

INDIA Outbound

In the post-pandemic world when travel will resume, travel insurance will be in much more demand than ever as it is no longer a choice before any international trip, but a prerequisite for getting a visa to most countries.

With borders opening up again, destinations welcoming back tourists, airlines and cruise operators planning routes and itineraries and hotel groups putting new norms such as social distancing and hygiene in place to receive guests once again, travel insurers are starting to offer cover for Covid-19 to give travellers reassurance they're looking for to protect their health and their trips.

Careless whispers

Before the outbreak of the pandemic and imposition of lockdowns globally, many countries used to require insurance for processing visa applications, but things were relatively easy. Some countries often left the choice of insurance to the travellers, many of whom treated travel insurance as a useless expense. But as reports of accidents, illnesses and other events of misfortune befalling Indian tourists overseas spread in India, the necessity of having an insurance became clear to most Indian travellers.

"In north India, many people still feel it is a waste of money. Many people visit family overseas as they have businesses there. They have tickets, hence they just want a visa and are less bothered for insurance, and we struggle to educate them," Sanjeev Mehra, managing director of Aaryan Holidays & Leisures, an outbound tour and MICE operator from Kolkata tells *India Outbound*.

"For the last few decades, we have been able to convince our clients more to take travel insurance coverage before travelling. Some countries making it a mandatory requirement while visa application made our job easier," agrees Aparna C Basumalik, country head – India, Europamundo Vacaciones.



Change in the air

But with the pandemic, the option of travelling without any insurance does not exist anymore. And now most insurance companies in India also have rolled out various policies to cover Covid-19 while travelling overseas.

India Outbound spoke to **Dev Karvat**, founder & CEO – India & Emerging Markets, **TrawellTag Cover-More**, a global travel insurance company.



Dev Karvat

With travel becoming complex in the current scenario, how have travel insurance policies changed?

The travel protection landscape is going to see a positive change once we settle in the post-Covid-19 world. Consumers who normally treated travel protection purely as an optional service will now see it as an essential requirement, as they recognise the risks of travel and the benefits of being covered. Moreover, a comprehensive travel protection product provides real-time information about emerging situations across the world, medical evacuation, local hospitalisation support coupled with relevant travel insurance benefits which are the need of the hour. We are witnessing a greater demand for such holistic products.

Unlike other segments of tourism, do you think the travel insurance market is booming, as now everyone has to go for it?

With the current travel restrictions by most of the countries, travel protection market is as affected as any other segment in the travel industry. But the awareness about travel protection has increased manifolds and we anticipate that more travellers will now opt for travel protection plans while planning their trips. Tour operators and travel aggregators will now vouch for comprehensive travel protection products as it would help the traveller not only to recuperate from their financial losses but also support them with assistance services during unforeseen events.

What are the things travellers must check in any new travel policy they buy now to cover any unforeseen situation?

There are numerous contingencies that may befall during travel and the degree of these uncertainties magnify while travelling with loved ones. It is hence, essential to opt for travel protection; or rather a customised protection plan before you hit the road.

- **Coverage offered:** Travel plans differ based on the age of traveller, type of travel, destination and so do the uncertainties that come along with it. It is, therefore, crucial to assess the purpose of travel, contemplate the risks involved and then choose a protection plan with coverage that best suits the traveller's requirements.
- **Service network:** Travel protection companies have their representatives or tie-ups with organisations across all leading countries in the world that help travellers with assistance services. It is important to ensure the company offers services in the country that one plans to visit before buying a protection plan.
- **Add-ons and customisability:** Most traditional travel insurance plans may not offer all the benefits to provide the required protection for a particular type of travel plan. Hence, we have add-ons that enhance the coverage at an additional cost. It is advisable to customise a travel protection plan that will not only suit the purpose of travel but also safeguard the traveller against unforeseen situations.
- **Flexibility:** We today live in a world filled with uncertainties. It is very likely that a traveller may have to modify their itinerary before the journey begins due to unavoidable circumstances or a change in plan. So, one has to make sure that the travel protection plan is flexible for changes.
- **Coverage amount:** Travel protection plans have different levels to cover financial losses. Choosing a plan with an optimal coverage amount based on the destination, the members travelling and the trip duration is crucial.

What could be the difficulties and challenges that you anticipate travel insurance companies are likely to face now after the pandemic?

The Covid-19 outbreak has engraved a lasting mark in the mind of travellers and they may be sceptical about travelling even after coronavirus ceases to exist. Therefore, the biggest challenge that the travel industry will face is building up confidence amongst travellers. Furthermore, with the gradual resumption of domestic travel and the travel industry's changing landscape, we will now have to reassess our strengths and weaknesses and devise strategies of business sustainability.

What are the best practices in terms of providing value additions in travel insurances that are key deciders from one than the rest?

The thumb rule for being the best service provider in a market where change is the only constant is to cater to the evolving needs of the customer. Stepping into their shoes and recognising their pain points will not only serve the purpose of selling your product, but will also build brand loyalty amongst your customers. A company should also be relevant while offering products and services to customers; else they will pursue other brands that match their requirements. A rapid response in time of dire need followed by happy customer's endorsement differentiates the winner.

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