



**1** Cover  
Travel  
Insurance

Travel Wrap Up  
2023-2024

# Overview: the state of travel

While 2022 was a bumpy ride, we can truly say that 2023 is the year that travel fully recovered. In this report, you will discover a comprehensive overview of the travel landscape, delving into trends, behaviours, and the key factors influencing Australians' holiday choices in 2023, as well as a glimpse into what to expect in 2024.

Drawing upon more than two decades of experience as one of Australia's premier travel insurers, we have gathered invaluable insights into the travel industry and the behaviours of Australian consumers. The report draws on our own research for data-driven insights and third-party data sources to analyse the state of the travel sector.



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# Overview: the state of travel

As we look forward to the coming year, the prevailing sentiment regarding global travel is overwhelmingly positive. Despite the lingering effects of the pandemic and the challenges posed by escalating inflation, consumers exhibit unwavering confidence in their travel plans, with a significant majority (72%) expressing a commitment to travel in 2024.

While financial uncertainties persist, they have not dampened the spirit of Aussie wanderlust; rather, they have shaped consumer decisions, placing emphasis on cost considerations as primary concerns.

As the travel industry continues its revival, we are excited about the prospects of the year ahead. Our aim is to offer valuable insights and clarity into the future of travel. We invite you to delve into this report to gain a deeper understanding of the evolving landscape.

**Natalie ball**

Managing Director | 1Cover Travel Insurance



# Top 10 Destinations 2023



1

BALI



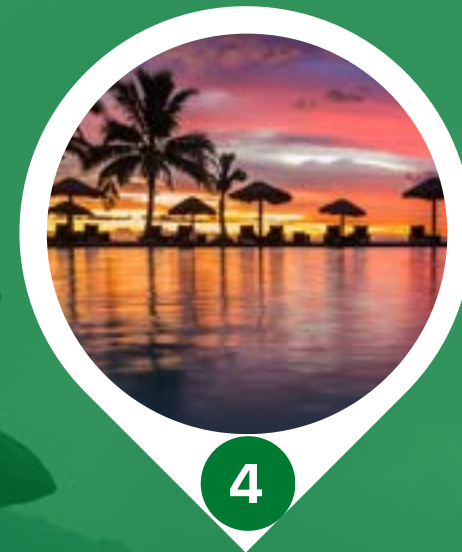
2

AUSTRALIA



3

USA



4

FIJI



5

UK



6

JAPAN



7

THAILAND



8

NEW ZEALAND



9

SINGAPORE



10

FRANCE



# Shift in Travel Insurance behaviour post pandemic

In the aftermath of the pandemic, it's clear that travel insurance is now considered essential for overseas trips. According to 1Cover data, three quarters (75%) of Australian travellers consider travel insurance a high priority.

When asked about their primary reasons for buying travel insurance, policy, a third (33%) of Aussies said that medical cover would be their top reason for purchasing cover followed by flight cancellation and delays (15%) and loss of luggage and belongings (9%).

More than a third (39%) say that they consider travel insurance more of a priority than they did prior to the pandemic.



**20 days** is the average trip duration for Aussies going overseas



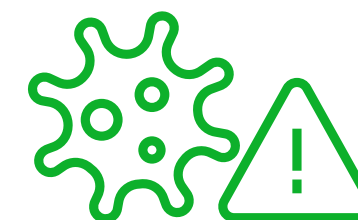
**10 days** before trip i-when Aussies typically book their cover



**75%** of Australian travellers consider travel insurance a high priority



**44%** of consumers say they 'always' buy travel insurance

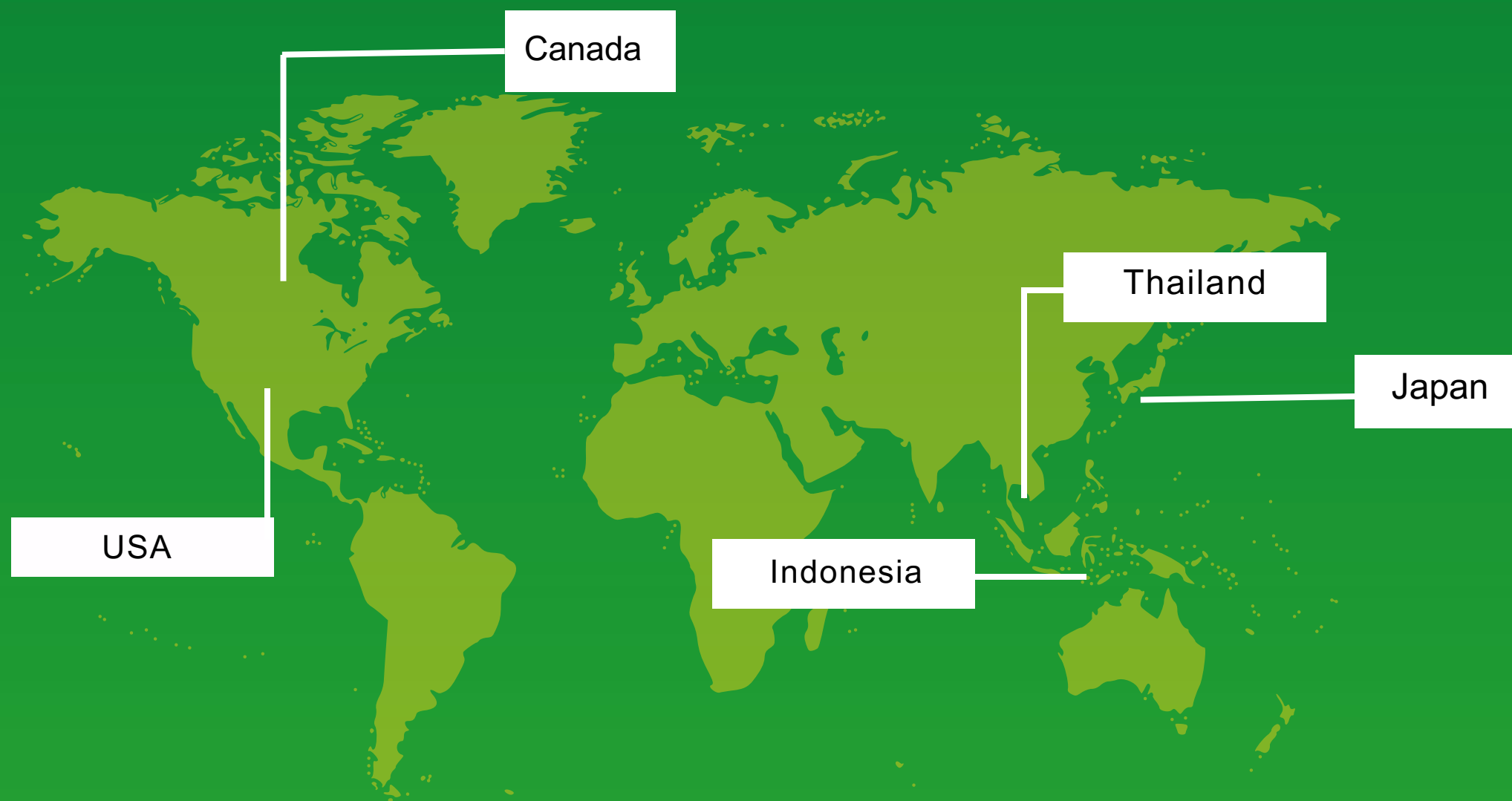


**39%** say they consider travel insurance a priority post pandemic

# Travel Insurance claims 2023

Bali, Phuket, New York and Whistler are some of Australia's favourite hot-spots, with some of the highest claim rates due to expensive healthcare systems and rising travel numbers.

## Top claim destinations



## Top 5 claims

- Luggage delays
- Lost or stolen items
- Bali belly
- Flight cancellations
- Trip Cancellation

## Most expensive claim

**\$2,600,000**

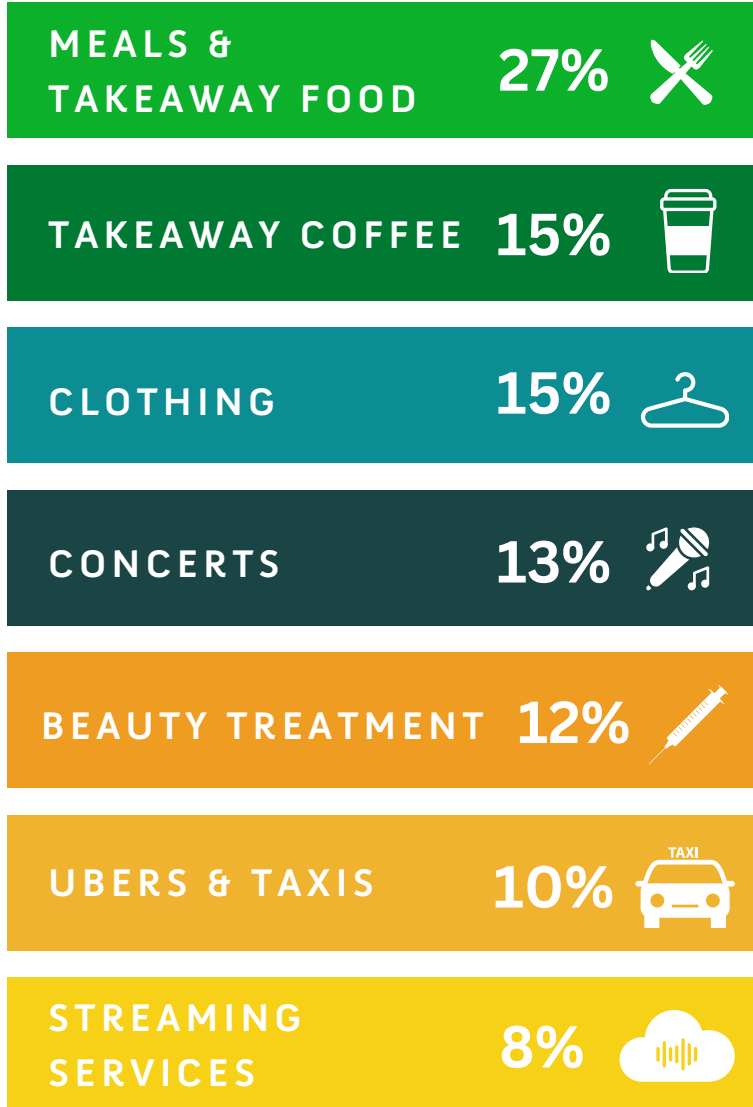
A 62-year-old male required an ICU stay and a medi-vac flight home after contracting a life threatening infection in the USA.

# Aussies sacrificing some of life's little luxuries in order to travel



It seems travel certainly is worth the sacrifice, with Aussies willing to make significant cut backs in order to save up for a trip. More than a quarter were prepared to give up meals out and takeaway food (27%) in addition to takeaway coffees (15%).

15% would cut down on clothing purchases, concerts (13%) beauty treatments (12%), taxis and Ubers (10%), and another 8% would give up their streaming subscriptions in order to travel.



# Aussies seas the day

After some challenging years, the cruise industry has rebounded in leaps and bounds with demand reaching an all time high.



## 85% repeat cruisers

The majority (85%) of those who have previously cruised will do so again, according to CLIA data.

## Setting sail to hit record levels in 2024

Demand for 2024 continues to accelerate with bookings outpacing 2019.

## 25% increase in cruise policies sold

1Cover has seen a 25% increase in cruise policies compared to pre-pandemic levels.



# Solo travel on the rise

761%

increase in  
solo travel

65%

of women intend  
to travel solo in 2024

Whether as a response to pandemic restrictions, changing demographics or technological freedoms, solo travel is soaring. Research data shows a staggering 761% increase in post-pandemic solo travel.

According to 1Cover data, at least 40% have either travelled solo or are planning to do so in the future, driven by the desire to relax alone, while focusing on wellbeing and enjoyment. Women in particular, are at the helm of the solo travel movement, with two thirds of women surveyed (65%) intending to take a solo trip in 2024.





# Next stop 2024

- **Repeat bookers:** This year will continue to usher in an increased resurgence of travel. 2023 recent explorers are also showing eagerness to travel again in 2024.
- **New hot destinations:** Traditional hotspots like Bali and Fiji will maintain popularity while visitors to Japan, Costa Rica and Peru are predicted to rise.
- **More solo travel:** Interest in solo travel will continue to gain momentum, particularly with women.
- **Cruising surge:** Passenger numbers are expected to soar with the industry evolving to increasingly appeal to a broader demographic.
- **Shift in seasonality:** Peak travel times are likely to shift, with mid-year trips surpassing end-of-year travel.
- **Leap in adventure cover:** Adventure holidays are predicted to rise with a spike in adventure cover purchases.

# Thank you

The data within this travel index has come from a mixture of 1Cover sales data, survey responses and Google insights.

1Cover sales data

1Cover claims data

1Cover consumer survey, Nov 2023

Google travel insights & competitive analysis report

Google travel report: embracing new frontiers with cautious optimism

CLIA State of the Cruise Industry Report 2023

