Travel Insurance and Assistance - Worldwide Series

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According to research published by Finaccord, the global market for stand-alone travel insurance and assistance (excluding policies linked to credit cards and bank accounts) was worth around USD 13.8 billion in 2013, and this figure is expected to rise to USD 18.1 billion by 2017.

However, many of the world's largest and most established travel insurance markets â€“ including a number of European examples, plus the US â€“ are either stalling or declining. "On the other hand, some of the best opportunities for strong and sustained growth are to be found in Latin America and the Asia-Pacific region, where consumer awareness is often low and where the competitive landscape can be fierce", comments Simon Tottman, a consultant at Finaccord. Based on extensive primary research across over 40 individual countries, Finaccord calculates that in 2013 gross written premiums from travel insurance and assistance policies sold on a stand-alone basis were divided regionally as follows: the Americas (34.6%), Europe (33.2%), Asia-Pacific (29.7%) and Africa and the Middle East (2.5%). However, Europe's significance within this global picture is diminishing rapidly, whereas by 2017 the Americas and Asia-Pacific regions are forecast to generate 36.6% and 33.0% of global travel insurance premiums respectively. "This shift is being fuelled by the rapidly-expanding outbound leisure travel sectors of several developing countries, including Argentina, China and India", continues Tottman. The US was still the world's largest travel insurance and assistance market in terms of gross written premiums from stand-alone policy sales in 2013, followed by Canada, the UK, Japan and then Australia. Collectively, these top five markets accounted for almost half of all global premiums. However, by 2017, China will certainly have surpassed Australia in this ranking, and Finaccord also expects the Chinese market to be on a par with those of Japan and the UK by that time. In terms of forecast growth in premiums, Saudi Arabia's market â€“ which is still relatively small in absolute terms â€“ is expected to undergo the most rapid expansion, growing at around 20% per annum in real terms over the next few years. Other high-growth markets include China (17%), Turkey (13%), Indonesia (12%) and Argentina (also 12%). At the opposite end of the growth spectrum, numerous European travel insurance markets (including those of France, Germany and the UK) are expected to continue shrinking in the immediate future, albeit at very marginal rates. "The situation within Europe is an interesting reflection of the evolving shape of this industry globally, because in every part of the world there are young markets that are thriving and more mature markets that are stagnating. There is also considerable local and regional diversity when it comes to consumer awareness, product distribution and the competitive landscape", concludes Tottman.For more information regarding this article please click here: @Finaccord | http://www.finaccord.com/Follow Market Research World on Twitter or join in the conversation with our LinkedIn Group