

## Holidaymakers paying up to three times more for booking travel insurance through airlines

- Travellers urged to avoid the travel insurance tick box this summer
- Families the worst hit by airline and travel operator insurance mark-ups

**Wednesday 22 November 2017:** Travellers should think twice before ticking the travel insurance add-on box when booking flights and holidays, or risk paying up to 205% more, a new mystery shop by Mozo.com.au reveals.

The financial comparison site conducted a travel insurance mystery shop based on two typical holiday scenarios – a family of four travelling to the US, and a couple in their late 20s travelling to Thailand. Quotes from some of the country's biggest airlines and booking sites were compared against the most competitive travel insurance policies in Mozo's database.

"Online travel insurance specialists were found to be significantly cheaper than the airlines and booking sites in both scenarios," says Kirsty Lamont, Mozo Director.

"A family of four travelling to the US for 15 days have the potential to save up to \$377 simply by shopping around online, with one airline quoting a staggering \$560 compared to just \$183 from travel insurance specialist iTrek."

"As the group worst hit by travel insurance mark-ups, families with dependent children should be extra diligent in shopping around for insurance with some airlines charging add on insurance per person regardless of the age of the traveller."

For a couple in their late 20s taking a week long trip to Thailand, Mozo found purchasing insurance through an airline or booking site can cost up to 118% more than finding the most competitive quote online.

"Our analysis shows that big savings are on offer for travellers heading overseas this holiday season who are willing to do some research beforehand and compare travel insurance quotes online," says Lamont.

"Holidaymakers should do due diligence before taking out an insurance policy and check the coverage levels and policy features to select the policy that best matches their needs."

Mozo also advises travellers not to wait until the last minute to purchase their insurance after finding that 1 in 5 delay buying insurance within a week of their departure date.

Based on nearly 15,000 enquiries submitted to its travel insurance comparison service, Mozo found vacationers going abroad by themselves were the worst offenders, with more than 20% waiting to buy insurance until the week before they set off.

"Travellers are leaving themselves vulnerable to unforeseen circumstances that may occur in the time between booking flights and purchasing insurance. Illness, extreme weather or even changes made by travel operators may occur during this time and force you to cancel your trip for which you will not be covered," says Lamont.

"Recent volcanic activity in Bali could see thousands of holidaymakers having to shoulder unexpected costs like cancelled flights or accommodation because they purchased their

travel insurance after the warnings were in place, while those savvy travellers who sorted their insurance earlier are more likely to be covered.”

“The cost of travel insurance is a relatively small part of a trip and should be taken out at the time of booking flights and accommodation to ensure you get maximum policy coverage.”

For those whose credit card includes complimentary travel insurance, Mozo says travellers should ensure that medical cover limits are appropriate and they meet any eligibility requirements.

“To activate the full travel insurance policy, most providers require you to spend a portion or all of your travel costs on your credit card. This can be either 100% of the ticket to be spent on the card, or at least \$250/\$500 of the ticket to be spent on the card.”

Travellers can get instant quotes using Mozo’s [travel insurance comparison tool](#), which compares up to 117 policies on features such as excess fees, overseas medical cover, luggage and personal effects cover, and cancellation costs.

**Mozo’s top travel insurance tips:**

- **Read the fine print:** Scouring over travel insurance policies may seem a bit of a dull task before a great adventure but it’s important to know what you’re covered for so you don’t find yourself in a sticky situation.
- **Reduce your premiums:** The policy with the most expensive premium isn’t necessarily the right one. If there are certain things you don’t need covered like rental excess car cover you might be able to find a policy with a lower premium by excluding this cover.
- **Check your excess:** Low premiums may be enticing but you’ll also need to take heed of high hidden excesses scattered throughout the policy.
- **Check your medical coverage:** Medical coverage is extremely important especially if you’re travelling to the US, Europe, or Japan. If you have any prior medical conditions or you are pregnant, read the policy carefully to see if you’re covered.
- **Compare travel insurance:** Mozo’s analysis shows shopping around for travel insurance could add hundreds to your holiday spending money. If you plan a number of trips in a year, purchasing multi-trip travel insurance rather than several single trip travel insurance could save you money.

**-ENDS-**

**Notes on calculations:** Quotes were obtained for two different traveller scenarios in October 2017 using the Mozo insurance comparison tool and via the websites of airlines and booking sites. Criteria for comparing policies included: excess of \$100, unlimited medical cover, and a minimum level of personal effects and cancellation cover appropriate to each scenario. It should be noted that some of the policies compared offer more than the minimum level of cover we specified. Booking data is based on 14,724 travel insurance enquiries taken via Mozo in the 12 months to 20 October 2017.

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