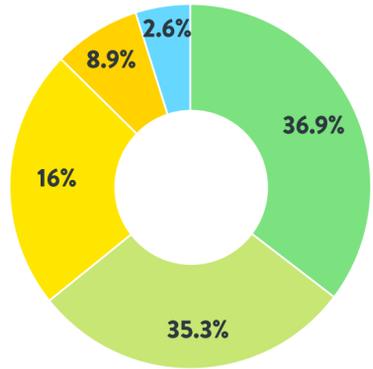
- Key
- Travel provider or agent
  - Online insurer
  - Credit card
  - Can't remember
  - Corporate policy

# THE CLAIMS EXPERIENCE - HOW DID YOU REPORT THE CLAIM?

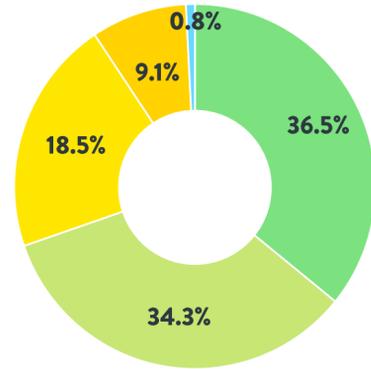
[For the most recent trip, where did you get travel insurance] “How did you report the claim?”

While online forms are growing in popularity, the majority of claims are still filed in less than efficient ways, in particular via phone (35% overall) and paper forms (9% overall).

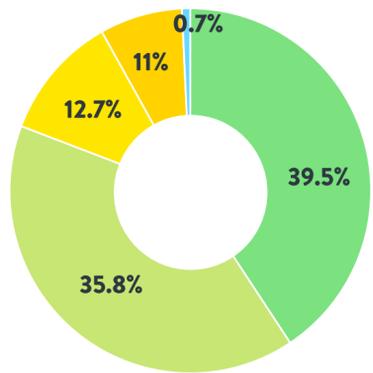
Total (n=1046)



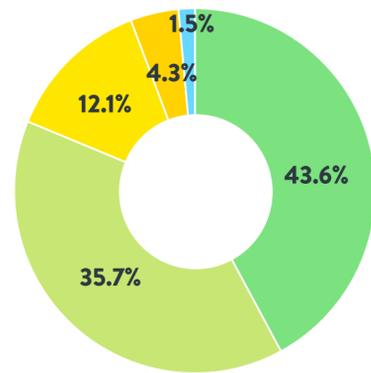
Travel provider or agent (n=458)



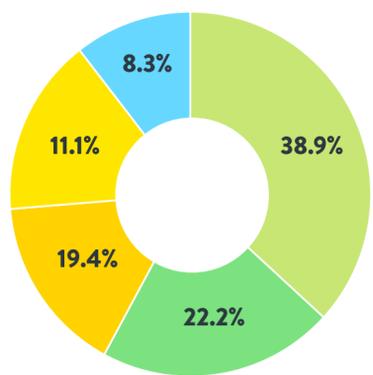
Online insurer (n=298)



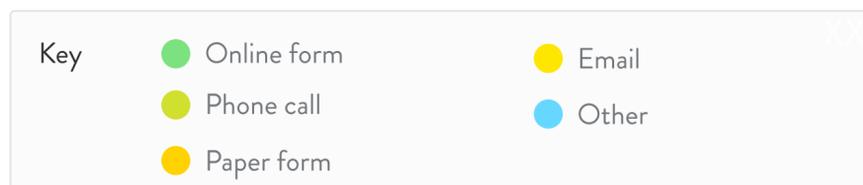
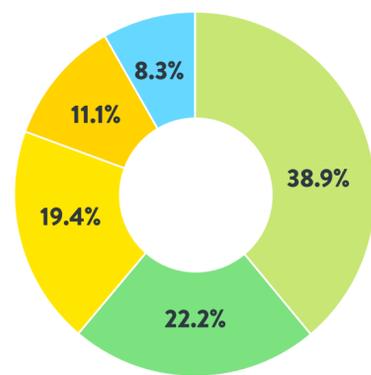
Credit card (n=138)



Corporate policy (n=<50)



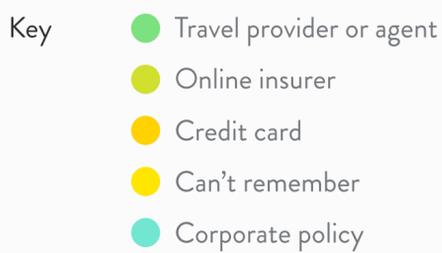
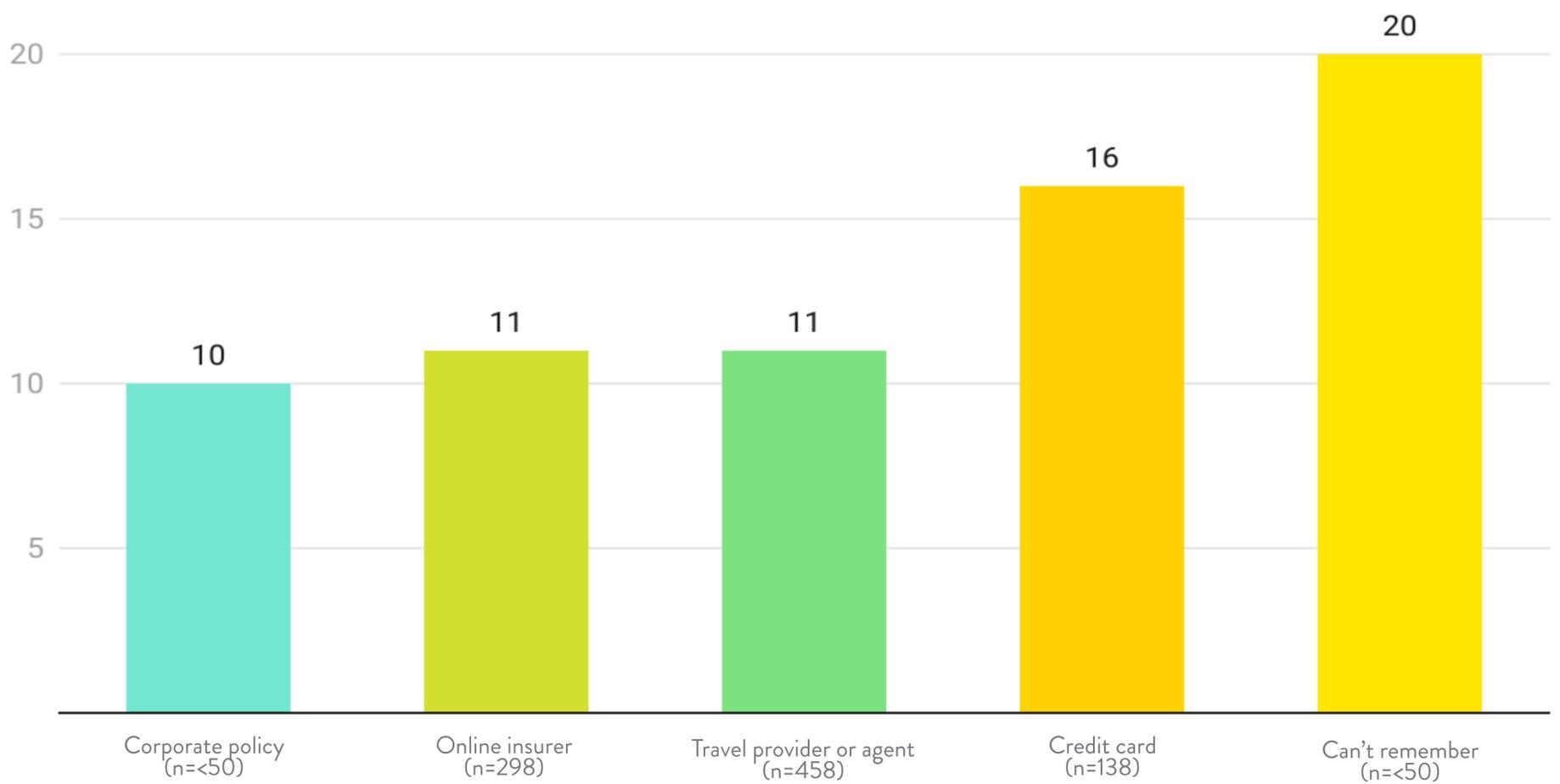
Don't remember (n=<50)



## THE CLAIMS EXPERIENCE - TIME TO FINALIZE THE CLAIM, BY SOURCE

[For the most recent trip, where did you get travel insurance] “From the time of reporting the claim to it being finalised and paid (if applicable), how long did it take for completion of the claim? Please answer in number of days.”

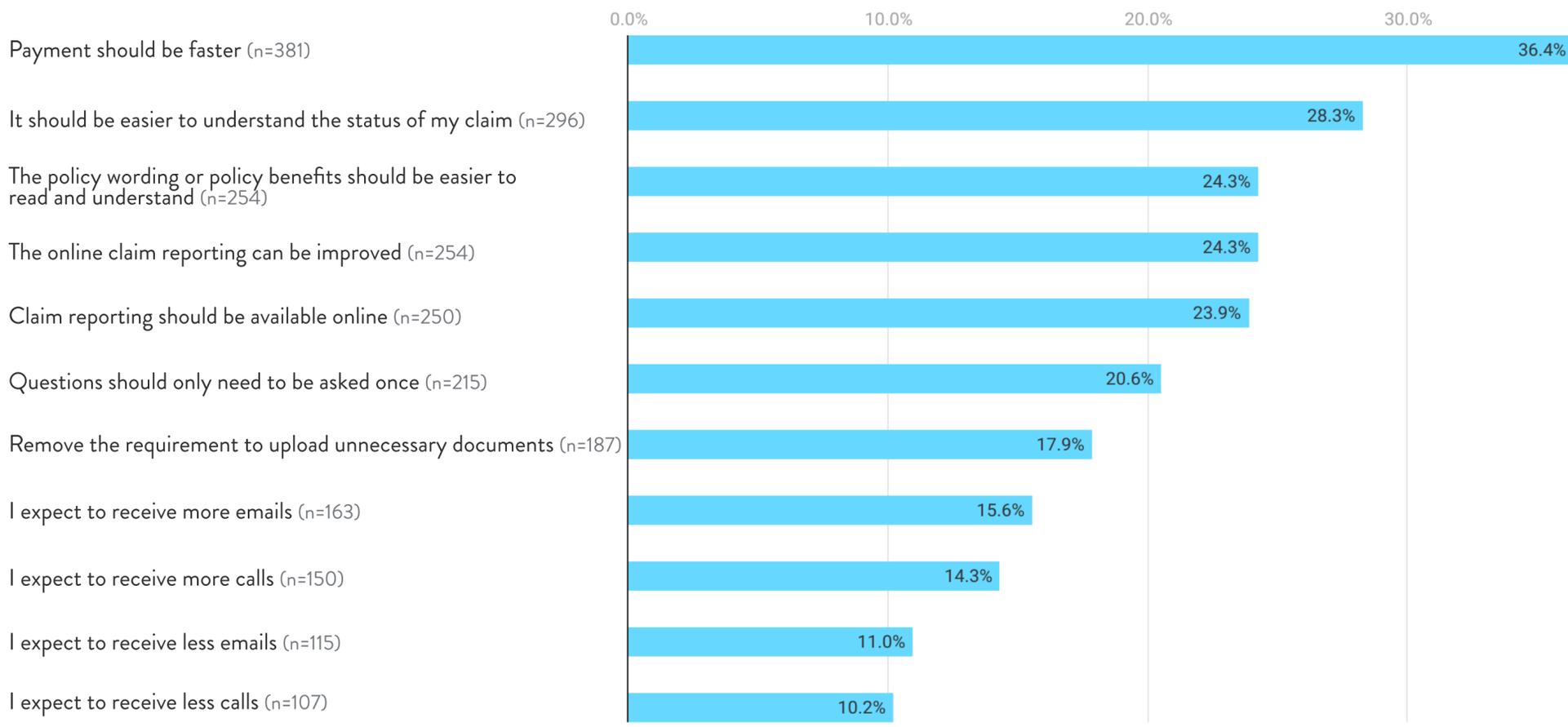
Claims on credit card-based insurance take the longest to process (16 days), fully 50% longer than the time taken to finalize claims sourced from online insurers or travel providers/agents (11 days each).



# THE CLAIMS EXPERIENCE - HOW CAN THE CLAIMS PROCESS BE IMPROVED?

“How could the claims process be improved?”

A single development that would significantly improve outcomes for claimants would be online bank transfers, cited by 36% of claimants who responded that "payment should be faster". Others include digital claim filing, real time updates, simpler wordings and avoiding data re-entry.



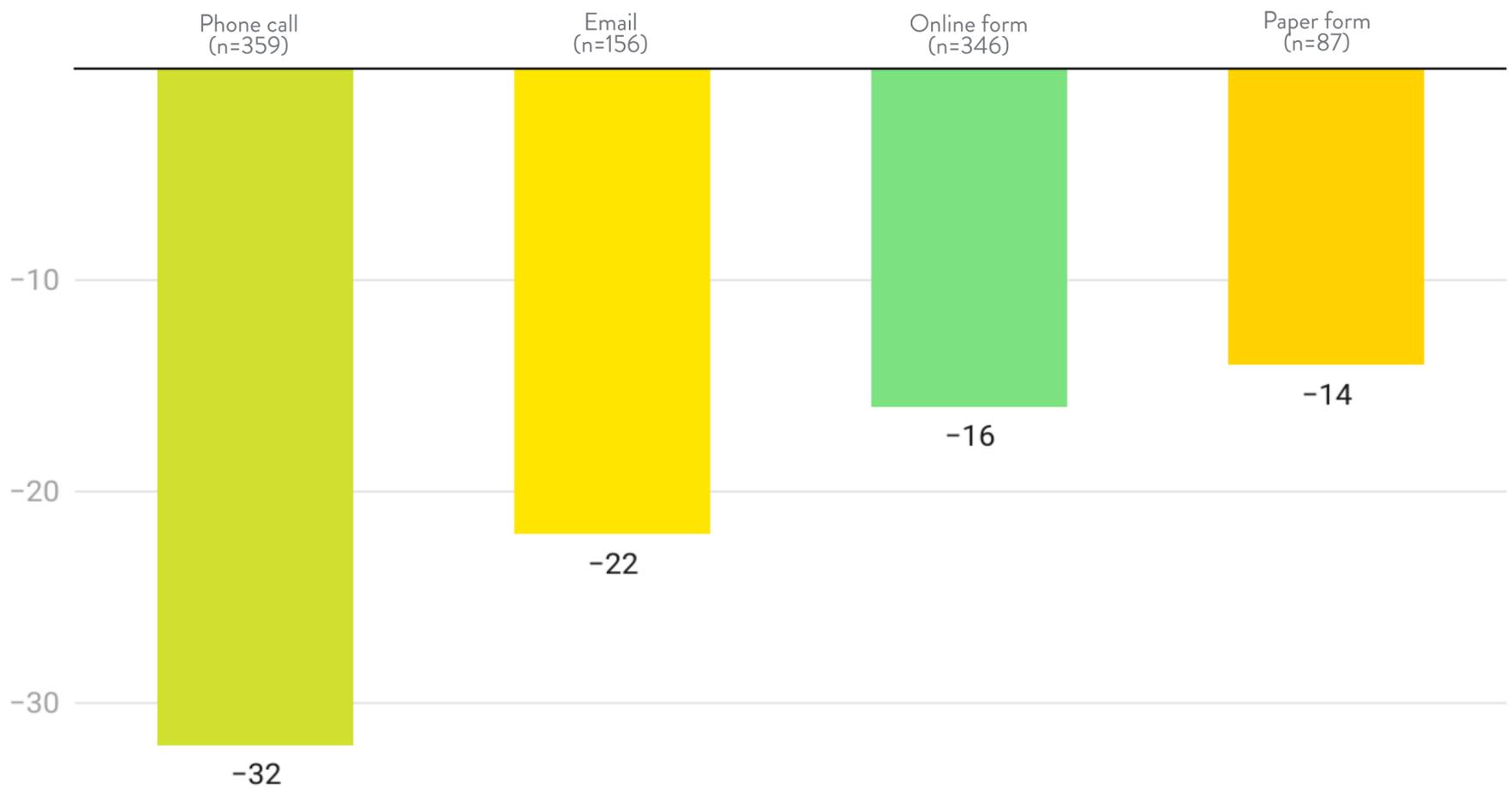
Key

● Entire sample

## THE CLAIMS EXPERIENCE - NPS, BY HOW THE CLAIM WAS REPORTED

[How did you report the claim] “Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process?”

While phone calls account for 35% of all claims initiations, the outcomes from this analogue route are universally poor, with an NPS of -32, the lowest result from the study. Online forms achieve significantly higher NPS, as do paper forms, albeit from a low sample size.

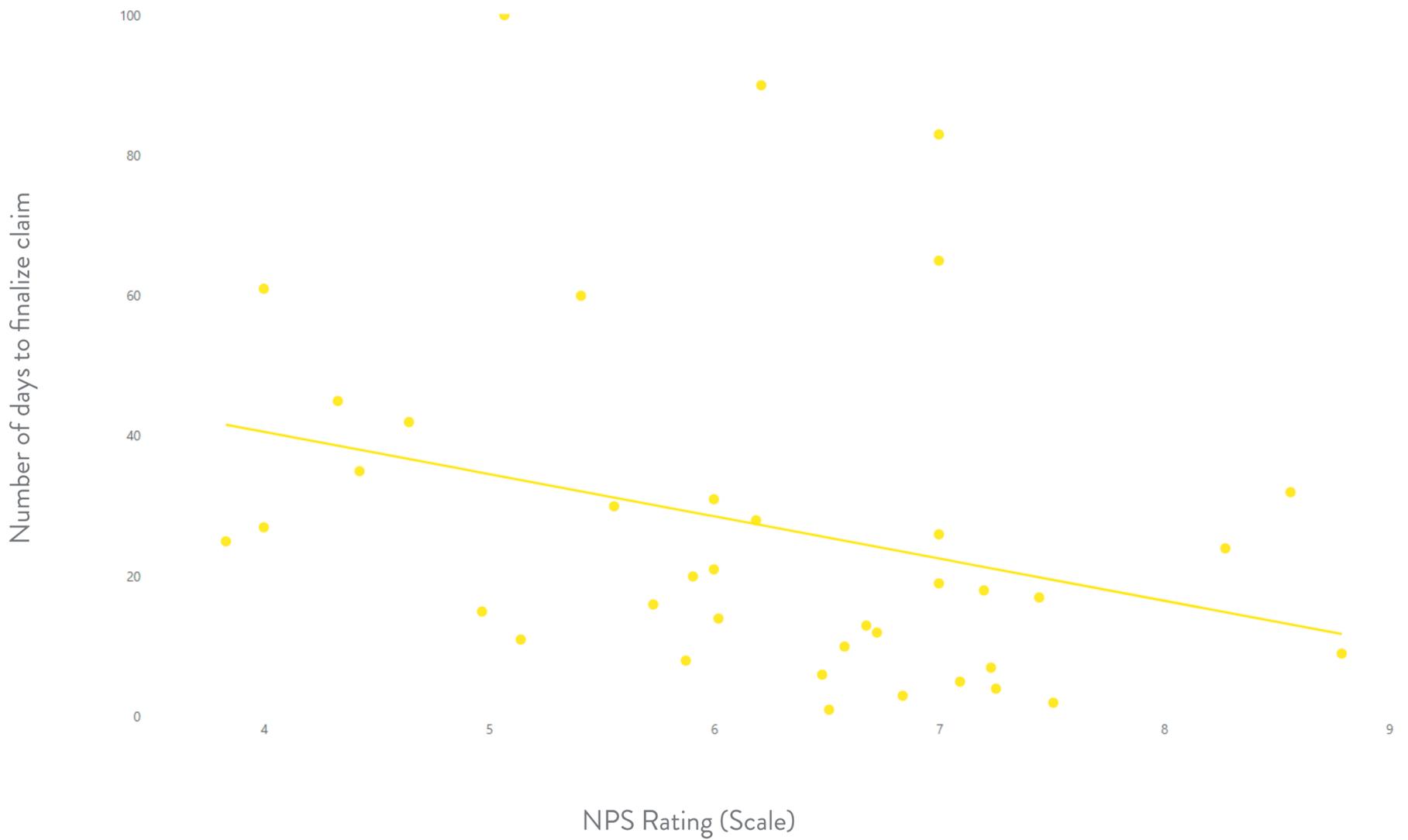


- Key
- Online form
  - Phone call
  - Paper form
  - Email

## THE CLAIMS EXPERIENCE - NPS, BY TIME TO FINALIZE CLAIM

[From the time of reporting the claim to it being finalised and paid (if applicable), how long did it take for completion of the claim] “Looking back, on a scale of 1 to 10, where 1 is a poor experience and 10 is a great experience, how would you rate the claims process?”

This chart shows the correlation between faster claim processing and higher NPS.



Key

● Entire sample