

# Decoding Traveler Preferences

How Travel Companies Should Rethink the Modern Customer Experience

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Presented by:

**Skift.**

+

**Allianz**



Allianz  
Partners



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## Executive Summary

Consumers have myriad choices for their travel plans, inspiring travel brands to innovate with their products and services to help them stand out from the crowd. 2024 is set to be a record year in the travel business, but historically high consumer demand has also come with seemingly contradictory concerns about costs.

In the digital age, the human touch has never been a more powerful point of differentiation. Travelers appreciate that technology can power unique personalized offers and automated, self-service tools. At the same time, they've made it clear they're willing to pay more for better access to personal, human interactions. Travel insurance can help bridge the gap for many customers who prefer self-service for most aspects of their experience but also want the assurance that a human being will be available at a moment's notice if they need a helping hand during their journey.

This report takes a data-driven approach to explore why travel executives may benefit by reexamining what customers really value, recalibrating their customer service strategies, and seeking opportunities that will not only increase revenues but also turn momentary interactions into longer-lasting customer relationships.

### In this report:

- **Data from a new survey of more than 1,500 U.S. travelers and 350 U.S. travel executives:** Compare traveler preferences and executive assumptions for booking preferences, customer service, and technology.
- **43 percent of U.S. leisure travelers said they prioritize "affordability" when they book:** Find out why travelers are rethinking value in today's high-priced travel market.
- **77 percent of travelers said a wider variety of purchase options could influence their choice of travel provider:** See what they're looking for — and what they're not.
- **Over 60 percent of travelers said they would pay a premium for 24/7 customer service:** Learn how companies are using technology as the foundation, but not the face, of personalized customer service.
- **86 percent of travelers were satisfied with their travel insurance purchases:** Understand why consumers and companies see travel insurance as a unique solution. [<](#)

## A Message from Allianz Partners

At Allianz Partners, we're privileged to work with some of the world's most iconic travel brands, helping them leverage innovative solutions that drive customer delight and loyalty. Our technology helps us deliver the right product at the right time at the right price, but to do so, it's crucial that we understand what motivates travelers. Ultimately, our goal is to help people fulfill their travel dreams with confidence, knowing they have our combination of insurance benefits and assistance services to help them if something goes wrong.

Increasingly, travelers see travel insurance as an essential part of the trip-planning process. By analyzing billions of traveler data points and examining customer feedback from our Voice of Customer program, we constantly refine and customize products and offers. In our drive to enhance customer value, we've also provided non-insurance safety and security features through our free Allyz® TravelSmart app to support travelers from departure to return, a feature that can be included within a partner's ecosystem. We're dedicated to customer satisfaction — because happy customers are loyal customers.

We're pleased to partner with Skift on this report, which presents the results of our research into the preferences and perspectives of both travelers and travel executives. It's clear from the results that travel suppliers, distributors, technology executives, and consumers place a premium on exceptional experiences. This report highlights some key areas of opportunities for travel brands to better meet the needs of today's travelers.

We hope this report will help guide travel businesses like yours in delivering the kinds of experiences that reach and retain travelers.

If you're interested in learning more about the value and advantages of working with Allianz Partners, please don't hesitate to reach out to me.

### ***Tom Trotta***

Vice President, Sales and Partnerships – USA, Allianz Partners





# Intelligent tech meets creative touch

At Allianz Partners, we understand the power of data. By analyzing customer feedback and over 396 billion traveler data points, we're able to create products that resonate with customers and drive partner revenue.

But through our data, we've learned the importance of human connection. This trend report reiterates just how important it is for companies to connect with customers through each step of their journeys. We hope you'll find value in those insights—and use them to deliver exceptional experiences that keep customers coming back.

Learn more about how Allianz Partners stays ahead at  
[AllianzPartners.com](https://AllianzPartners.com).



## Methodology

Skift and Allianz Partners surveyed 1,541 U.S. consumers and 352 U.S. travel executives in March 2024.

The consumer survey asked respondents whether they had taken one or more leisure trips in the past 12 months that were at least 100 miles away from home and included at least two overnight stays. The resulting sample spanned generational age groups, with 45 percent of respondents identifying in the 18-25 (Gen Z) and 26-44 (Millennial) age groups, and the other 55 percent of respondents in the 45-59 (Gen X), 60-74 (Baby Boomer), and 75+ segments. Just over 30 percent of respondents reported household income (HHI) of less than \$50,000, 41 percent of respondents said their HHI was between \$50,000 and \$100,000, and 29 percent said their household earned more than \$100,000 annually. A majority of consumers (54 percent) said they took two to three leisure trips in the past year meeting the description specified by the screening question, and 66 percent of respondents said they traveled only domestically in that time frame.

The executive survey asked respondents to identify as a travel or hospitality executive who makes decisions that impact finance, product/e-commerce, customer service, marketing, or B2B partnerships. The resulting sample included decision-makers from 15 travel industry segments, with the largest contingencies in the airline, hotel, corporate travel, alternative

accommodations (including short-term rentals), travel agency (both online and offline), and travel technology sectors. The survey was targeted to individuals at the director level or above within their organizations, and 45 percent reported that they held roles in the C-suite, on the board of directors, or as a business owner.

The survey questions centered on several major themes:

- The evolution of traveler preferences over the past several years
- How ancillary products and add-ons influence travelers' bookings
- Changing attitudes about technology and customer service
- How travel insurance is playing a role in meeting the modern traveler's expectations

Comparisons across these two sample sets form the foundation for this report's analysis and insights. Unless otherwise noted, the data cited and visualized throughout this report are from this survey. Data points are rounded to whole numbers, and therefore charts may not add up to 100 percent in all cases. <



## Introduction

Today's travelers face a costly conundrum. According to Skift Research, concerns about the economy and their finances weigh heavily on travelers' decision-making. In a [Q1 2024 survey](#), 67 percent of U.S. travelers said that higher prices impacted their vacation plans this year.

At the same time, it doesn't appear that they're willing to compromise on traveling. According to an annual [Forbes Advisor survey](#), Americans' appetite for travel continues to grow. In 2023, nearly 50 percent of U.S. travelers said they planned to travel more than in 2022. And in 2024, nearly 40 percent said they, yet again, planned to travel more than 2023.

Travelers' dedication to jet-setting has kept the travel business booming. By 2025, the [U.S. Travel Association](#) estimates that U.S. travel spending will reach \$1.2 trillion, a historical record (which is also adjusted for inflation).

When weighing the desire to travel with rising costs, travelers may find themselves asking: "What are the trade-offs I have to make to enjoy my next vacation?" This question is critical for travelers and travel companies alike. According to a new survey from Skift and Allianz Partners, 43 percent of U.S.

leisure travelers said "affordability" was what they valued the most when they traveled. Furthermore, just over 50 percent of travelers said that discounts from travel companies were the No. 1 benefit they receive from loyalty programs (after points and miles), far outpacing the next most popular answer, better customer service (18 percent).

**43%**

*Travelers who said they value "affordability" the most when they travel, the No. 1 response*

**50%**

*Travelers who selected "discounts" as the top benefit they value from loyalty programs, after points or miles*

For travel companies, seizing opportunities in this environment in the coming years will not be a simple victory. Customer decision-making, both at a macro level and on an individual

trip-to-trip basis, is becoming more nuanced. Though they've become more budget-conscious, many of them are also willing to pay for higher levels of service — if it's up to their standards.

And that's the catch. What exactly is today's standard for customer expectations when it comes to affordability, peace of mind, and customer service? And how can companies deliver on this value proposition?

As travel companies strive to be on the cutting edge of technology and innovation, customers are often pleased to see new features that can eliminate booking hiccups and help them discover new and exciting experiences. And when they're on the journey, they appreciate that technology has enabled self-service options that give them the ability to travel unencumbered.

However, an overemphasis on technological features could risk overlooking traveler demands for personalized, human-to-human customer service, especially if travelers find themselves in a situation where something doesn't go quite as planned — from a lost bag to a missed connection or an unexpected trip cancellation. Companies need to stay mindful of this delicate balancing act: Offer convenience, coupled with the peace of mind that someone is always there who can help.

The Skift and Allianz Partners survey uncovered traveler preferences and expectations that often conflict with each other — and sometimes diverge from conventional wisdom in the travel industry. By highlighting, analyzing, and exploring these gaps, this data may serve to ground executives as they thoughtfully consider not just the process, but also the purpose behind their efforts to enhance personalization, deliver more value for their customers, and provide better customer service. <

*"Though they've become more budget-conscious, many travelers are **willing to pay for higher levels of service** — if it's up to their standards. And that's the catch. What exactly is today's standard for affordability, peace of mind, and customer service?"*







# Rewriting the Personalization Playbook

Travelers may be deliberate about how they delegate their dollars, but they seem confident about researching where to go, comparing options for how to get there, and moving further along the booking path.

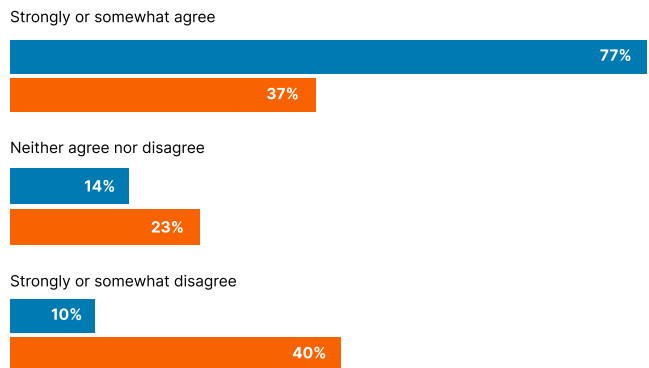
For example, the Skift and Allianz Partners survey found that only 37 percent of travelers agreed they were overwhelmed by the amount of choices they have while booking travel. Meanwhile, 40 percent disagreed with this statement.

Travel executives appeared much more concerned about their customers' states of mind — 77 percent agreed that travelers were overwhelmed by booking choices.

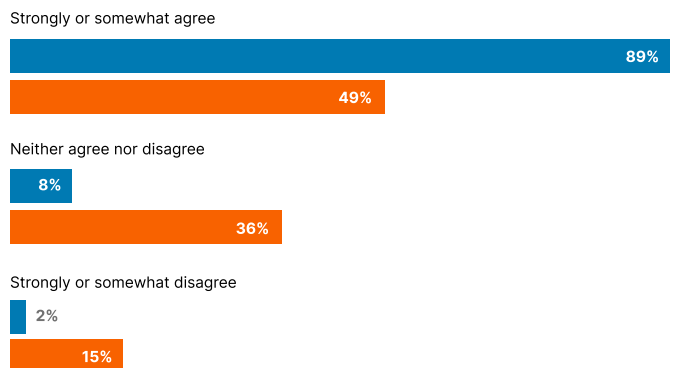
In addition, travel executives were really hard on themselves, believing that customers want more from them in the booking stages of the journey. Nearly 90 percent said that they could do a better job of helping customers make the right choices when booking travel. However, travelers aren't necessarily expecting companies to do all of the work: About half of travelers (49 percent) agreed that companies should bear the responsibility of giving them better options.

The Skift and Allianz Partners survey offered further evidence that what today's travelers want the most is an opportunity to save money.

## Agree or Disagree: "Travelers are overwhelmed by the amount of choices they have when booking travel."



## Agree or Disagree: "Travel companies should do a better job of helping customers make the right booking choices."



■ Executives ■ Travelers

## How Extra Offers and Purchasing Options Add Value

One possible reason travelers report some ambivalence about getting help from companies during the booking process is that they tend to be laser-focused on securing a good room rate or airfare when they book. For instance, [research from Priceline](#) found that more than 25 percent of travelers believe that finding a good deal is actually the most exciting part of a trip.

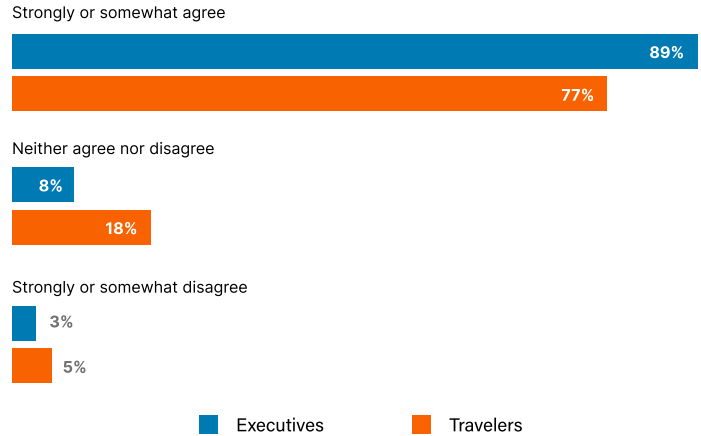
For a sizable portion of travelers, part of the fun is the thrill of the chase for a deal and the feeling of a financial victory.

Travel brands know that the right offer in front of the right person at the right time can surprise and delight customers, even if those customers aren't necessarily considering it at the time. For instance, according to Skift and Allianz Partners data, 89 percent of executives said that ancillary products could improve their competitive position and make a difference in a customer's booking.

When asked whether "a wider availability of purchasing options, such as flight add-ons, room upgrades or additional hotel services, activities or experiences, rental car accessories, travel insurance, and more, could motivate me to choose one travel provider over another," 77 percent of travelers agreed.

*If travelers are able to score some savings when they book, it appears they are **willing to apply what they've saved** to pay for additional services along the journey.*

### Agree or Disagree: "A wider availability of purchasing options\* makes a difference for a customer choosing one travel company over another."



\*The survey defined "purchasing options" as flight add-ons, room upgrades or additional hotel services, activities or experiences, rental car accessories, travel insurance, and more.

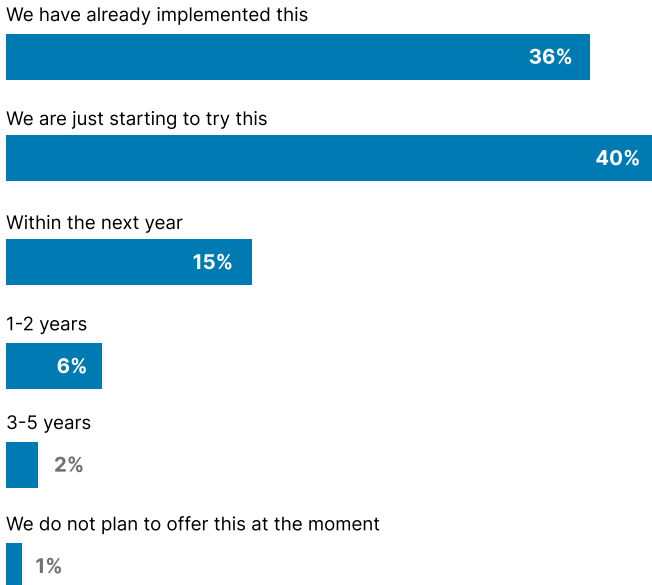
Furthermore, 97 percent of executives said they are either already offering personalized options in real time (75 percent) or plan to do so within the next 2 years. Among travelers, 75 percent said they would be interested in receiving more personalized offers from companies. (See charts on the next page)

Executives' objectives to use personalization as a smarter, more efficient way to win bookings and increase revenue are not necessarily out of step with consumer sentiment, but survey data shows that companies have additional opportunities to prove the value of extra offers in the booking path and beyond.

When it comes to promoting offers beyond the initial booking, travel companies must double down on their efforts to articulate the true value of their recommendations. It's the age-old

**In what time frame would you consider offering personalized recommendations to customers in real time as they research/book travel?**

**Executives**

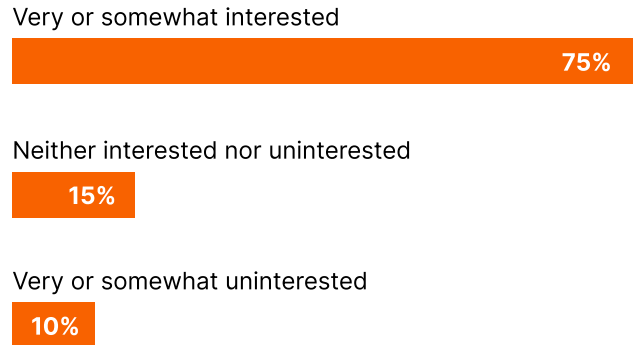


question of cost versus benefit. According to an [analysis from McKinsey](#), 35 percent of the global aviation industry’s ancillary revenue came from baggage fees. And while paying these fees has become the norm, it doesn’t mean that passengers associate them with adding real value to their experiences. Instead, they likely view them as a cost they can’t escape.

Conversely, travelers have a positive association with the feeling of choosing an aisle seat or the confidence in being able to switch a flight at the last minute without any negative consequences. Indeed, most of the remainder of airline ancillary revenue comes from add-ons like seat selection and upselling

**How interested would you be in receiving personalized offers in real time as you research travel options, which would help you make the best purchase?**

**Travelers**



(27 percent) and flexible booking options (30 percent) — items many travelers are interested in paying a premium to access.

There’s a lot of opportunity, and also a lot at stake, for travel companies: 93 percent of executives said ancillaries are important to their business (72 percent said “very” important), and 86 percent said that their company has put more focus on increasing revenue share from ancillary sales in the past three years.

The combination of these data points suggests that it’s here where travel brands can perhaps best realize the benefits of their personalized strategies — after the core travel purchase has already been made. Considering travelers’ sentiments about the need for help (or lack thereof) with booking offers, travel companies should consider how to craft personalized offers that focus more on putting the “personal” touch at the center. <



## Customers Have Elevated Expectations for Care — and Are Willing to Pay for It

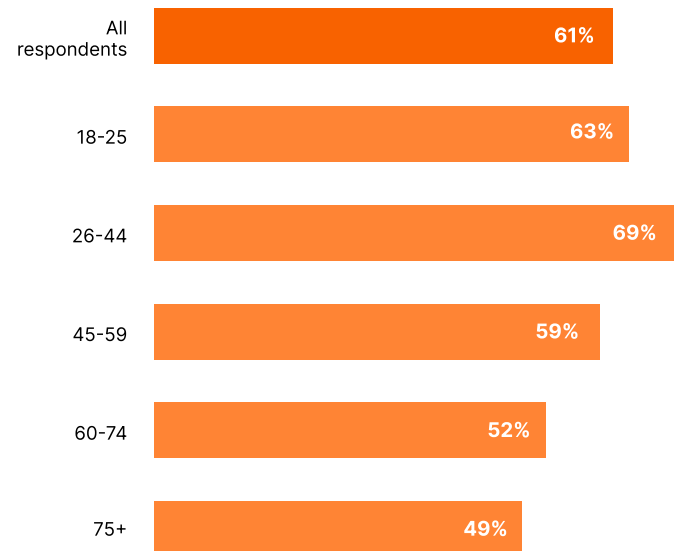
According to a recent [Salesforce Connected Customer Report](#), 80 percent of consumers consider a company's experience as important as its products and services. In travel, that demand is amplified.

More than 60 percent of travelers told Skift and Allianz Partners that they would pay a premium for immediate, 24/7 customer service across their entire trip. More notably, 69 percent of Millennials agreed that they'd pay more for service, in contrast to Baby Boomers (52 percent) and travelers over 75 (49 percent). Part of that willingness to pay may be due to an unwillingness to wait. For instance, [80 percent of Millennials](#) expect an immediate response when contacting a company's customer support team. While older travelers may be accustomed to waiting in line, Millennials have grown up with a sense of instant gratification.

Another possibility why younger travelers might say they're willing to pay for individual services is simply because they're used to it. [Data from eMarketer](#) shows that younger consumers are willing to pay more money for websites, apps, and online services versus other generations as well. They've grown up accustomed to the unbundled services model, and therefore, they may be less likely to bristle at a la carte options outside of the base price. They might see it as an opportunity to build their own adventure, in contrast to older consumers who may feel like they're being nickel-and-dimed for services they used to receive bundled into the price.

**Agree or Disagree: "I would pay additional fees to have immediate, 24/7 customer service across my entire trip." (Percentage who "strongly" or "somewhat" agreed)**

### Travelers, by Age Group



It's noteworthy that it's not just any customer service these travelers are seeking. For all the confidence they have while researching and booking trips on their own, they want to be sure a human is available to help once they've committed to

a trip. The good news is that's one area where travelers and executives were aligned, according to the Skift and Allianz Partners survey. Eighty-nine percent of travelers agreed that it's important to have a human available to them 24/7 when they travel, and 88 percent of executives said it was important to offer such support.

According to research conducted by customer experience company [Callvu](#), more than 80 percent of respondents said they would rather wait to talk to a human customer service agent than immediately deal with an AI-powered assistant. The study also revealed that customers prefer venting to someone like them when they're frustrated.

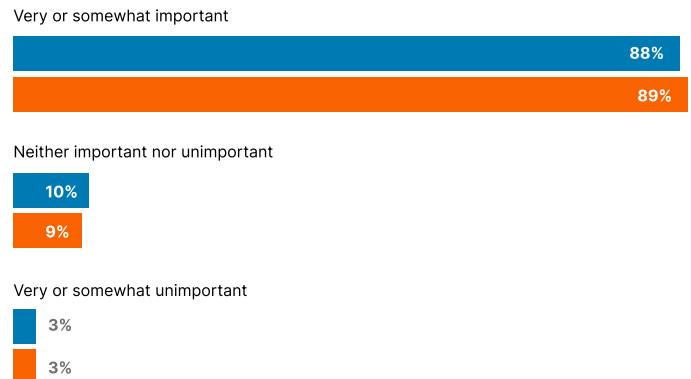
As an illustration of how this plays out, 86 percent of executives believe AI will make customer service better, in contrast to just 45 percent of travelers who said the same thing.

Travel executives are very concerned about communicating the ways in which the human touch continues to be part of their value proposition. Travelers don't always pick up on the message that technology is enhancing the human touch behind the scenes, especially when things don't go exactly as planned. Because that's really important to them, they may be unsure of new technologies like AI. In other words, if something goes wrong, travelers indicate that they want to talk to a human and may not have interest in dealing with AI directly. AI can benefit the situation and assist the human associate, but the tools the associate uses aren't important to the customer as long as they are getting what they need and they are feeling empathy from the human on the other side.

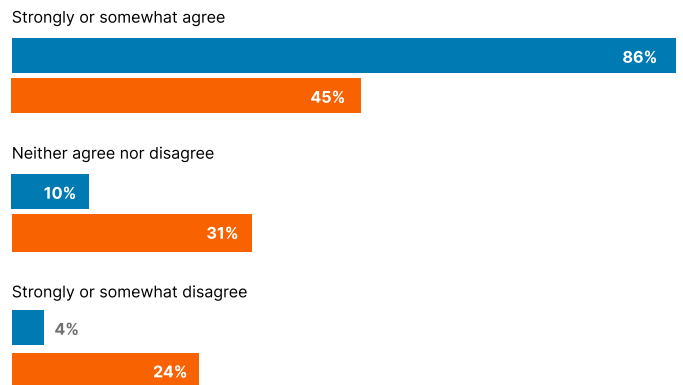
Data from Skift and Allianz Partners underscores this idea: 56 percent of travelers said that they prefer a call center agent for customer service, their No. 1 preferred channel. Only 42 percent of executives said that they offer this experience.

There are a lot of positives to take away from the rest of the data about customer service channels. Travel companies offer a number of ways to get in touch that meet a wide range of customer needs, even if customers aren't necessarily aware of them or think they're interested in them.

**How important is it to have a human available 24/7 for customer service?**



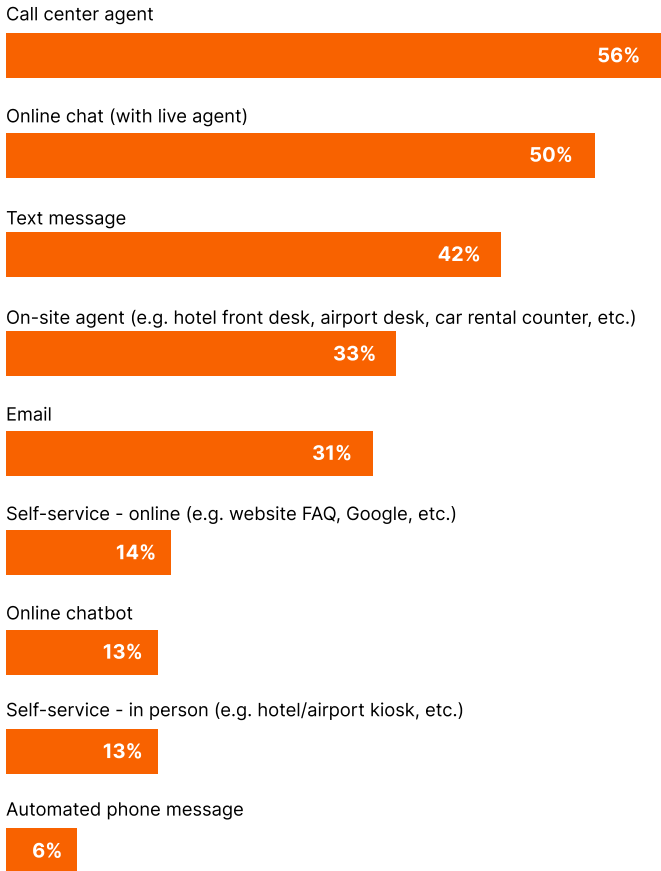
**Agree or Disagree: "Artificial intelligence will help make customer service in travel better."**



■ Executives      ■ Travelers

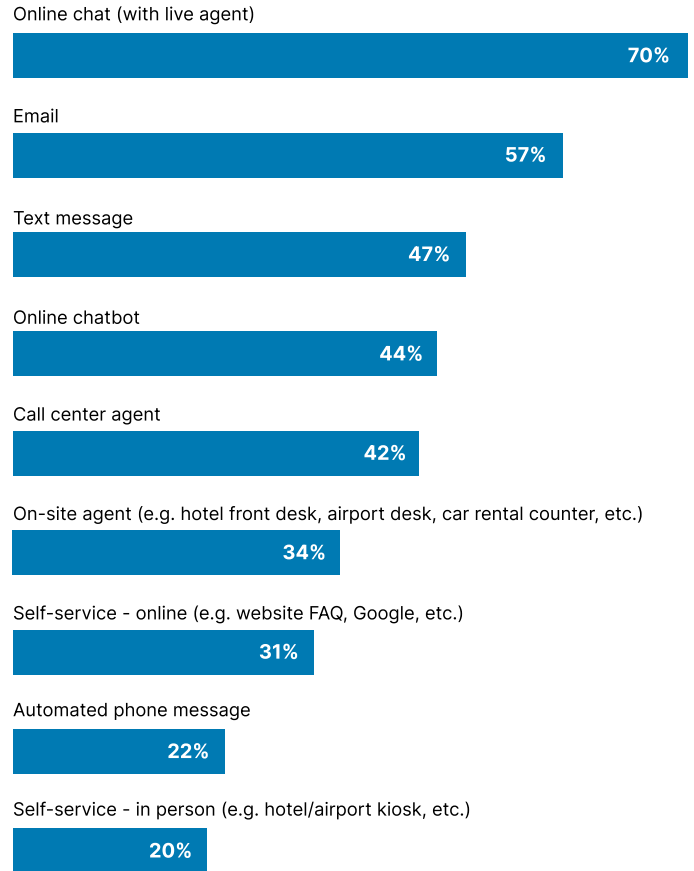
**For customer service, which of the following channels do you prefer?**

**Travelers**



**Which of the following customer service channels does your company make available to customers?**

**Executives**



Therefore, the more that travel companies can communicate how they're using these channels to free up their in-person agents and enhance the human experience, the better opportunities they'll have to convince their customers they're offering a level of deeper, personalized service — potentially improving the perception of their customer service offerings and increasing revenues as a result.

*Travelers don't always pick up on the message that technology is enhancing the human touch behind the scenes, especially when things don't go exactly as planned.*

## Customizing Service Through the Connected Trip

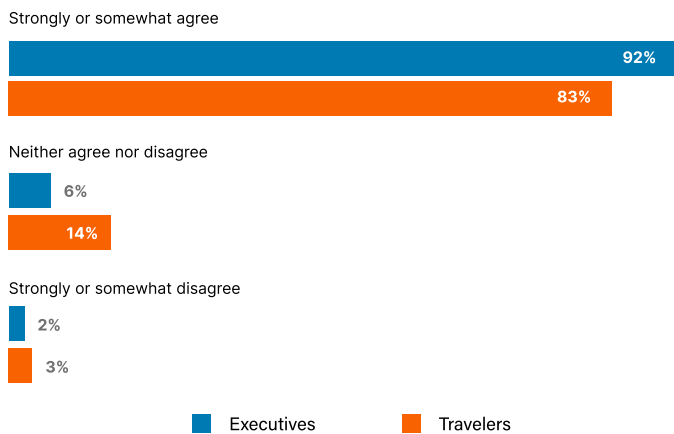
In addition to providing constant and consistent service for their own piece of the trip, seamless service across the journey is especially challenging for all types of travel companies. For example, though not specific to travel, 56 percent of customers in [Salesforce's](#) research said they often have to repeat or re-explain the same information to different representatives.

That kind of repetition is frustrating for any paying customer, but it's even worse for a vacation with multiple touchpoints and a multi-thousand-dollar price tag. That's why travel companies

have been working to deliver a “connected trip,” where travelers would have seamless customer service communications across their entire journey. For example, travelers who are dealing with urgent challenges — a flight cancellation prior to a cruise departure or an illness in their traveling party, for example — do not want to wait or have to find the right person or be transferred, only to repeat the request again.

This was another area where there was a much smaller gap between executives and travelers. Ninety-two percent of executives and 83 percent of travelers agreed that the customer experience would be better with one point of contact for customer service across all elements of a trip — spanning travel/transportation, accommodations, activities, insurance, etc.

**Agree or Disagree: "The customer experience would be better if travelers had one point of contact for customer service across all elements of their trip — spanning travel/transportation, accommodations, activities, insurance, etc."**



Travel companies are working to break down the silos of customer service. About seven in eight executives (87 percent) said they were exploring ways to work with other companies to make customer service more seamless. The challenge, however, is figuring out how to make it happen will take time, and there’s a clear urgency to speed up the process. That’s why seeking partners and solutions today is critical as travel companies aim to rewrite their personalization playbook. <

**Agree or Disagree: "Our company is exploring ways to work with other travel partners to make customer service more seamless across the entire journey."**

**Executives**

Strongly or somewhat agree



Neither agree nor disagree



Strongly or somewhat disagree



**Actionable Insights for Travel Executives**

- **Personalization is about more than curating offers.** Today’s travelers want personalization to feel more, well, personal. They’re looking for service enhancements that feel highly targeted to meet their individual needs.
- **Technology enhances but doesn’t replace human connection.** Travelers appreciate how automation and self-service have simplified and improved many elements of their experiences. However, customer service often still feels fragmented when travelers are pushed to multiple departments and experience long wait times.
- **Empathy can be a valuable offering.** More than 60 percent of travelers are willing to pay more for 24/7 access to a human for support. For some, that might be because they trust a human to resolve their issues more quickly, but for a lot of them, guaranteed access to speak with a person satisfies a simple, emotional need to connect.



# Travel Insurance: Protection, Peace of Mind, and Personalized Service

Travelers may have a heightened focus on how much a trip costs, but that isn't the only financial consideration — most travelers are also looking to protect their travel investments. While more than 40 percent of travelers told Skift and Allianz Partners that they valued affordability when they travel, almost three in five prioritized something else. For instance, more than half of those other travelers (28 percent overall) said they place the highest value on the “peace of mind that everything will go as planned,” and another 11 percent said they want “excellent customer service” above all else.

As travelers seek to balance their budgets with the comfort of having a safe, predictable experience, travel insurance is becoming an increasingly popular solution. More and more travelers are choosing insurance for financial protection as well as for easy access to support for issues that come up along the way. This growth in interest is reflected by data from Next Move Strategic Consulting, which estimated that the global travel insurance industry will be worth more than \$108 billion by 2030 — a massive jump from the \$14.3 billion it produced in 2021.

## Which of the following do you value the most when you travel?

### Travelers

Affordability

43%

Peace of mind that everything will go as planned

29%

Excellent customer service

11%

Luxurious experiences

9%

Personalized attention and care

4%

Familiarity

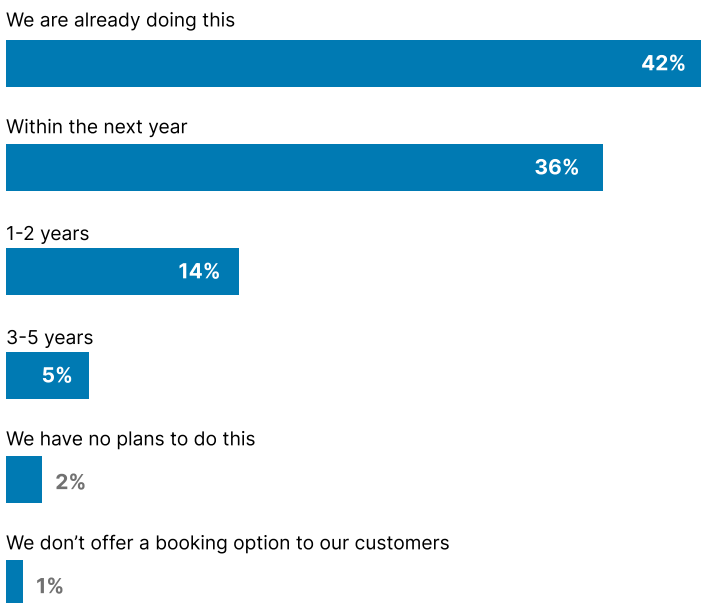
3%



Travel companies are keen on this opportunity. Skift and Allianz Partners found that 42 percent of travel executives said that their companies make insurance available to their customers during the purchasing process, and another 50 percent of respondents said they plan to offer insurance within the next two years.

**In what timeframe would you be likely to incorporate travel insurance offers into your booking process?**

**Executives**



**When to Protect or Not to Protect — That Is the (Traveler’s) Question**

When travelers purchase insurance one time, they tend to purchase it for their next trip, and it can become an important contributor to customer loyalty. One-third of travelers (33 percent) said they purchased insurance for a leisure trip within the past year, and the vast majority were very pleased with the decision: 86 percent of those who purchased insurance said they were satisfied with the experience, and 84 percent said they planned to purchase the coverage again in the future.

As a result, there’s a huge amount of untapped potential for travel providers. While nearly two-thirds of travelers said that changes in the travel landscape over the last five years have made them more likely to consider travel insurance, many are

**86%**

*Travelers who were satisfied with their recent travel insurance purchases*

**84%**

*Travelers who recently purchased travel insurance and said they would do so again in the future*

still either ambivalent about or unaware of it. Among the 67 percent of travelers who did not purchase travel insurance in the past year, about half of those did not consider travel insurance or even knew it was an option.

Among all travelers, whether they purchased insurance in the past year or not, there are a variety of factors potentially influencing their decision. For many, the answer comes down to how much money is on the line: 40 percent said that their consideration of insurance depends on how expensive the trip is. Unsurprisingly, travelers with international itineraries — which typically involve more money and more time away from home — are more likely to purchase travel insurance.

**Which of the following BEST describes your general attitude toward purchasing travel insurance?**

**Travelers**



Indeed, 24 percent of consumers who traveled only domestically purchased travel insurance in the past year; however, among those who took at least one international trip, that figure jumped to more than half (51 percent). Traveling far from home can be nerve-wracking not just because it's expensive and there's a lot of pressure to make sure everything goes to plan — there are simply more variables to plan for.

While most consumers have a good grasp on the insurance they use in their everyday lives — home, auto, medical — travel insurance can feel more complicated for those unfamiliar with it. The average consumer likely isn't entirely aware of what might be covered with their credit card's travel protection benefits, nor are they typically fully in tune with a hotel or airline's cancellation and credit policies. As a result, it behooves savvy travel providers to work with insurance companies to deliver clear, concise, and easy-to-compare benefit packages that can demystify insurance and arm people with deep knowledge about what it can do.

Travel providers have made thoughtful efforts to deliver as much flexibility as possible for their customers, but they can't account for everything — nor can they afford to. Travel insurance can potentially carry the baton to cover that last stretch of track, protecting customers while preserving predictability and profitability for companies. <



## Peace of Mind: A Long-Term Loyalty Driver

In addition to comfort and confidence on any given trip, it's clear that insurance can have a meaningful impact on long-term customer loyalty. More than 75 percent of travelers — whether they bought it or not — agreed that having travel insurance would give them peace of mind when they travel. Just over two-thirds of travelers agreed that "a travel company that offers an option for travel insurance shows me that they care about my well-being as a customer," and another 72 percent agreed they'd be more likely to use a loyalty program that offers travel insurance as an included benefit.

As travel companies work to refine their customer engagement strategies, travel insurance offers a huge opportunity to demonstrate that the company understands the traveler. In fact, nearly seven in eight (86 percent) travel executives also believe that offering travel insurance can contribute to customer loyalty.

Insurance offerings are not one-size-fits-all policies. Instead, providers can bundle together the exact coverage that a customer may need based on the details of their booking. With 75 percent of travelers interested in more personalized offers, individualized insurance coverage is a pathway to successfully delivering on the request, making sure that customers pay for exactly what they need.

When travelers do opt for an insurance policy, their choices about what they want to be covered can provide additional insights that may inform personalization and drive loyalty. Actions from the rest of the trip can help companies determine how long they're comfortable being away from home or how likely they are to add an experience or concert to their itinerary. For travel brands, these inputs involved in every purchasing decision represent another opportunity to get to know the customer more closely.

As companies work to learn more about their customers' needs and wants, there's an opportunity to glean a clearer picture based on insurance purchasing behaviors. For travel companies, that means premium fuel for their personalization engines in the future. Over 95 percent of executives agreed that the type of travel insurance their customers buy would help them better understand their needs as travelers. <

### 77%

*Travelers who agree insurance would give them peace of mind when they travel*

### 72%

*Travelers who said they would be more likely to use a loyalty program that offers travel insurance as an included benefit*

### 68%

*Travelers who said that a travel company offering an option for travel insurance shows they care about customers' well-being*

### 86%

*Executives who believe that offering travel insurance can lead to better customer loyalty*

### 3 Tips to Help Show Travelers the Value of Insurance

- **Avoid anxiety marketing:** Travelers want peace of mind, so reminding them about potential natural disasters and medical emergencies isn't exactly going to make them more excited about their trips. Focus on the positive elements of 24/7 service or any additional tech benefits such as a mobile app that can offer translation services and instant access to local resources.
- **Check in before check-in:** The booking path is an important part but indeed just part of the customer journey. [Skift Research](#) shows that the typical post-purchase window is 73 days long. As executives refine automated email reminders for other offers — adding a rental car via a partner, for example — consider opportunities to include additional touchpoints for optional insurance coverage. Travelers may be more focused on the need for protection as the trip nears.
- **Humanize the message:** Instead of solely including a bulleted list of protections or benefits, consider the power of storytelling. By including a brief real-life example of a customer who used travel insurance, prospective customers can get a sense of why someone just like them opted for the coverage — and how it made a difference on their journey.

## When Is the Right Time to Offer Insurance?

More than 80 percent of executives said they present insurance options to customers during the booking process. But as travelers indicated, some don't necessarily want to think about extras while they're in purchase mode for the trip itself — perhaps because they know what they came to do and want to get to their booking confirmation as quickly (and inexpensively) as possible. At that point, especially when overall costs are a consideration, an insurance offer may go unheeded.

With 41 percent of executives reporting that they prompt customers with the option to buy insurance after their booking confirmation, and just 32 percent doing so at another point prior to the trip, there is a huge opportunity to capture new insurance customers — maybe some of those 35 percent who considered but didn't buy the insurance product.

Travelers probably aren't as concerned about what might go wrong at the time of booking, and they're just looking forward to the trip. By offering insurance at different points in the process, companies can give customers the care they want — when they realize they want it. <

### At which stage of the purchase process do you present customers with the option to purchase travel insurance?

#### Executives

During the booking process



After booking confirmation



At any point prior to the trip





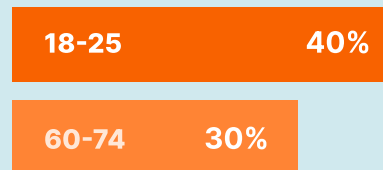
## Minding the Generation Gap

Looking only at the headlines — [“Young Adults Are Getting Used to Living on a Financial Cliff”](#) and [“Gen Z Says They Have It Harder Than Their Parents Did,”](#) for example — it’d be easy to assume that younger travelers don’t have an extra dollar to spend on their trips.

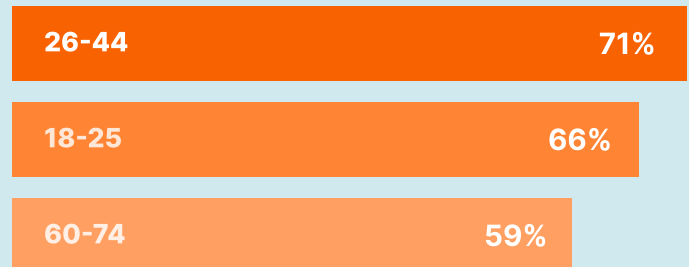
And even if they did, conventional wisdom might assume that young people aren’t as worried about what can go wrong. While the research shows they don’t seem as stressed as older travelers — just 15 percent of those between 18 and 25 told Skift and Allianz Partners that peace of mind was what they valued most when traveling — a larger-than-average share of them said they are willing to pay for travel insurance, outpacing their parents’ and grandparents’ generations.

Why might this be the case? It might be a simple matter of spending such a large share of their money on trips. A survey of Gen Z travelers found that nearly 50 percent are spending between [20 and 40 percent of their disposable income](#) on vacation. With so much to lose, they may simply have more incentive to protect their investment. These numbers indicate to travel executives that insurance has a lot of potential in the future. By giving those young travelers a good experience now, it’s likely they’ll return. <

### Travelers Who Purchased Insurance in the Past Year, by Age Group



### Travelers Who Are Likely to Consider Travel Insurance in the Future, by Age Group





## Conclusion

Most travelers are comfortable making booking decisions themselves, but they crave a deeper level of personalization in customer service. With that in mind, industry leaders need to embrace the idea that personalization isn't solely about selling more products; it's equally about delivering service that makes those travelers feel special.

It's critical for the emerging group of jetsetters, in particular: [Research shows](#) that 72 percent of Gen Z customers will be more loyal to a brand that personalizes its customer service experience, while [62 percent of Millennials](#) said they would switch to a competitor after one bad service experience.

Reaching prospective customers and turning them into loyal, repeat customers has always been complicated work. Yet despite all those complexities, customers have a fairly simple request: They just want things to go as planned when they travel. And if they don't, they want a person to be there to help.

Travel insurance offers a direct pathway to satisfy travelers' desire for protection and peace of mind. Travel executives recognize it, too. With so many companies already offering or planning to include travel insurance as an option for their customers in the near future, there is a need to better communicate what insurance can do. For travelers who aren't purchasing it or aren't even aware of the option, providers will need to clearly define the benefits to help customers connect the dots to understand the protection, assistance services and peace of mind that comes with it.

Travel companies that can do this effectively may find that insurance stands apart from other trip-related purchases. If positioned the right way to the right customer, insurance can be a key ingredient to earning loyal customers who know they can count on the company to be there for them no matter where they are in the world, no matter when they call, no matter what they need. [←](#)

## About Skift

Skift is the largest industry intelligence platform, providing media, insights, and marketing to key sectors in travel. Through news, research, conferences, exclusive interviews, strategic sector-focused newsletters, and more, Skift deciphers and defines the global trends that matter to the marketers, strategists, and technologists shaping the industry.

SkiftX is Skift's in-house content marketing studio, working collaboratively with partners like Accor, Dubai Tourism, AWS, Expedia, Allianz Partners, and many more to help brands solve problems, create unforgettable moments, and communicate big ideas through content, research, and event activations.

Visit [skiftx.com](https://skiftx.com) to learn more or email [skiftx@skift.com](mailto:skiftx@skift.com).

## About Allianz Partners

As a global leader in travel and specialty insurance, Allianz Partners has a long history of helping people — anytime, almost anywhere. Every year, more than 100 million people worldwide choose us to protect their travel plans, tuition payments, and event ticket purchases, and we take pride in exceeding their expectations. As an established company with both a long, proven track record and a commitment to innovation, we're uniquely suited to deliver ideal solutions that meet your customers' ever-changing needs. To learn more, visit [allianzpartners.com](https://allianzpartners.com).