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| **Press release** **For immediate release**  **March 24, 2015** | Michelle Hutchison Head of PR & Money Expert  finder.com.au  +61403 192 994  +61 2 9299 7602  Michelle@finder.com.au |

**Aussie travellers ripped off: beware of travel insurance trap!**

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| * [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) study compared 189 travel insurance quotes * Most travel insurance policies more than double – even triple – the price through airlines and travel agents compared to direct providers * Compare providers side by side before taking out travel insurance |

**March 24, 2015, Sydney, Australia** – A new investigation into the cost of travel insurance by one of Australia’s biggest comparison websites [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) has uncovered a travel insurance trap that could be costing Aussie travellers up to three-times more than necessary.

According to the [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) study, Australians could be paying more than triple the cost for travel insurance through an airline and two-and-a-half times more through a travel agent compared to taking out a policy directly with an insurance provider at the same or equivalent cover.

For instance, basic cover for a family of four travelling to Bangkok, Thailand for seven days costs $92.32 on average acrsoss the 15 direct providers compared on [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance). Compared to airlines, the cost was $280.22 on average for similar cover - that’s more than triple the cost.

The study compared quotes for basic, medium and comprehensive cover for three different traveller profiles across 21 providers including 15 direct providers on [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance), three travel agents and three airlines.

These quotes were calculated based on a 21-day European trip, a seven-day holiday in Thailand and a 14-day trip to the US, all occurring in March.

The three traveller profiles included:

* A 21-year-old student
* A family of four: two parents both aged 35 with their two children aged five and seven
* And an older couple aged 55 and 60 years-old.

Michelle Hutchison, Money Expert at [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance), said the study comes as a warning to Australians heading overseas, with an expected 9.3 million Aussies jetting off this financial year[[1]](#footnote-1).

"Our study shows how important it is to do your research online and [compare travel insurance quotes](http://finder.com.au/travel-insurance). Travellers could be getting ripped off by taking the easy road and signing up for travel insurance while sitting in a travel agency booking their holiday or while booking flights online.

"Read the details of the policies when comparing and make sure they match your needs. There can be a big difference in what you’re covered for between basic, medium and comprehensive, so it’s worth considering all levels of cover and the different providers that offer them.

“The outlay of a carefully researched travel insurance policy is relatively small when compared to the amount of money it protects you from in the instance of significant loss or illness,” said Mrs Hutchison.

**21 year-old single student:**

* The average cost of cover to Europe through a travel agent was $183.60 – 68 percent more than the average cover through an insurance provider on[finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) ($109.26)
* The cost of basic cover to Europe through a direct insurance provider ($86.07) was less than half of the cost of basic cover through a travel agency ($179)
* For comprehensive cover to Thailand, it was $71.26 on average from direct providers, $122.97 from airlines and $128 from travel agencies.
* It’s almost twice the price for a 21-year-old single student to take out travel insurance for a two-week trip to the US through a travel agency ($198) on average, compared to a direct provider ($102.98) – an average saving of $95.02

**Average travel insurance policies for a single 21 year-old student**

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| **Average premiums** | Europe | Thailand | USA |
| **Direct providers on** [**finder.com.au/travel-insurance**](http://www.finder.com.au/travel-insurance) |  |  |  |
| AVERAGE | $ 109.26 | $ 59.20 | $ 102.98 |
| Basic cover | $ 86.07 | $ 47.76 | $ 83.29 |
| Medium cover | $ 113.34 | $ 59.71 | $ 104.02 |
| High cover | $ 132.04 | $ 71.26 | $ 123.62 |
| **Travel agencies** |  |  |  |
| AVERAGE | $ 183.60 | $ 110.40 | $ 198.00 |
| Basic cover | $ 179.00 | $ 98.67 | $ 185.67 |
| Comprehensive cover | $ 190.50 | $ 128.00 | $ 216.50 |
| **Airlines** |  |  |  |
| **Average** | $ 154.60 | $ 137.66 | $ 143.37 |
| Basic | $ 91.84 | $ 81.06 | $ 71.67 |
| Medium | $ 116.97 | $ 99.38 | $ 115.07 |
| Comprehensive | $ 149.26 | $ 122.97 | $ 176.70 |
| Frequent traveller | $ 371.46 | $ 371.46 | $ 371.46 |

Source: [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance)

**Family of four:**

* The research revealed families could find the biggest savings by comparing side by side the costs of travel insurance between direct providers, airlines and travel agents, with basic cover to Thailand costing $92.32 on average for direct providers and $280.22 for airlines.
* It costs $358.16 for average cover through an airline for a family trip to Europe, compared to $214.70 through a direct provider.
* If you're headed to the United States with the family, travel insurance is 65 percent more for the average comprehensive cover through a travel agent ($398) versus the average cost through a direct provider ($240.65).

**Average travel insurance policies for a family for four**

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| **Average premiums** | Europe | Thailand | USA |
| **Direct providers on** [**finder.com.au/travel-insurance**](http://www.finder.com.au/travel-insurance) |  |  |  |
| AVERAGE | $ 214.70 | $ 116.76 | $ 193.25 |
| Basic cover | $ 162.56 | $ 92.32 | $ 146.33 |
| Medium cover | $ 210.78 | $ 114.45 | $ 192.53 |
| High cover | $ 269.45 | $ 142.75 | $ 240.65 |
| **Travel agencies** |  |  |  |
| AVERAGE | $ 339.00 | $ 176.00 | $ 364.50 |
| Basic cover | $ 297.00 | $ 167.00 | $ 331.00 |
| Comprehensive cover | $ 381.00 | $ 185.00 | $ 398.00 |
| **Airlines** |  |  |  |
| **Average** | $ 358.16 | $ 310.87 | $ 275.12 |
| Basic | $ 299.52 | $ 280.22 | $ 288.39 |
| Medium | $ 360.18 | $ 328.39 | $ 140.48 |
| Comprehensive | $ 395.91 | $ 319.63 | $ 329.16 |

Source: [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance)

**Older couple:**

* Average travel insurance for a European trip for an older couple costs almost double through a travel agent ($422.17) than a direct provider ($221.76)
* Basic cover to Thailand is $70.96 more on average through an airline ($165.20) than a direct provider ($94.24)
* Travelling to the US had the biggest price differences for an older couple, as they can expect to pay $264 more for comprehensive cover through a travel agent compared to a direct provider on average.

**Average travel insurance policies for an older couple**

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| **Average premiums** | European Trip | Thailand Trip | U.S.A Trip |
| **Direct providers on** [**finder.com.au/travel-insurance**](http://www.finder.com.au/travel-insurance) |  |  |  |
| AVERAGE | $ 221.76 | $ 120.69 | $ 211.40 |
| Basic cover | $ 169.30 | $ 94.24 | $ 165.47 |
| Medium cover | $ 204.15 | $ 116.04 | $ 197.85 |
| High cover | $ 290.91 | $ 151.09 | $ 271.10 |
| **Travel agencies** |  |  |  |
| AVERAGE | $ 422.17 | $ 208.80 | $ 485.17 |
| Basic cover | $ 360.00 | $ 156.00 | $ 435.00 |
| Comprehensive cover | $ 484.33 | $ 244.00 | $ 535.33 |
| **Airlines** |  |  |  |
| **Average** | $ 251.31 | $ 200.16 | $ 228.78 |
| Basic | $ 186.61 | $ 165.20 | $ 184.54 |
| Medium | $ 238.34 | $ 200.81 | $ 195.82 |
| Comprehensive | $ 303.09 | $ 223.03 | $ 289.51 |

Source: [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance)

**Methodology:**

* [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) compiled the study from February-March 2015 from sourcing online quotes and over the phone when online option was unavailable.
* All policies began with a March 9, 2015 departure
* The above comparison was based on policy costs only and excludes excess eliminator
* Excess was chosen at $100 however some were restricted to $150 excess
* Travel insurance quotes were analysed from 15 insurance providers listed on [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance): Travel Insuranz, GoInsurance, InsureandGo, Virgin Money, American Express, Budget Direct, Zuji, YouGo, Check-in.com.au, Simply Travel Insurance, Southern Cross Travel Insurance, Fast Cover, Citibank, Easy Travel Insurance, AIG; three travel agencies: Harvey World Travel, Flight Centre, Mann Travel; and three airline companies: Qantas, Virgin, Jetstar.

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1. [finder.com.au/travel-insurance](http://www.finder.com.au/travel-insurance) projection based on Tourism Research Australia data [↑](#footnote-ref-1)