

# The AllClear Consumer Travel Report

2023 EDITION



# Overview

The travel and tourism industry has been through a tough few years. Covid-19 hugely disrupted international travel and, while travel restrictions have now been all but removed, UK travellers face a new challenge—a cost-of-living crisis, which has left many people struggling to meet day-to-day living costs.

In the face of this, you might expect a significant drop in the number of people planning overseas travel in the year ahead. But all evidence to date suggests this remains a remarkably resilient market, with consumers reluctant to cancel or postpone holiday plans.

The recent experience of Covid, where people were unable to travel overseas and visit family and friends without restrictions, underlined the value of holidays, and may have led to more people prioritising spending quality time abroad with loved ones.

But this does not mean the travel industry remains unaffected by the underlying economic conditions. While most people are still pressing ahead with holiday plans, a sizeable proportion—just under one in four—will be postponing trips out of financial necessity.

And many holidaymakers, who are still planning to travel, are trying to make savings where possible. In some cases, this will involve cutting back on additional extras; be it fewer meals out when abroad, forgoing a new holiday wardrobe or getting public transfer rather than airport taxis. However, in many other cases, financial cutbacks might result in more material differences to holiday plans: a shorter trip, a different destination, cheaper flights, or looking again at their insurance options.

This research does highlight that most travellers regard travel insurance as essential as a passport when it comes to holidays abroad. But the research also highlights one potentially worrying trend. A small number of holidaymakers are cutting corners on their travel insurance—potentially leaving them without adequate cover and at risk of being left with bills running into thousands of pounds should they need medical assistance overseas.

AllClear's research tracks British people's holiday plans and attitudes towards travel over time. It

seems clear the industry needs to think about its messaging around insurance, to underline the fact it offers both peace of mind and value for money to today's more cost-conscious consumers.

This report takes an in-depth look at some of the key findings in recent years—looking at how people's holiday plans have changed since Covid, and the effects of the current cost-of-living squeeze, with a specific focus on how this is affecting older travellers and those with existing medical conditions.

This annual report aims to make a positive contribution to more fully understanding consumer viewpoints on travel - and the important role that holidays continue to play to support wellbeing and family life, even during challenging times.



**Chris Rolland**  
Chief Executive Officer,  
AllClear Travel Insurance



# Executive Summary

The report is divided into three chapters: Chapter One reveals travel trends in an economically challenging period; Chapter Two examines holidaymakers' changing priorities; and Chapter Three focuses on trends in travel insurance.

Surprisingly, after two years of COVID restrictions, most people are sticking to their plans for an overseas holiday despite the cost-of-living crisis:

- 38% of people cite no change to holiday spending plans for 2023;
  - 38% say they are continuing with holiday plans, but economising on spending; and
  - only 24% say they might delay or cancel holiday plans.
- Nationally, 80% of holidaymakers are planning multiple trips in 2023.
  - Compared to other major areas of spending – such as cars, homes, weddings, and home improvements – overseas holiday plans were least affected by the cost-of-living crisis.
  - The over 65s are most likely to say holiday spending plans for 2023 have not been cut back (57%, compared to a national average of 38%).
  - The perceived importance of holidays in supporting mental health and wellbeing has increased since the pandemic. Through 2022, the most important cited benefits of an overseas holiday were 'spending much needed quality time' with a partner (31%) and 'de-stressing from work' (23%).
  - Last year, the Mediterranean was the top choice holiday destination—chosen by almost a third (29%) of respondents—and up from just 12% the year before. The Med has returned as the most popular destination for older travellers (28%) and those with pre-existing conditions (24%).
  - For 2023, more people are going away earlier, suggesting an extended peak season. People were twice as likely to get away in April compared to last year. In May and June

respectively, the percentage of people planning overseas holidays hit double figures (17% and 18%) respectively—a big rise from 2022 levels and on a par with the main summer holiday period.

- Whilst safety dominated holiday decision making between 2020-22, it is no longer people's primary concern when choosing a holiday destination (37%). Nationally, safety has dropped right down the priority list for 2023, with price (57%), convenience (45%) and the quality of a holiday (38%) now perceived as the principal factors.
- This shift from safety to price plays out with travel insurance. This year, a surprisingly high number of people—one in four holidaymakers—said they would consider being 'economical with the truth' when applying for insurance to secure a cheaper premium. This contrasts to the position in 2022, people with pre-existing medical conditions said they would be more likely (38%) to pay a premium to have a dream holiday if they could be sure their condition would be covered by insurance.
- Whilst price is shaping destination and package holiday choices, people are also finding ways to help the planet whilst saving money on holiday: 48% of people foregoing a new holiday wardrobe; 45% considering a UK or European break to save money and reduce their carbon footprint; and 29% saying they would reduce the number of bags they take on holiday this year.





CHAPTER ONE

# Travel trends in a cost-of-living crisis

It is clear the British public value their holidays, and still have a strong appetite for overseas travel, despite the cost-of-living crisis. Many people were unable to travel at all during the Covid pandemic, and AllClear's surveys conducted since this period make clear that there is still a pent-up demand for travel, with many people not wanting to miss these opportunities again.

Although 'travel' is often classified as 'discretionary' spending, this survey demonstrates that regardless of the type of holiday or destination, many people consider an overseas break as 'essential' to help them relax and unwind.

Affordability has certainly become more of an issue in the last 12 months. The price of food and fuel started to rise significantly in 2022, and by the start of 2023 inflation was running at more than 10%. At the same time, a series of 12 interest rate rises pushed up mortgage costs—many people's biggest outlay.

Nevertheless, these difficulties do not appear to have hit people's holiday spending plans yet. Our tracking research found that 80% of travellers were still planning multiple trips in 2023, with around half of holidaymakers (50%) saying they were not unduly concerned<sup>1</sup> that rising living costs would affect this year's travel plans.

In fact, four out of ten people (38%) say that they are not cutting back on holiday spending at all this year — and will continue as normal, while a further 38% say they are still planning a holiday abroad, but plan to spend less.

## Recession-proof holidays

- 38%** no change to holiday plans
- 38%** continue with holiday plans, but economise on spending
- 24%** may delay or cancel holiday plans
- 80%** planning multiple trips in 2023
- 19%** planning four or more trips in 2023

In total, *less than one in four people are delaying or cancelling holiday plans* because of the cost-of-living squeeze.

The holiday market is certainly looking resilient when compared to people's spending plans on other big-ticket items, such as home improvements, moving home, buying a new car, or paying for a wedding.

As the table below shows, almost four out of ten people (38%) plan to continue spending as normal on holiday plans—a far higher number than for these other big-ticket items.

In contrast, only one in four (24%) plan to delay or put off their holiday plans this year because of the cost-of-living squeeze. This is less than the proportion who are now delaying or cancelling plans to get married, start on home improvements, buy a new car, or move house.

Area of spend	Spending plans (row percentages)		
	Continue as normal	Continue but spend less	Delay or put off altogether
Holidays abroad	38%	38%	24%
Weddings and large celebrations	28%	39%	33%
Home improvements	26%	48%	29%
Buying a new car	25%	34%	41%
Buying a new house	23%	37%	37%

<sup>1</sup> 50% said they were 'neutral' or had 'low level of concern' about the cost-of-living crisis and their travel plans.

## Older travellers value holidays

This research indicates that older travellers are most likely to be pressing ahead with holiday plans, rather than cutting back on spending. Perhaps this group is better insulated against the cost-of-living squeeze?

In total, 57% of the over 65s said that their holiday spending plans had not changed—far higher than the 38% across the general population.

At the same time, those in the youngest age group are most likely to delay or cancel holiday plans due to financial concerns: 38% were in this position, compared to 24% across the survey.

## Holidays: an essential escape

A holiday is not just a two week break in the sun, or a chance to explore new destinations—for many people, this is a vital time to de-stress from work, spend quality time with their partner, and reconnect with family and friends.

'Wellbeing' has become a buzz word in recent years, but AllClear's research makes clear that a chance to get away from it all allows people to recharge their batteries, both mentally and physically.

What people particularly value about a holiday has changed, as we move further away from the Covid pandemic. Two years ago, as international borders started to reopen, 'escaping the monotony of lockdown' was the number one reason cited by holidaymakers planning a summer break, closely following by 'spending time with loved ones I have not seen.' These answers reflect the obvious stresses placed on people during the initial Covid wave, unable to visit parents or grandparents and stuck at home for months on end.

Different stresses are now appearing. When asked in 2022 about future holiday plans, the most important benefit cited was 'spending quality time with a partner'—mentioned by almost one in three holidaymakers.

People were also far more likely to cite 'de-stressing from work,' as an important benefit (when compared to the previous year), while 'pampering' and 'boosting wellbeing' were also crucial factors.

These trends are visible across different age groups. Older workers are also rating quality time with a partner as most important now (replacing escape after lockdown). However, it is notable that older travellers are less likely to see holidays as a way to de-stress from work, presumably because many in this age group are already retired.

### SPRING 2022

- 31% Spend quality time with partner
- 25% Escapism after monotony of lockdown
- 23% De-stress from work
- 23% Well-deserved treat/ pampering
- 19% Have time with loved ones I have not seen for while
- 19% Tackles issues of anxiety/ stress/ wellbeing—since lockdown

### AFTER LOCKDOWN

- 24% Escapism after monotony of lockdown
- 23% Have time with loved ones I have not seen for while
- 23% Spend quality time with partner
- 16% Well-deserved treat/ pampering
- 16% De-stress from work
- 16% Tackles issues of anxiety/ stress/ wellbeing—since lockdown

## What type of holidays are Brits taking?

Summer holidays planned for this year	2022	2021
Beach holiday	29%	17%
Hotel/ pool holiday	20%	10%
City break	17%	13%
Romantic break	8%	6%
Villa / private house	8%	7%
Cruise	6%	5%
Airbnb	6%	5%
Walking / hiking holiday	6%	7%
No summer holiday plans	36%	59%

Winter holidays planned for this year	2022	2021
Winter sun (e.g., Caribbean)	29%	19%
City break	25%	18%
Stay with family abroad	18%	11%
Go on a cruise	16%	8%
Not planning overseas trip over Christmas / winter	26%	50%

Given the importance of de-stressing, pampering, and wellbeing, it is not surprising that relaxing holidays remain the UK's number one choice for both summer and winter breaks.

AllClear's research tracks the most popular type of holidays, alongside where people are going and at what time of year.

The data show that there has been a significant rise in the number of people planning beach holidays, hotel and pool holidays, winter sun breaks, cruises, and city breaks. Though the significant rise in the latter may also reflect cost pressures as people may be planning shorter cheaper trips to fit more constrained budgets.

The tables below show the most popular types of holidays and the rising number of people now planning to head off on these breaks this year.

	Over 55s Spring 2022	Over 55s Spring 2021	Pre-existing conditions Spring 2022	Pre-existing conditions Spring 2021
Beach	21%	11%	22%	13%
Hotel	14%	6%	17%	10%
City	13%	8%	14%	11%
No plans	50%	75%	42%	63%

## Travel plans among older travellers

Unsurprisingly, more people are now travelling overseas, when compared to the Covid period, and they are more likely to prioritise relaxing sun and beach holidays. This trend is particularly pronounced in the older age groups—with a significant rise in the number of holidaymakers planning these breaks.

This bigger increase is likely to reflect the fact that many older travellers—and those with pre-existing medical conditions—were more cautious about holidaying overseas in the immediate aftermath of Covid-19, with concerns about medical treatment, travel plans, and their safety and security. Now these fears are abating, more are planning sunshine breaks, with far fewer deciding not to travel at all.

## Popular holiday destinations

Southern Europe and the Mediterranean remained by far the most popular holiday destinations—cited by almost a third (29%) of respondents—and up from just 11% the year before. This was also the most popular destination for older travellers (28%) and those with pre-existing conditions (24%).

The number of people travelling further afield has increased slightly; however, this trend is not reflected in older holidaymakers, with just 1% planning to head off to far away destinations as Australia, South America, Asia, or the Middle East.

Given the renewed interest in Mediterranean beach holidays, the summer months of July and August continue to be the busiest time for the travel industry. Additionally, research from the start of 2023 indicated a big year-on-year upturn

# What type of holidays are Brits taking?



	Number of people planning holidays 2022	Number of people planning holidays 2021	Number of over 55s planning holidays 2022
Southern Europe & Med	29%	11%	<b>28%</b>
The Caribbean	7%	5%	<b>2%</b>
Northern Europe/ Scandinavia	7%	5%	<b>4%</b>
North America	6%	4%	<b>5%</b>
Eastern Europe	5%	4%	<b>2%</b>
Middle East	4%	4%	<b>1%</b>



in overseas travel would start earlier than usual this spring. With 5-6% of adults planning early getaways for each of the winter months, Easter signalled the much-needed recovery of travel—with people twice as likely to get away in April as they were last year. In May and June respectively, the percentage of people planning overseas holidays hits double figures—a big rise over 2022 levels and on a par with the main summer holiday period.

**The percentage of people planning an overseas holiday for specific months**

	2022	2023
April	4%	9%
May	8%	14%
June	10%	17%
July	11%	18%
August	11%	19%
September	11%	15%

For the over-55 age group, the percentage of people planning overseas travel for May and June almost doubled from last year (up from 8% to 14% for both months). There are year-on-year rises in the percentage of people in the older age group looking for long-haul holiday sun (e.g., Caribbean) increasing from 16% last year to 27% in 2023; a cruise (increasing from 10% to 18%); city breaks (increasing from 13% to 16%); and holidays to visit children living abroad (increasing from 8% to 11%).

## Conclusion

Chris Rolland, CEO at AllClear Travel Insurance commented: “Holidays remain important for many people. People tell us that they want the opportunity to relax and unwind, so it is not surprising to see that Mediterranean holiday beach and pool holidays remain popular among travellers of all ages.

“People may be making cutbacks on other areas of spending, but a holiday remains a priority. These findings are welcome news for the travel sector that has been hit hard in recent years.

“However, while holidays may look ‘recession-

proof,’ this does not mean the cost-of-living crisis is not impacting people’s travel plans.

“People still want the opportunity to get away in the sun, recharge their batteries and spend quality time with loved ones, but financial constraints are potentially starting to change how they plan and organise their holidays.”

The following chapters explore these changes in more detail.





CHAPTER TWO

# Changing travel priorities

People still want a holiday, but their priorities have changed when arranging travel plans, whether it be booking flights, accommodation, or other add-ons, such as insurance or airport transfers.

This research tracks people’s priorities over a multi-year period. It has revealed a significant shift over the last two years, with previous concerns about safety and security now replaced by prices.

In 2021, as we started to move out of the Covid pandemic, most holidaymakers said health and wellbeing were their number one priority when booking a holiday. Safety was key: if people were travelling (and far fewer were) they were willing to pay extra to secure this peace of mind and to ensure refunds would be available if plans changed, or if they needed to get home in an emergency.

Two years on, these concerns are fading. Safety is no longer people’s main concern: in fact—as the table below shows—it has dropped down the list, below price, convenience, and the quality of a holiday, which are now regarded as more important.

Two years ago, four out of ten people said price was important when making holiday plans; this has risen to six out of ten, as higher inflation, and soaring bills bite into people’s budgets.

It is clear holidaymakers are looking for affordable options, bargain deals, and the best possible price for their annual holiday.

**Top five priorities when booking a holiday—then and now**

Nov 2022	Nov 2020
Price (60%)	Security (56%)
Convenience (42%)	Price (40%)
Quality (42%)	Wellbeing (35%)
Wellbeing (40%)	Convenience (30%)
Security (35%)	Quality (26%)

The research at the start of 2023 also indicated that ethical and environmental considerations—cited by less than 20% of respondents—ranked low on people’s list of priorities relative to price when they were considering their holiday destination choices.

For many, though, this was not a straight choice between cost and ethics. Given the context of a gruelling cost-of-living crisis, people’s primary considerations when booking a holiday destination were understandably based on price and affordability. It is worth noting, however, that the issues of sustainability and climate change were evident in the way people prepared to make choices on holiday. Many holidaymakers are finding smart ways to make financial economies that are also good news for the planet.

**Fast fashion** was first in line for a holiday re-think, with 48% of people shunning a new holiday wardrobe, saying they would be happy to wear last year’s summer clothes on holiday to save cash and help the planet. In addition, 26% of adults said they would buy second-hand summer clothes.

**Holidays closer to home:** Many people are re-thinking how far they need to travel—with 45% considering a UK or European break to save money and reduce their carbon footprint and 28% travelling to a country a little closer to home.

**Being mindful at the resort:** Many of those holidaying abroad will do their bit at the destination to make their money stretch further whilst being mindful about the climate crisis. They will do this by eating local produce at the resort (40%) or going self-catering and living frugally (36%). They will be mindful when it comes to packing too: taking refillable drinks vessels and toiletries is a top priority for 38% of British holidaymakers, who will save money and reduce needless packaging.

**Less luggage:** The amount of luggage taken on holiday is also a consideration, with 29% of people saying they would reduce the number of bags they take on holiday this year.

**Public transport:** Cutting back on private transport also came high on the list of priorities for eco-savvy travellers. Overall, 31% of people said they will be taking public transport to and from the airport. A further 32% will do the same at the destination.

**Sharing over luxury:** The jury is also out on first-class travel and needless luxuries (29%)—the planet and money-saving now come first. In the spirit of economising, 11% of people would be willing to share a hotel room and 7% would be happy to go on a holiday with another family.

## Older travellers' holiday priorities

It is noticeable that the recent trend from safety to price is also evident when we examine the priorities of older travellers.

Holidaymakers aged over fifty-five, and those with pre-existing conditions, which will include many older travellers, were particularly concerned about health and safety when travelling in the immediate aftermath of Covid.

As the table below shows, almost seven out of 10 (69%) of over-55-year-olds cited safety as their prime concern in 2020—far higher than the overall average.

But like the younger holidaymakers, price has leapfrogged safety concerns to be the main priority for older travellers booking today.

However, for older travellers, safety concerns have not dropped to the bottom of the list. For the over fifty-fives, this is the third most important aspect, behind price and convenience.

But surprisingly, those with pre-existing conditions deemed safety as less important than the quality of the holiday and whether it will boost their wellbeing.

### Top five priorities for older travellers today

Price	57%
Convenience	52%
Safety	41%
Quality of holiday	38%
Wellbeing	36%

### Top five priorities for older travellers immediately after Covid

Safety	69%
Wellbeing	38%
Convenience	37%
Price	37%
Quality of holiday	24%

### Top five priorities for those with pre-existing conditions today

Price	57%
Convenience	45%
Wellbeing	42%
Quality of holiday	38%
Safety	37%

### Top five priorities for those with pre-existing conditions immediately after Covid

Safety	58%
Price	39%
Convenience	32%
Wellbeing	30%
Quality of holiday	23%




## Where are holidaymakers cutting costs?

The current cost-of-living crisis means that people are having to keep costs firmly under control and are looking for deals and bargains to ensure they can get away this summer.

However, inflationary pressures, which are driving up everyday living costs, are also pushing up the costs of many holiday expenses, such as flights, hotel accommodation, meals out, or car hire.

So, what are people spending their money on—and where are they looking to make savings?

Looking ahead to 2023, a survey of AllClear's own customers found that there are three main things that influence holiday spending decisions. These are:

 <b>Cost of accommodation</b>	85%
 <b>Cost of flights</b>	84%
 <b>Cost of insurance</b>	53%

Typically, people try first to save money on accommodation costs: 52% of those surveyed said they were looking to economise on hotel costs, followed by 42% on flights and 31% on dining costs on holiday.

While people may be looking to reduce the cost of these main components, they are also looking to cut back on other holiday-related spending—both before they jet off and while overseas.

The table below shows the primary areas where people are looking to make savings.

Holiday spending - where are you cutting back this year?	
Eat out less	21%
Holiday in UK	21%
Cheaper accommodation	16%
Shorter holiday	14%
Take few holidays in 2023	14%
Cheaper holiday package	13%
Fewer excursions	11%
Opt for all-inclusive deal	10%
Take fewer bags	8%
Stay with friends	6%
Not take the whole family	4%

As this table shows, the most popular options are eating out less, switching to a UK break, finding cheaper accommodation, or having a shorter break, which reduces hotel or self-accommodation costs. This potentially explains the increased popularity of city breaks.

Many people are also looking to make savings before they travel. Almost half of people (47%) say they will cut back specifically on clothes shopping—with 32% saying they will specifically spend less on a holiday wardrobe. A further 44% are also intending to reduce spending on tech and gadgets.

## Insurance spending

The good news for those in the travel insurance sector is that most people—93%—still see travel insurance as a vital component of their holiday and would not travel abroad without suitable insurance.

However, AllClear’s research highlighted a potentially worrying trend. In total, around three quarters of holidaymakers said they would cut corners on some aspect of their holiday to save money. Of those looking to cut corners:

- 11% would try to get cheaper insurance.
- 7% would travel with no insurance at all.

While these results may look alarming, it is worth pointing out that a higher proportion of holidaymakers intend to reduce spending on flights and accommodation.

- 22% would book flights with a no-frills airline.
- 19% would switch to self-catering to save money.
- 17% would take hand luggage only.
- 15% stay at a cheaper resort.
- 13% use public transport rather than taxis.

Older holidaymakers are more cautious when it comes to insurance and are far less likely to cut corners when arranging cover. This is reassuring given that this is the age group most likely to make a claim, particularly for medical reasons.

In the over-fifty-five age group just 7% are looking for cut-price cover and only 4% want to travel without insurance at all.

However, these survey results were taken as the UK was moving out of Covid, and many travellers were still prioritising safety over price. It will be interesting to see how these figures shift in the next 12 months. Stronger industry messages around the importance of insurance—highlighting value for money, as well as the peace of mind it provides—could help ensure people do not jeopardise their safety and security to save a few pounds.



# Chapter conclusion



Garry Nelson, Head of Corporate Affairs at AllClear says:

“It is understandable that travellers are looking to save money during these difficult times, but sacrificing safety for savings is a dangerous idea.

“While people want to make savings on flights, accommodation, and spend less on meals out or souvenirs, we would urge caution when it comes to cutting corners on insurance cover. Travelling without quality holiday insurance is a false economy that could result in medical emergency bills stretching into the tens or even hundreds of thousands of pounds. People may want to shop around for cover, to ensure they are getting value for money, but it is important to ensure that holidaymakers are not compromising on cover with lower premiums.”

The next chapter takes a closer look at people’s attitudes towards travel insurance, particularly older holidaymakers, and those with medical conditions.



CHAPTER THREE

# Travel Insurance trends: Value over prices

UK consumers are increasingly focusing on price when booking their holiday and thinking less about their safety abroad. This trend may have a negative impact on the insurance market and could leave some holidaymakers without adequate cover when travelling overseas.

Given the current financial stresses, it is not surprising that people are trying to save money on all aspects of their holiday, including their insurance.

This may mean reducing the level of cover to pay a lower premium. But there is a danger that in some cases this may provide inadequate cover, particularly for those who have existing medical conditions. This can leave people facing significant bills if they need to make a claim.

More worrying still is that some people are choosing to travel without insurance at all—or are giving incorrect information to try to artificially lower premiums. People should be aware that in the event of making a claim, knowingly under-declaring medical conditions may invalidate a policy completely or significantly reduce any payments made to the consumer.

Cutting corners on insurance can be a false economy. Medical bills, even for routine conditions, can run to many thousands of pounds, particularly for holidaymakers in the US where there is no public health service. But do not assume either that medical attention would be free in countries like Spain, France, or Italy. Since leaving the EU, many Brits have found they have to pay for any medical treatment, and without insurance this can prove costly.

Getting quality cover does not have to be expensive. There are now a range of specialist policies aimed at both those with medical conditions as well as older travellers who statistically are more likely to make a claim.

## Attitudes to insurance

The number of people shopping around to ensure they are getting a good deal on their holiday insurance has increased. Around one in three (32%) of people say they shop around for cover—up from 23% when this survey was first taken post-Covid.

It is interesting to note that the figure is higher amongst those with pre-existing medical

conditions. Here, 37% said they shopped around for cover (up from 23%) although some consumers acknowledged they were aware their condition might be excluded.

As the table below shows, many people do not shop around because they feel they are unlikely to get cover for pre-existing conditions.

One in ten of those with medical conditions said this was the reason they did not shop around—with a further 10% saying they will not go on holiday this year because they assume they will not be able to get adequate insurance cover. However, the proportion of people stating this is significantly lower than two years ago, when this figure stood at 15%.

This decrease would suggest that more people are aware that specialist cover is now available, providing the peace of mind they need to travel.

Approach to insurance for overseas travel	% General population	% Those with pre-existing conditions
I don't bother shopping around for insurance because I know I won't be covered	8%	10%
I shop around for the best cover I can find, but am aware my condition will probably be excluded	32%	37%
I don't bother going on holiday abroad now as I know I won't be covered if I fell ill	6%	10%
I would be happy to pay a premium to have a dream holiday if I could be sure my condition would be covered	31%	38%

What is particularly striking from this research, is that those people with existing medical conditions would be more likely to pay a premium to have a dream holiday if they could be sure their condition would be covered.

Almost one in four (38%) of those with pre-existing conditions said they would be happy to pay this premium, up from 29% two years ago,



and significantly higher than the one-in-three (31%) among the general population.

These results suggest considerable demand for specialist policies, such as those offered by AllClear, that can provide comprehensive insurance for holidaymakers with a range of complex medical conditions. While price is important, value-for-money takes priority for this group—and having an existing medical condition covered is clearly value worth paying for.

## Invalid policies?

People want to save money when travelling abroad this year and are increasingly shopping around for insurance. Unfortunately, some consumers risk invalidating their cover by giving inaccurate information to get a cheaper premium.

A surprisingly high number of people—one in four holidaymakers—said they would consider being economical with the truth when applying for insurance to secure a cheaper premium. These people may not be aware of the potentially devastating consequences of their actions.

Giving incorrect details or withholding information on one’s personal medical history can automatically invalidate a holiday insurance policy, potentially leaving people without cover should they need to make a claim.

**One in four people are prepared to give incorrect information in an insurance application**



Where are people being economical with the truth? The research found 12% of people would give misleading information on how long they were travelling for (12%), 10% would underestimate the value of their belongings, while 7% said they would not declare all details about medical conditions.

Alarming, this trend was even more prevalent among those with pre-existing conditions, where more than one in 10 (11%) said they did not always disclose their medical history.

Within this group, only seven out of ten people (69%) said they were completely honest when completing insurance forms, a lower number than the general population. This would suggest that a high proportion (30%) are routinely being economical with the truth.

Giving incorrect information, whether it is about your asthma or the value of your mobile phone, could invalidate the whole policy, leaving holidaymakers liable for bills that could run into thousands of pounds if they fall ill and need medical assurances overseas.

Which of the following would you consider to secure a cheaper insurance premium?	% General population	% Those with pre-existing conditions
Being economical with the truth on how long I plan to travel for	12%	11%
Underestimating the value of the belongings I will take with me	10%	11%
Not being honest about the reasons why I am travelling	5%	6%
Not declaring all details of pre-existing medical conditions	7%	11%
Lying about my age	3%	3%
I always give the full information required	73%	69%

The poll found that men were more likely to give incomplete information than women and this trend was also more prevalent among wealthier respondents—those earning more than £40,000.

However, the numbers fell sharply among older holidaymakers. In total, 92% of the over-fifty-fives said they always gave the full information required and did not mislead or exclude information—significantly higher than the 73% of the general population.

Less than 4% of holidaymakers in this age group would give misleading information about medical conditions, the length of their trip or the value of their luggage—by far the lowest figures in this survey.

# Chapter conclusion



Bhavesh Rughani, Head of Marketing at AllClear Insurance comments:

“With Covid still out there, recent experiences of extreme weather across Europe and more people with medical conditions heading abroad this summer, it is vital that everyone going on holiday puts safety first.

“We fully understand that everyone is feeling the pain from the cost-of-living crisis, but no one wants to get ill abroad and find their policy is invalid because they have failed to disclose all information when buying travel insurance. For the sake of saving a few pounds, a false declaration could end up costing a policyholder hundreds of thousands. More than ever before, our advice to all people taking out travel cover this summer is to disclose everything at point-of-sale and be sure you are fully covered before heading off abroad.”



# Three essentials for holiday makers to get right with insurance.

Travel insurance claims are rarely disputed, but when they are it is invariably for one of three reasons. Follow the three points below to help avoid these common pitfalls.

## 1. Declare all pre-existing medical conditions

"A claim may be challenged if there are found to be any anomalies in what was or wasn't declared," CEO Chris Rolland explains. "Common conditions that travellers omit to declare include asthma, high cholesterol and high or low blood pressure. The mantra should be 'declare everything' and if you are unsure always speak to your travel insurance provider. In some cases, declaring these common ailments will not result in any increase in insurance premiums.

## 2. Tell your insurer where you are going—even if it is just for a day.

Chris says that different countries have different risk profiles for insurance purposes, and countries may be rated as higher risk even if they are right next door to each other: "Portugal, for example, is classified a lower risk than Spain and so a day trip to Spain while being insured for a Portuguese holiday would not be covered," he explains. "Your trip may include a stopover either en-route to or returning from a destination. While some travel insurance policies do cover stopovers, it is important to check you are covered for all the countries you will be staying in and whether any time limits apply."

## 3. Understand what cancellation cover you are entitled to

"Single trip cancellation cover starts from the day you take out insurance, and in AllClear's case this can be up to a full year before you go, so it is worth booking well in advance of your holiday," Chris continues. "With annual multi-trip policies, it is important to consider when cancellation cover should start, and not just the date that your

holiday begins. A single trip policy will of course cost less than a like-for-like annual policy if only taking one trip during the year, whereas annual policies are generally better value if you are planning on taking several trips during a year, but it's also important to consider what cancellation cover suits your needs."

Chris concludes: "The industry has a duty to be as transparent, straightforward, and helpful to consumers as possible. But consumers also have their role to play in making sure they read and understand their policy in full and in doing so, avoid the potential for disputes."



# Conclusion

The findings from this report draw on comprehensive market research we have conducted at AllClear since the start of 2020. When we commissioned our first cycle of research, we had no idea of what was ahead—a pandemic that challenged the very existence of the travel industry, followed by a cost-of-living crisis and economic turmoil following the invasion of Ukraine in 2022.

We have continued to invest in consumer research through these seismic events, and the perspective it has given us over time helps us to understand how consumers have reacted to world events and how it has influenced their holiday decision-making.

Without question, the global pandemic ushered in an era where safety was front of mind for everyone. At times, many people could not travel and for those that could, confidence in travel was low. People were scared, cautious, and at this time we set out to help make travel safe again. When people were allowed to travel, we drew on our unmatched expertise as medical insurance specialists to share tips and guidance on how people could best manage their safety when they travelled. Our market research, some of it featured in this report, proved to be helpful in helping us to understand what holidaymakers were most concerned about.

As Covid restrictions fell away in the UK at the start of 2022, there was a lot of talk of a bounce-back in consumer confidence and spending—some even drew parallels to the ‘roaring Twenties.’ In truth, the sudden transition into an economic slowdown and a UK cost-of-living crisis presented a raft of new challenges for the travel sector that was desperate for recovery.

Our research in the last year has told us that the British public’s desire for overseas holidays was strong. Years of restrictions and confinement during Covid resulted in Brits wanting to see the world and enjoy the experiences they had missed for so long. But the financial challenges of the cost-of-living crisis re-shaped what was possible. More people switched from a safety focus to prioritising price and value for money. People would still have holidays but, for many, there would be sacrifices on treats and luxuries.

Within this context, it has been concerning to note

from the research that some people are prepared to cut corners on travel cover to save a few pounds. And this even applies to those with travelling with medical conditions.

The world has moved on, but we need to remember some of the lessons learned from recent years. The focus on travelling safely, widely adopted during the Covid-19 pandemic, shaped a consciousness about responsible travel that should not be forgotten.

At AllClear, we want people to enjoy their freedoms to see the world and to create magical new memories abroad with family and loved ones. But part of this enjoyment comes with the peace of mind that people know they are safe wherever they are and, if something goes wrong, they have support and the best cover possible.

At a time when, quite understandably, people are watching the pounds and pennies, we think the travel insurance industry should unite to deliver a public awareness campaign on the need for holidaymakers to get the best travel cover possible. At AllClear we are happy to lead that move, and we invite others to join us.



**Chris Rolland**  
Chief Executive Officer,  
AllClear Travel Insurance

# Further information

## About AllClear

For more than 20 years, award-winning AllClear Travel Insurance has helped cover more than 3.5m people, with customers across UK and Australia. AllClear is passionate about enabling people to obtain specialist travel insurance whatever their pre-existing medical conditions or age.

AllClear offers quality insurance with 5 Star Defaqto rated products and best-in-class service – and 97% of its 100,000+ Trustpilot reviews rate it as 'Great' or 'Excellent'. AllClear provides products, technology platforms or services for many national charities and household brands such as Aviva, Direct Line, Diabetes UK, and Motability. AllClear is the endorsed provider of the British Insurance Brokers Association's Medical Travel Scheme. AllClear's travel policies are underwritten by Zurich UK.

Discover more about AllClear at:  
[www.allcleartravel.co.uk](http://www.allcleartravel.co.uk)

## Research Methodology

The research was conducted by Maru Blue and Sego Research Group UK for AllClear among representative samples of more than 2,000 adults at half yearly intervals, every spring and winter. The research was representative and conducted online.

Additional research findings from AllClear's Cost of Living Survey were conducted among its customer base in November 2022.

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