

US Travel Insurance Market Insights

2025 vs 2024 Performance Analysis

April - June Period Comparison

Comprehensive analysis of US single trip travel insurance policies comparing key metrics, attachment rates, pricing changes, and consumer behavior patterns

Executive Summary

+7.3%

Travel Medical Attachment Rate Increase
From 73.5% to 80.8%

+255%

Rental Vehicle Cost Increase
Highest benefit cost growth

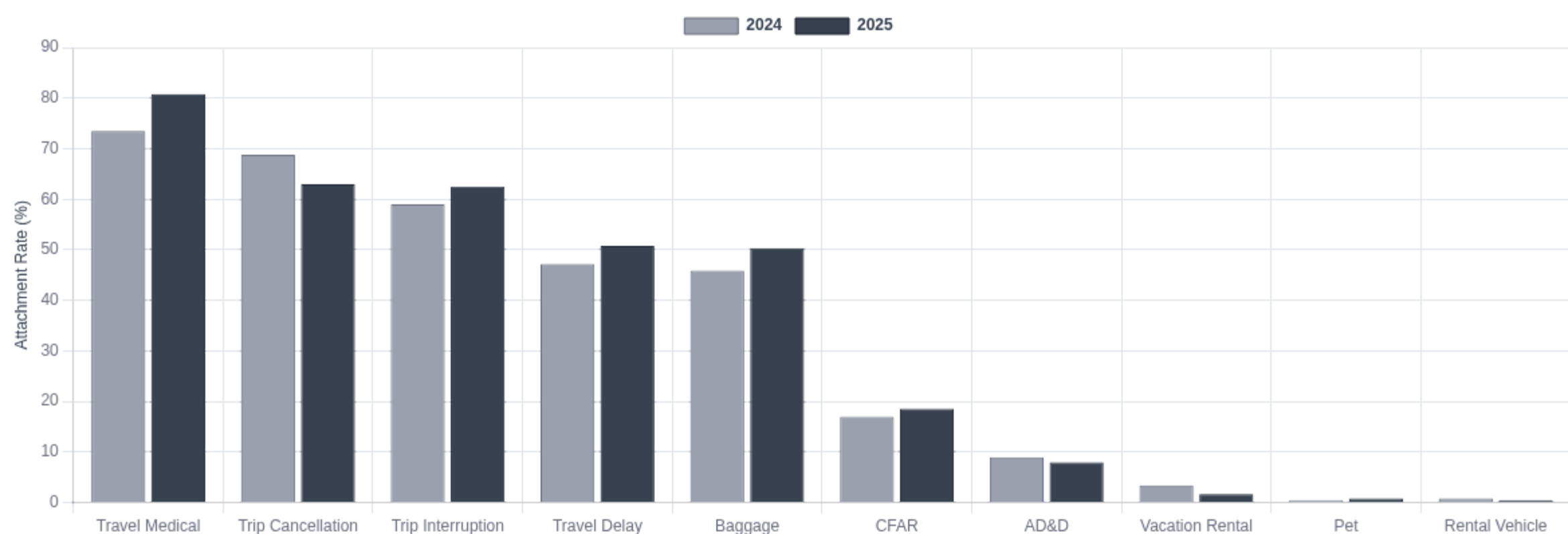
+9.7%

Average Order Value Growth
\$161.92 to \$177.63

35.8%

Prefer 1-2 Benefit Bundles
Up from 27.2% in 2024

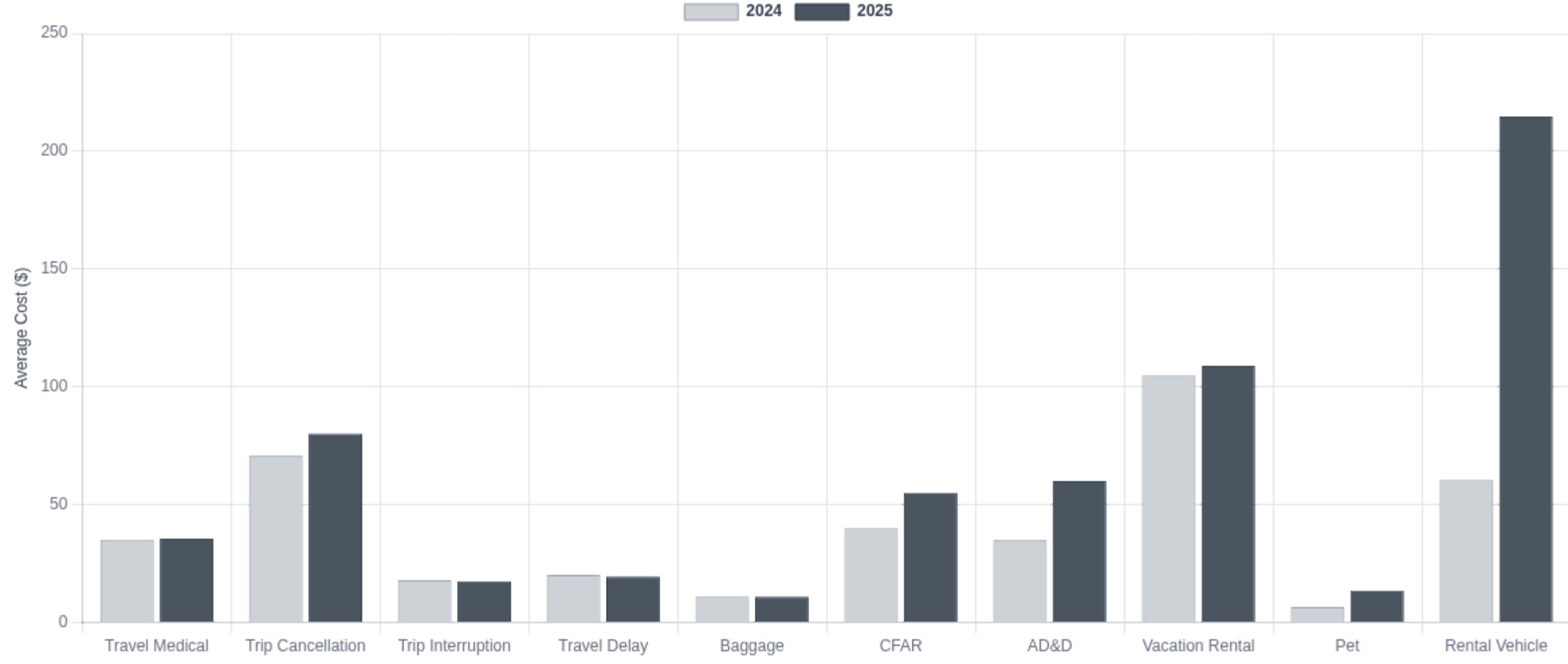
Individual Benefit Attachment Rates



Key Insights:

- Travel Medical shows strongest growth: 73.5% → 80.8% (+7.3 percentage points)
- Trip Cancellation attachment decreased despite cost increases: 68.8% → 63.0%
- Specialty benefits (Pet, Rental Vehicle) remain niche but show varying trends

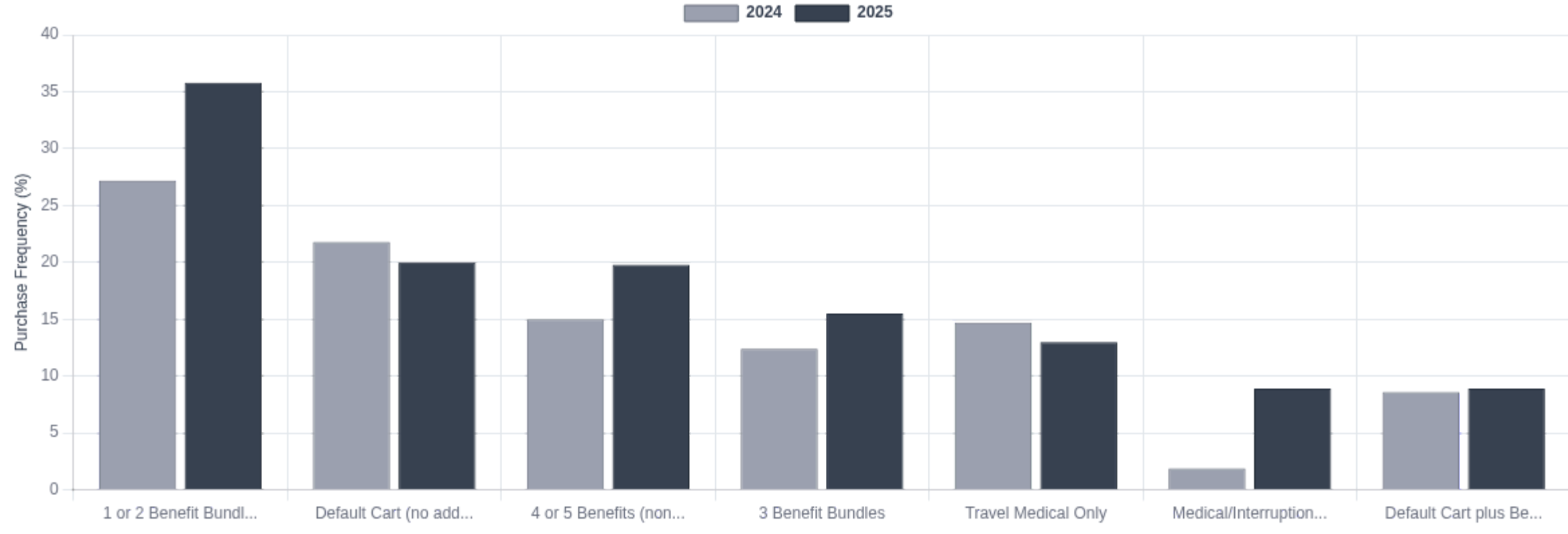
Average Benefit Costs Analysis



Pricing Trends:

- Rental Vehicle: Highest cost increase (+255.0%) from \$60.49 to \$214.75
- AD&D: Significant increase (+70.4%) from \$35.21 to \$60.01
- CFAR: Notable increase (+37.8%) from \$39.99 to \$55.09
- Most other benefits show moderate price stability

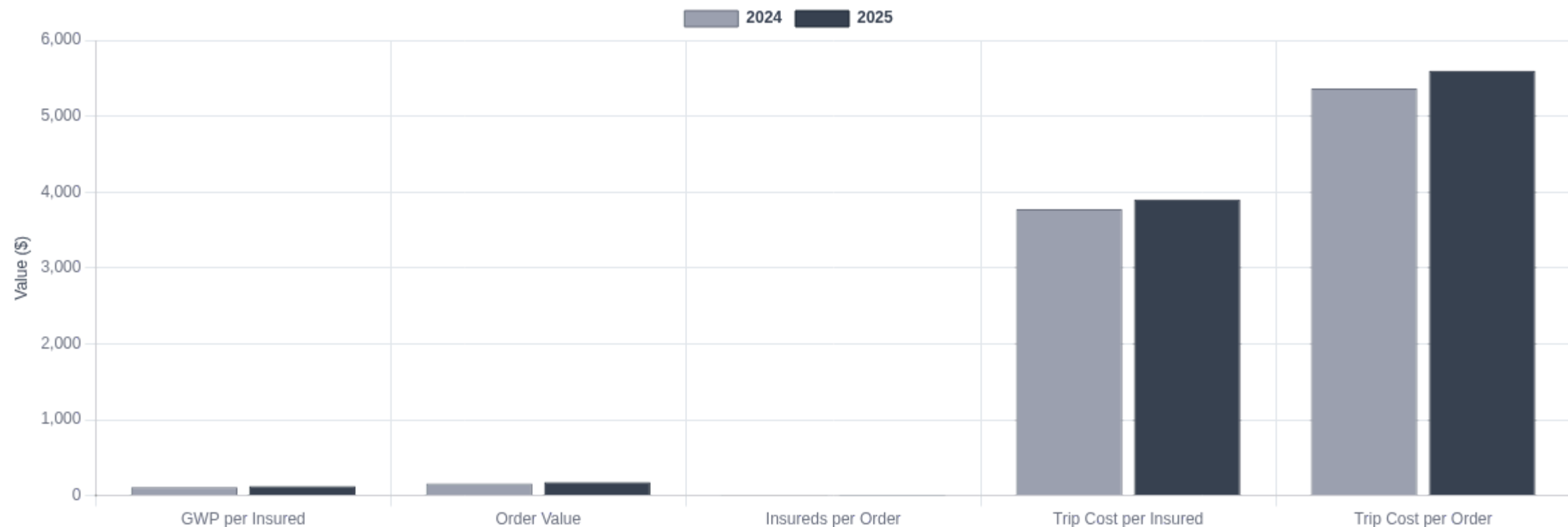
Purchase Frequency & Buying Behavior



Behavioral Shifts:

- 1-2 Benefit Bundles: Most significant increase from 27.2% to 35.8%
- Medical/Interruption/Delay/Baggage Bundle: Dramatic growth from 1.9% to 8.9%
- Default Cart usage decreased from 21.8% to 20.0%
- Trend toward selective, targeted coverage rather than comprehensive packages

Trip & Traveler Metrics



Financial Metrics:

- Average GWP per Insured: +8.6% (\$113.95 → \$123.78)
- Average Order Value: +9.7% (\$161.92 → \$177.63)
- Trip costs per insured up 3.4% (\$3,774 → \$3,902)

Operational Metrics:

- Average Insureds per Order: Stable at ~1.42-1.43
- Higher value trips driving increased insurance adoption
- Premium per policy growing faster than trip costs

Detailed Comparison Tables

Individual Benefit Attachment Rates

Benefit Type	2024 Rate	2025 Rate	Change
Travel Medical	73.5%	80.8%	+7.3pp
Trip Cancellation	68.8%	63.0%	-5.8pp
Trip Interruption	59.0%	62.5%	+3.5pp
Travel Delay	47.2%	50.8%	+3.6pp
Baggage	45.9%	50.3%	+4.4pp
CFAR	17.0%	18.6%	+1.6pp
AD&D	9.0%	8.0%	-1.0pp
Vacation Rental	3.4%	1.7%	-1.7pp
Pet	0.5%	0.8%	+0.3pp
Rental Vehicle	0.8%	0.5%	-0.3pp

Average Benefit Costs

Benefit Type	2024 Cost	2025 Cost	% Change
Travel Medical	\$35.21	\$35.64	+1.2%
Trip Cancellation	\$71.02	\$80.27	+13.0%
Trip Interruption	\$17.91	\$17.61	-1.7%
Travel Delay	\$20.26	\$19.51	-3.7%
Baggage	\$11.06	\$10.98	-0.7%
CFAR	\$39.99	\$55.09	+37.8%
AD&D	\$35.21	\$60.01	+70.4%
Vacation Rental	\$104.81	\$108.95	+4.0%
Pet	\$6.54	\$13.55	+107.2%
Rental Vehicle	\$60.49	\$214.75	+255.0%

Strategic Insights & Recommendations

Market Trends

- Health-Conscious Travelers:** Travel Medical attachment rates increased significantly, indicating growing health awareness post-pandemic
- Premium Pricing Strategy:** Specialty benefits see substantial cost increases, suggesting market repositioning toward premium offerings
- Selective Coverage:** Customers increasingly prefer smaller, targeted benefit packages over comprehensive plans

Business Opportunities

- Revenue Growth:** 9.7% increase in average order value despite selective purchasing behavior
- Bundle Optimization:** Medical/Interruption/Delay/Baggage bundle shows 369% growth - high potential for promotion
- Trip Value Correlation:** Higher trip costs driving increased insurance adoption and spending