



September 2023

Nationwide Financial Travel Insurance Survey Insights Report

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01/2024

SURVEY METHODOLOGY



Audience

U.S. Consumers

Age 18+ - nationally representative by age, gender, race, region



Sample Size

N=1,000



Methodology

**10-Minute
Online Survey**



Timing

**Survey Fielded
September 12th –
September 19th, 2023**

KEY FINDINGS

1

Consumer travel surges as impacts of the pandemic recede

Nearly all consumers (91%) have plans to travel domestically in 2024, with 4-in-10 planning to travel more than they did in 2023. Additionally, fully half of consumers report plans to travel internationally next year. Taking a road trip by car is the most likely mode of transportation for consumers in 2024 (30% already have plans to do this and 60% say they are likely to), followed by taking a flight (22% already have plans to do this and 46% say they are likely to).

2

Few report buying travel insurance, with perceived cost the biggest purchase barrier

Nearly two-thirds (64%) of consumers say they rarely or never purchase travel insurance, mainly because they do not believe it is needed (47%), is not worth it (30%), or costs too much (37%). Furthermore, 1 in 3 consumers (30%) say cost is the most important factor when considering whether to buy travel insurance.

3

Consumers hold many misconceptions about travel insurance, overestimating its cost

Many consumers overestimate the cost of travel insurance, with almost a third (30%) believing it usually costs more than 15% of the total cost of the trip. While most consumers are aware travel insurance covers lost/damaged baggage (85%), trip cancellations (75%) and delays (74%), there is more uncertainty when it comes to scenarios such as voluntary cancellations, medical treatment for injury or sickness, or civil unrest at the trip location.

4

Those who buy travel insurance do it for peace of mind for expensive trips or during times of uncertainty

Roughly 1 in 3 consumers (36%) say they sometimes or often purchase travel insurance, with the majority of those doing so for peace of mind (79%). Roughly half are also purchasing travel insurance to protect their investment (50%) or due to uncertainty in life (45%). Travelers are more likely to purchase travel insurance for international or expensive trips, or for higher risk scenarios such as traveling to areas with severe weather, disease outbreaks, or incidents of civil/political unrest.

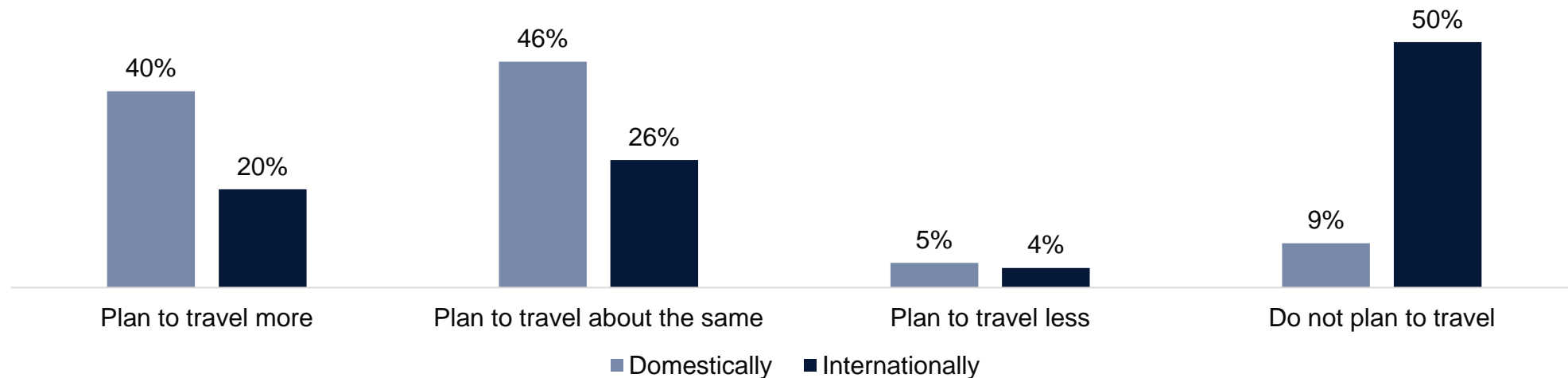


2024 Travel Plans

Looking ahead to 2024, consumers plan to travel as much or more than they did in 2023

Half of consumers have plans to travel internationally in the coming year.

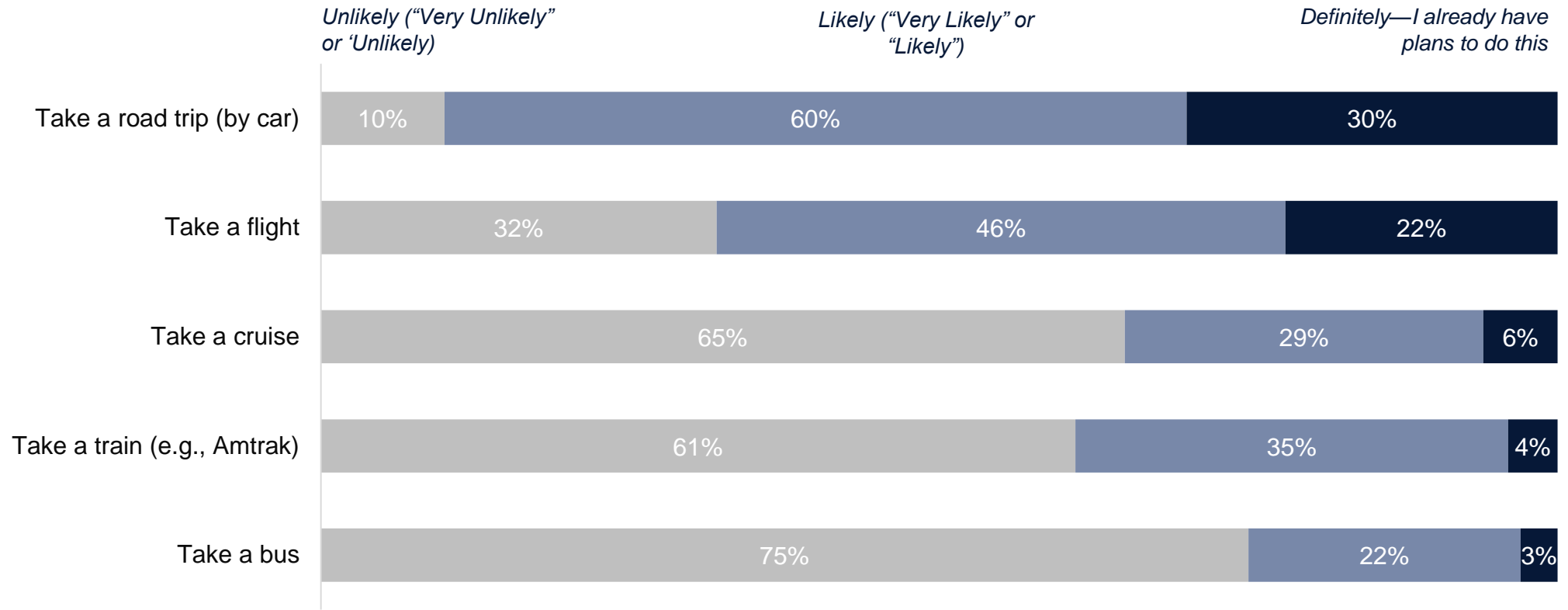
2024 Expected Travel Plans
(Shown % Selected)



Road trips and flights are the most common ways Americans plan to travel

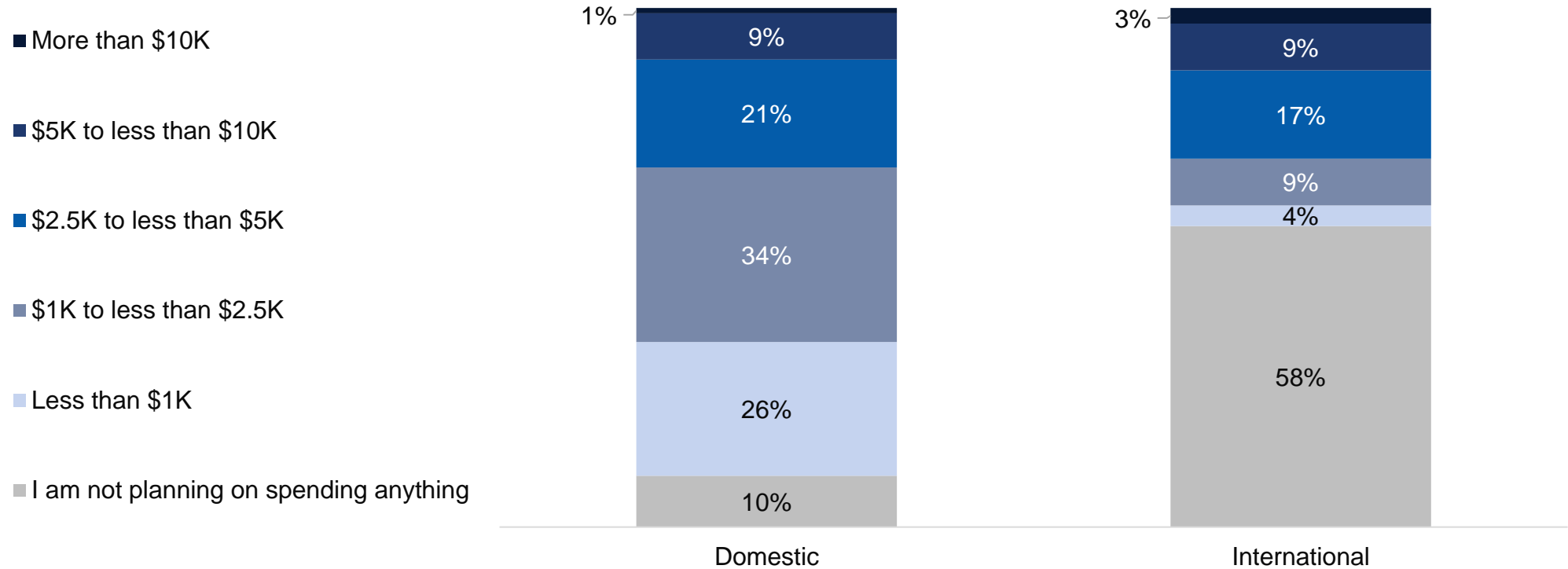
2024 Likelihood of Traveling

(Shown: % Selected T2B “Likely” or “Very Likely”; B2B “Unlikely” or “Very Unlikely”)



Most travelers plan to spend less than \$2,500 on vacations next year

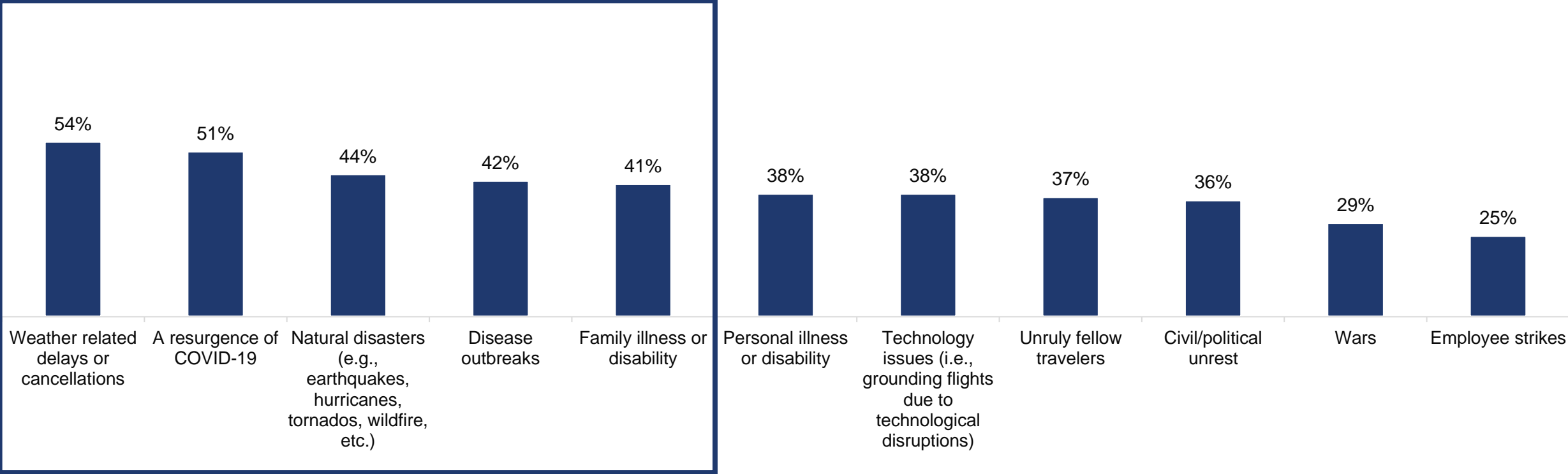
Expected Spend on 2024 Travel
(Shown: % Selected)



Q5. How much do you expect to spend on the following types of vacations in 2024? Base: Total (US Consumers=1,000)

Severe weather, natural disasters, and illness are top travel concerns for the coming year

Concern With Disruptions to Planned Travel
(Shown: % Selected T2B “Concerned” or “Very Concerned”)



Q3. How concerned are you about disruptions to planned travel next year caused by the following events? Base: Total (US Consumers=1,000)

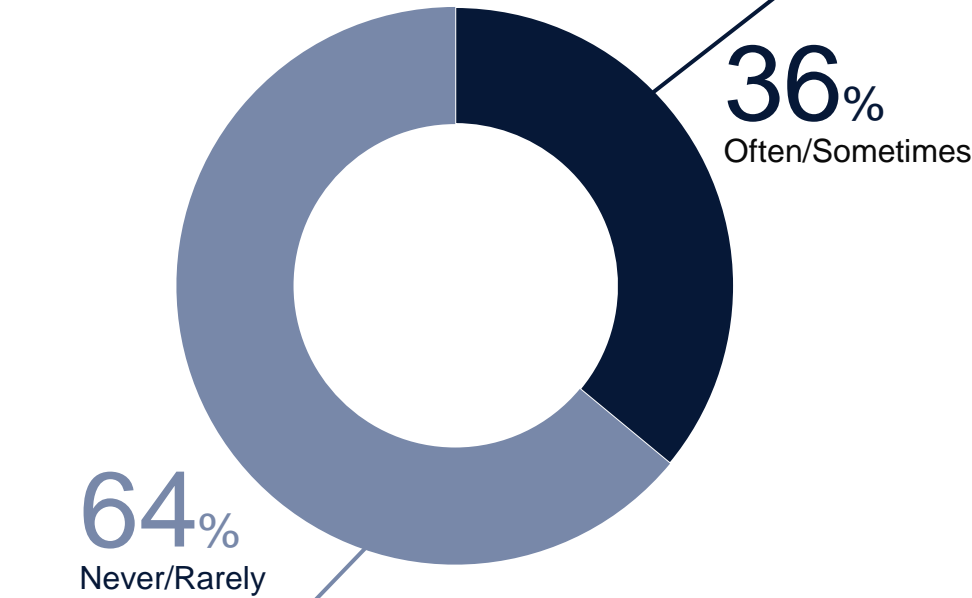
Travel Insurance Perceptions

Consumers are skeptical that travel insurance is necessary; perceived cost is a significant purchase barrier

Of those who do purchase travel insurance, most do so for peace of mind.

Frequency of Purchasing Travel Insurance
 (Shown: % Selected T2B “Often” or “Sometimes”; B2B “Never” or “Rarely”)

- Consumers **do not buy** travel insurance because...
1. I don't think it's needed (47%)
 2. It costs too much (37%)
 3. It's not worth it (30%)
 4. I was not aware of/didn't think of it (16%)
 5. I don't know how to select the right insurer/coverage (12%)
 6. I don't know how to buy travel insurance (9%)
 7. I had a previous bad experience with travel insurance (2%)



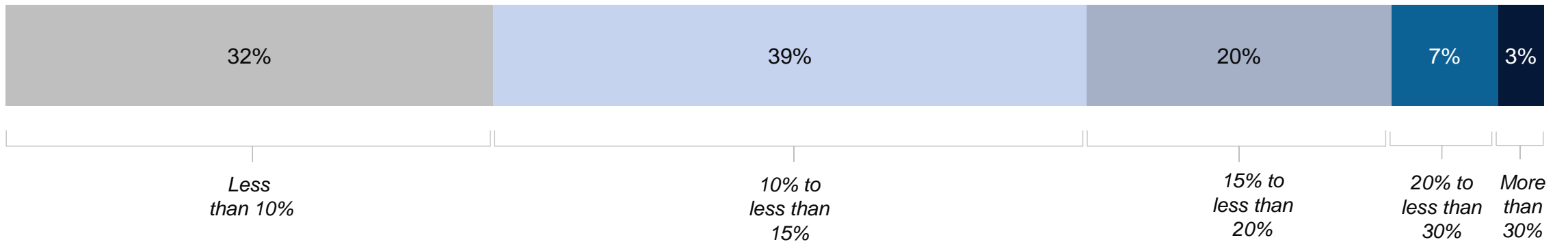
- Consumers **buy** travel insurance because...
1. For peace of mind (79%)
 2. To protect my investment (50%)
 3. Uncertainty in life/environment (45%)
 4. It was recommended to me (21%)
 5. I experienced a disruption in the past (20%)
 6. It was required (9%)
 7. Karma (3%)

Q6. How often do you buy travel insurance when booking a trip? Base: Total (US Consumers=1,000) Q7A. Why do you buy travel insurance? Base: US Consumers Who Often/Sometimes Buy Travel Insurance=359) Q7B. Why do you not buy travel insurance? Base: US Consumers Who Never/Rarely Buy Travel Insurance=641)

Many consumers overestimate the cost of travel insurance

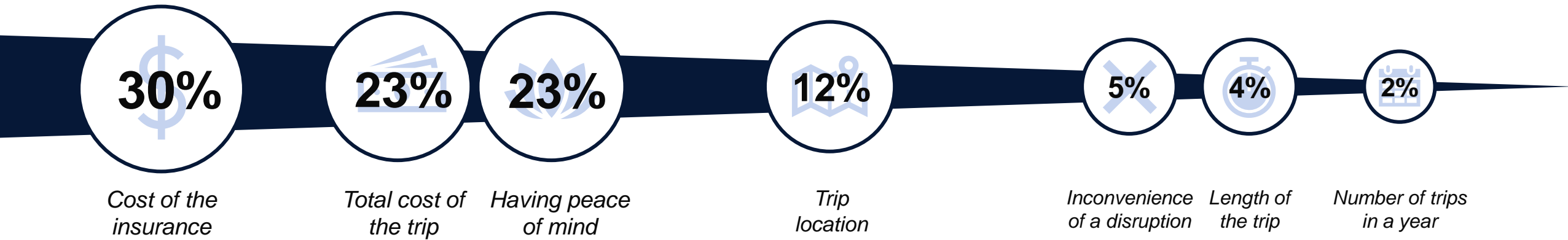
Almost one-third mistakenly believe travel insurance usually costs more than 15% of the total trip cost.

How much do you think travel insurance usually costs, as a percentage of total trip cost?
(Shown: % Selected)



Beyond cost considerations, a desire for peace of mind and the trip location most influence decisions to buy travel insurance

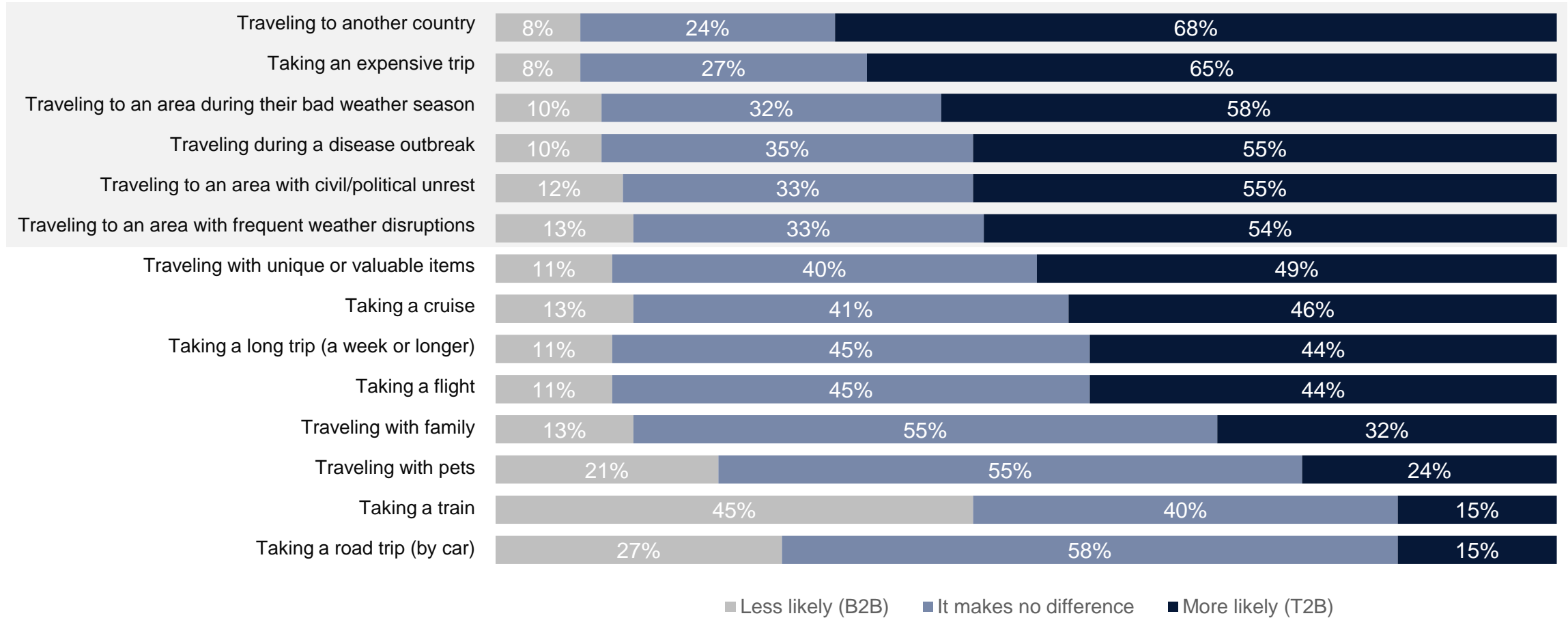
Important Factors When Considering Travel Insurance
(Shown: % Selected)



Consumers are more likely to purchase travel insurance when traveling internationally, taking an expensive trip, or during higher risk scenarios

Likelihood of Purchasing Travel Insurance by Situation

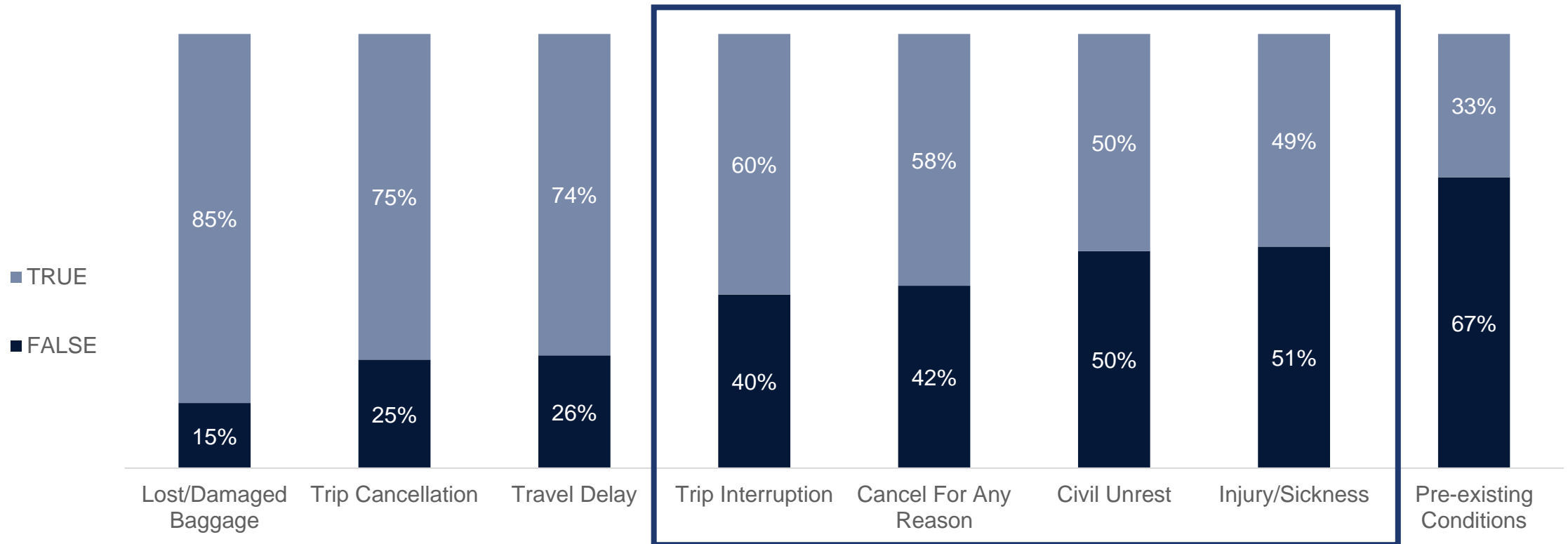
(Shown: % Selected)



■ Less likely (B2B) ■ It makes no difference ■ More likely (T2B)

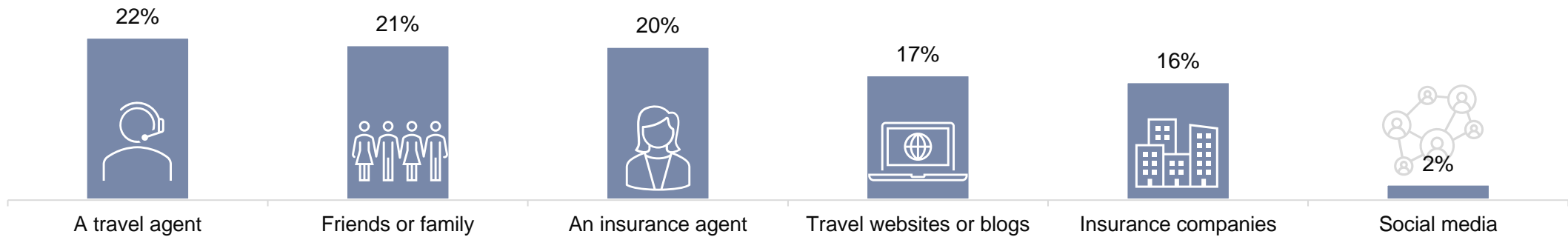
Many consumers have misconceptions about travel insurance, with one-third believing it covers pre-existing medical conditions

True/False Statements on Included Travel Insurance Coverage
(Shown: % Selected)



Travel agents, friends and family, and insurance agents are most trusted for information about travel insurance

Audiences Trusted for Travel Insurance Information
(Shown: % Selected)





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Appendix

Additional Detail

Consumers are split—half believe their health insurance provider will cover any international health care needs, while the other half do not

Additionally, the majority of consumers say they know the value of the contents of their luggage when traveling.

True/False Statements on Travel Habits and Experiences

(Shown: % Selected)

If I'm traveling internationally and need health care, my health insurance will cover it



50%

True

50%

False

When I travel, I know the value of the contents of my luggage



83%

True

17%

False

Though the pandemic is over, many consumers still feel cruise vacations are unsafe

Do you enjoy going on cruise vacations?

(Shown: % Selected)

34% Yes

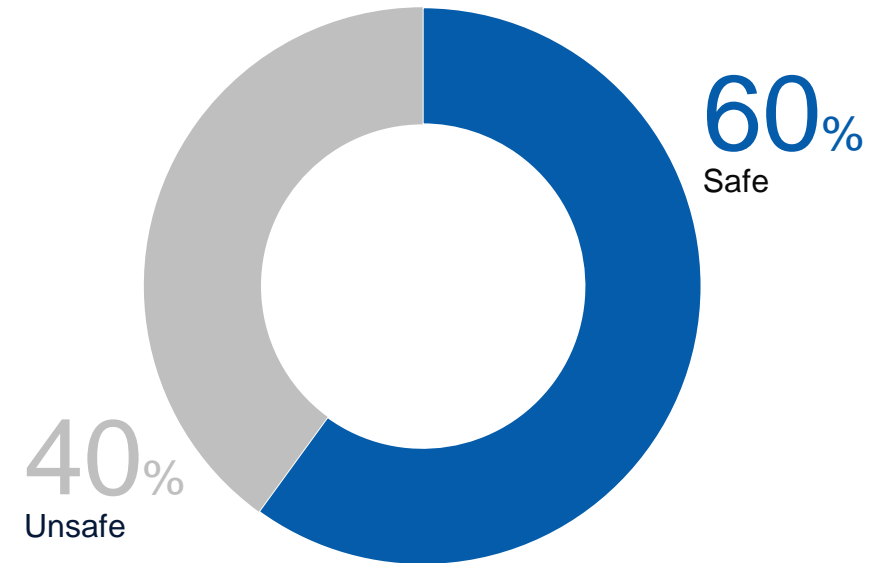
13% No

12% I am indifferent towards cruises

41% I've never been on a cruise

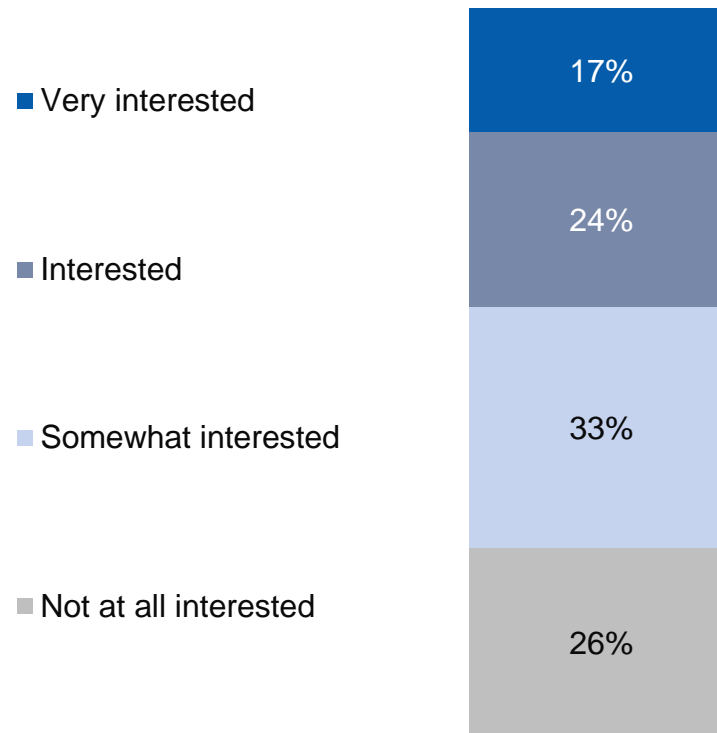
Thinking about the COVID-19 pandemic, how safe do you think taking a cruise vacation is currently?

(Shown: % Selected T2B Very Safe/Somewhat Safe; B2B Very Unsafe/Somewhat Unsafe)



Most consumers would consider buying a travel insurance plan that covered all trips for one year

Interest in Yearly Travel Insurance Plan
(Shown: % Selected)



A majority mistakenly believe travel cards offer as much or more coverage than travel insurance

Protection of Travel Cards vs. Travel Insurance
(Shown: % Selected)



16%

Travel cards **protect more**
than travel insurance

41%

Same amount of
protection

44%

Travel cards **protect less**
than travel insurance



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Appendix

Demographics

Demographics: U.S. Consumers

Gender

Man	50%
Woman	50%

Age

18-24	6%
25-34	14%
35-44	21%
45-54	18%
55-64	17%
65+	23%

Region

Northeast	24%
Midwest	19%
South	36%
West	21%

Employment Status

Full-time	46%
Part-time	11%
Retired	25%
Homemaker/Stay-at-home parent	6%
Student	2%
Unemployed	11%
Prefer not to answer	1%

Ethnicity

Asian or Asian American	4%
Black or African American	13%
Hispanic	13%
White	68%
Other	2%
Prefer not to answer	<1%

Education

Some grade school	<1%
Some high school	1%
High school graduate	19%
Technical or vocational school	5%
Some college	22%
College graduate	37%
Graduate or professional school	16%
Prefer not to answer	<1%

Income

Under \$25,000	14%
\$25,000 - \$49,999	21%
\$50,000 - \$74,999	21%
\$75,000 - \$99,999	16%
\$100,000 - \$149,999	14%
\$150,000 - \$199,999	6%
\$200,000+	4%
Prefer not to answer	3%