



For Immediate Release
September 12, 2011

TRAVEL INSURANCE SALES SHOW STEADY INCREASE, SURVEY SHOWS

- Trip cancellation-interruption coverage represents over 94% of total travel insurance sales
- 27 million Americans are covered by per trip and annual travel insurance plans purchased from a UStiA member
- Two-thirds of travel insurance sales come from traditional sources.

The [US Travel Insurance Association](#) reports that sales of travel insurance continue to grow steadily, as increasing numbers of Americans recognize the benefits of travel insurance.

Americans spent nearly \$1.8 billion on all types of travel insurance and assistance services in 2010, up from \$1.6 billion in 2008, and \$1.3 billion in 2006. The 2010 figure reflects a steady growth in sales of nearly 14% from 2008, and more than 15% from 2009, according to newly-released results of The Travel Insurance Market Survey 2008-2010, conducted by the US Travel Insurance Association.

The survey revealed that, in 2010, over 124 million insureds in the US were covered by travel insurance and emergency services provided by UStiA members, reflecting a growth of 29% from 2008 and nearly 20% from 2009. Included in this number are annual, per-trip, and travel medical policies as well as credit card and other membership based programs.

How the Market Shapes Up

According to survey results, approximately 27 million insureds were covered by a per trip or annual plan from UStiA member companies, representing an increase of 34% from 2008 and nearly 20% over 2009. The vast majority (80%) of these plans were package policies that included trip cancellation/interruption.

In fact, policies that incorporated trip cancellation/interruption benefits continued to be the most popular overall, accounting for over 94% of total travel insurance premiums. Another growing category, travel medical and medical evacuation, comprised over 6% of total travel insurance sales, up slightly over 2008.

Where people buy travel insurance

While approximately two-thirds of people buy travel insurance from traditional sales venues such as travel agents, more than one-third are turning to online and other sources. In fact, nontraditional outlets are outpacing traditional sales avenues in growth.

In 2010, traditional sources -- travel suppliers, tour operators, cruise lines and travel agencies – accounted for two-thirds of sales, reflecting, an increase of 3.4% over 2008, and 13% over 2009. However, newer nontraditional avenues -- online channels including agencies, airlines and internet aggregators, direct to consumer, brokers and others -- accounted for 34% of sales. Online sales for 2010 grew by 38% over 2008 and nearly 25% over 2009.

Growing Awareness of Travel Insurance Benefits

According to UStiA, there is a growing awareness of the benefits offered by travel insurance. Events such as the 2010 ash cloud from the Eyjafjallajokull Volcano in Iceland, the 2011 Japan tsunami, earthquakes and floods in New Zealand and Australia, combined with higher-than-average snowfalls in many parts of the world underscore the importance of protecting a hard-earned vacation investment. The association also points out that, in an uncertain economy people want to be sure their vacation dollars and their health will be protected in case of emergency and unforeseen circumstances. These circumstances can include needing to cancel or interrupt a trip because of illness, accident, or even job loss; having to pay for overnight accommodations and incidentals because of flight delays or cancellations caused by bad weather; or arranging for and reimbursing emergency medical treatment or evacuation overseas.

Background

The 2010 Travel Insurance Market Survey was conducted for UStiA by Avalon Actuarial Consulting, an independent Actuarial and Benefit Consulting Firm. The survey was designed to gather and disseminate market information to UStiA association members and the general public. It follows the Travel Insurance Benchmark Survey of 2004, and bi-annual follow-up surveys conducted in 2006 and 2008.

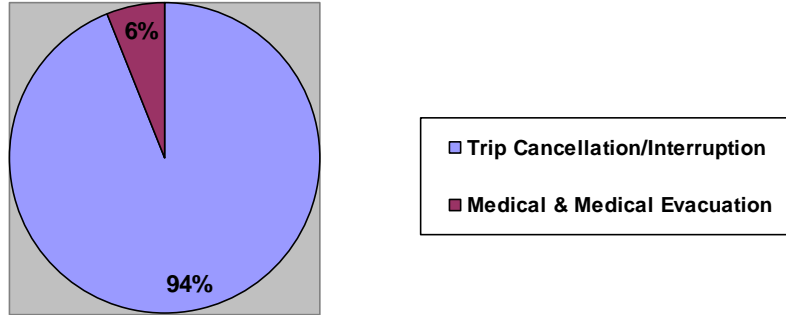
About UStiA

UStiA membership is estimated to represent more than 90% of the travel insurance market in the U.S. The association promotes fairness, integrity and a commitment to excellence in the travel insurance industry. Its mission is to educate the public on the value of travel insurance while maintaining high industry standards. The UStiA is a non-profit association of insurance carriers and allied businesses involved in the development, administration and marketing of travel insurance and assistance. For more information on UStiA and travel insurance, visit www.UStiA.org

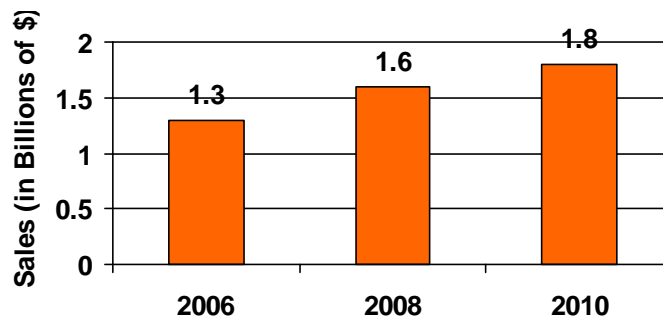
UStiA also sponsors [TRIP](http://www.TRIP.ustia.org) (Travel Responsibly, Informed, and Protected), a consumer advocacy web site with helpful information including timely tips on travel, health, safety, and security. For more information, visit www.TRIP.ustia.org.

- END -

Market Share by Type of Insurance



Total Travel Insurance and Assistance Sales



Editor Note: Variances from the last survey are possible due to corrections made to prior years' reporting by survey participants.

Contact:
Linda Kundell
Kundell Communications
(212) 877-2798
LRKPR@aol.com – or –
Kundellcom@nyc.rr.com