

Securing the journey: Why Travel Insurance is Essential for Modern Business Travel



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In 2024, business travel has seen a strong resurgence, with companies eager to return to pre-pandemic levels of activity. According to Forbes, the first two months of the year alone saw a 6% increase in travel volume compared to 2023. As travel ramps up, the risks associated with business trips have also evolved, creating an urgent need for robust travel insurance.

By the end of 2024, travel volumes are expected to reach 95% of 2019 levels, up from 89% in 2023. This resurgence comes with increased risks for businesses, making travel insurance more crucial than ever. As global health threats, geopolitical instability and natural disasters become more frequent, businesses must prioritize the safety and well-being of their employees. This whitepaper explores why travel insurance is no longer just a safety net but a fundamental component of any comprehensive business travel strategy.



Did you know?

In 2023¹, the average cost of a business trip in the U.S. was \$1,293, with daily expenses averaging \$325.

For international trips, costs reached an average of \$2,600 per traveler.

The Changing Landscape of Business Travel

The business travel landscape has undergone significant changes in recent years, driven by both necessity and opportunity.

Travel Surge



94% of Americans plan to travel within the first 6 months of 2024²



Business travel volumes to reach 95% of 2019 levels by end of 2024

Economic Impact



59% of business travel buyers expect more trips in 2024 vs. 2023

Shifts in Traveler Priorities



Well-being

35% of business travelers prioritize well-being



Flexibility

72% value flexible travel arrangements



Sustainability

19% concerned about climate impact and sustainability



¹ <https://use.expensify.com/blog/business-travel-statistics>

² <https://www.forbes.com/advisor/travel-insurance/travel-insurance-statistics/#1>

Emerging Risks in Modern Business Travel



Natural Disasters:

Natural catastrophes are becoming more frequent and severe. Unprecedented floods in the Middle East and multiple tornadoes in the U.S. Midwest and Texas have highlighted the importance of being prepared for such events. Travel insurance that covers natural disasters can provide financial protection and assistance when travelers are caught in these situations.



Geopolitical Instability:

The world is witnessing increased geopolitical instability, with conflicts such as the Sudan civil war creating unpredictable and dangerous situations for travelers. In regions with high political tension, the need for travel insurance that includes coverage for civil unrest and evacuation becomes even more critical.



Terrorism:

The threat of terrorism remains a significant concern for business travelers. Incidents like the Kerman bombings in Iran, which resulted in numerous casualties, underscore the need for travel insurance that includes coverage for terrorist attacks and associated risks.



Global Health Threats:

The lingering effects of the COVID-19 pandemic and the emergence of new health threats, such as the potential avian flu pandemic, present significant risks for business travelers. These health concerns make medical coverage, including emergency evacuation and treatment, an essential component of any travel insurance policy.



Did you know?

49% of travelers surveyed³ were impacted by political or social unrest during their business trips.

Out of European business travelers surveyed, 53% reported being impacted by terrorism during their trips.

28% of business travelers⁴ surveyed reported being impacted by tropical diseases during their trips, highlighting the importance of adequate health coverage.

³ <https://use.expensify.com/blog/business-travel-statistics>

⁴ Zurich BTA study.

Business Traveler Top Concerns for 2024

Employee Concerns:

A large percentage of business travelers express concerns about their safety and health while on the road.

40%

of business travelers have expressed concerns about their safety

41%

have never received information about potential safety risks at their destinations

70%

of U.S. business travelers have had to change their accommodations due to feeling unsafe

83%

of female business travelers⁵ have safety concerns, indicating the need for gender-specific guidance and resources

Mental Health and Well-being:

The importance of mental health and well-being has increased significantly.

73%

of travelers worldwide indicated that they will prioritize their mental well-being during travel more than they did before the pandemic

38%

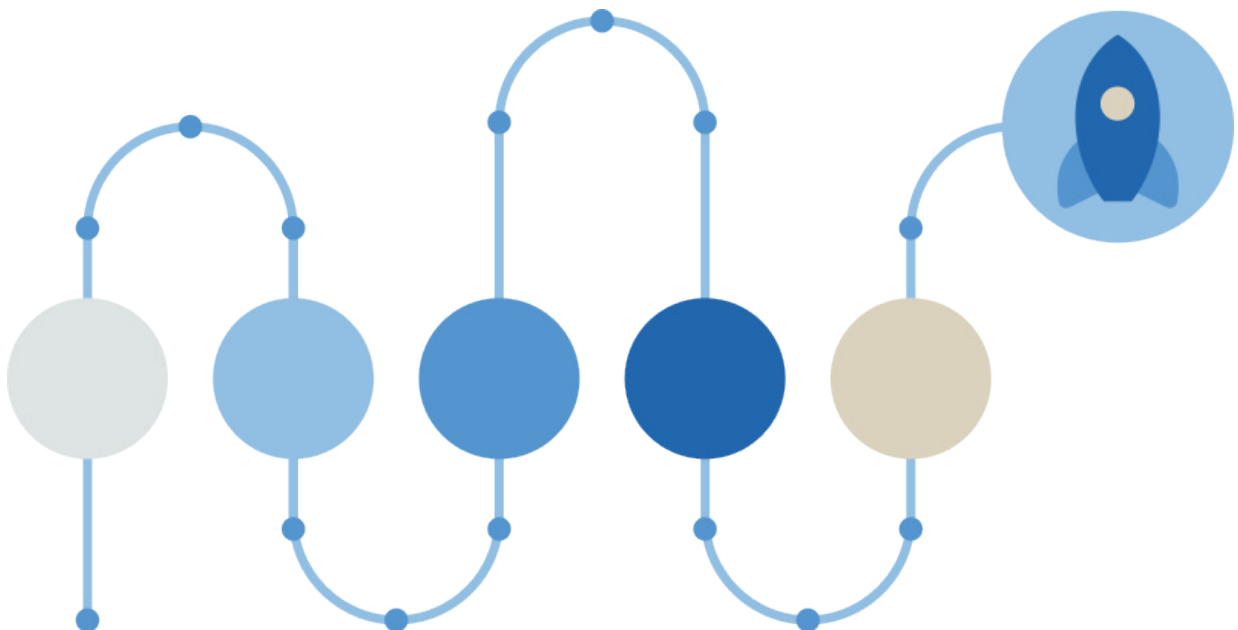
of business travelers believe their employer provides adequate mental health resources

Flexibility and Information:

Flexibility in travel arrangements is highly valued by

72% of business travelers

reflecting the need for adaptable and responsive travel plans. Moreover, the lack of information about potential safety risks highlights a critical area where businesses can improve communication and preparation for their travelers.



⁵ Zurich BTA survey.

The Role of Travel Insurance

Travel insurance plays a vital role in mitigating the risks associated with modern business travel. Here's how it helps:

Medical Coverage:

Travel insurance provides protection against a wide range of risks, including:

- medical emergencies
- trip cancellations
- delays and disruptions

It ensures that both the traveler and the company are safeguarded against unforeseen events that can have significant financial and personal consequences.

Global Assistance and Support:

One of the key benefits of travel insurance is access to a global network of medical providers and security resources. This support ensures that employees receive consistent care and assistance, regardless of where they are in the world. Travel insurance provides the necessary resources to navigate challenges such as:

- medical emergency
- natural disaster
- civil unrest

Financial Protection and Risk Management:

Travel insurance also protects companies against the financial impact of unpredictable events. This includes coverage for

- medical expenses
- evacuation costs
- trip cancellations and delays

By managing these risks effectively, businesses can protect their financial standing and reputation.



Did you know?



Lodging makes up around 34% of the total cost of business travel, making it a significant component to protect through travel insurance.

Companies spend between 17% and 27%⁶ of their total travel budget on airfare, making disruptions a costly risk that travel insurance can help mitigate.

⁶ <https://use.expensify.com/blog/business-travel-statistics>



Case Studies

Did you know?

Medical evacuations can cost anywhere from \$25,000 to \$250,000, depending on the location and severity of the situation.

Medical Emergency in Malaysia

A businessman traveling from Australia to Malaysia suffered a ruptured aneurysm with intracranial bleeding. He was initially brought to a local intensive care unit that did not meet international standards. Thanks to the business travel accident program he was covered by, he was promptly transferred to a higher-level care hospital, where he received extensive rehabilitation for 12 weeks. The insurance covered the entire process, including the medical evacuation and repatriation, with total claims paid amounting to \$200,000.

Did you know?

The average cost of an inpatient hospital stay in Europe can range from \$2,000 to \$5,000 per day, emphasizing the need for comprehensive travel insurance.

Injury in Berlin

While visiting Berlin, a business traveler was hit by a truck, resulting in multiple traumas. He underwent several surgeries and was placed in an induced coma. His company's business travel accident program ensured that his medical needs were met, including flying his family over to support his recovery. Once well enough, he was repatriated with his family, with total claims paid amounting to \$75,000.

Did you know?

An air ambulance⁷ from Mexico to the U.S. can cost upwards of \$20,000, which underscores the financial protection travel insurance provides.

Spouse Injury in Mexico

During a business trip to Mexico, the spouse of a U.S.-based employee suffered a serious injury, including a rotator cuff tear and a broken arm. A business travel accident program facilitated immediate surgical treatment and guaranteed payment at a local hospital. Due to complications, the patient was repatriated to the U.S. via air ambulance, where she continued her recovery. Total claims paid amounted to \$100,000.

⁷ Zurich BTA study.

Future Outlook: The Growing Importance of Travel Insurance

In today's world, travel insurance is no longer a luxury—it is a necessity. The risks associated with business travel have become more diverse and unpredictable, making it essential for companies to prioritize the safety and well-being of their employees. By integrating comprehensive travel insurance into their travel policies, businesses can protect their employees, finances and reputation.

Innovations such as customizable policies, real-time assistance, and enhanced coverage options are becoming more common, providing businesses with the flexibility and protection they need in today's unpredictable world. As companies continue to expand their global reach, travel insurance will be an essential tool in managing these risks and ensuring the safety of employees.



Did you know?

87% of employees believe that business travel is important to company growth, highlighting the need for businesses to protect this valuable aspect of their operations.

87% of business travelers would consider leaving a company that does not focus on their well-being during travel, making travel insurance a key component of employee retention.⁸



Businesses must take action now to ensure that their travel policies are up to date and that they include comprehensive travel insurance coverage. This is not just about protecting the company—it's about fulfilling a duty of care to the employees who represent the company on the global stage. Secure your business's future by safeguarding the people who make it possible.

This completed whitepaper incorporates key statistics and insights to emphasize the growing importance of travel insurance in today's business environment. It provides a comprehensive view of why businesses need to prioritize travel insurance as a critical component of their risk management and employee safety strategies.

⁸ <https://use.expensify.com/blog/business-travel-statistics>

Prepare for the Risks with Zurich Travel Assist

Business travel is not going away...

Despite the rise in remote work, travel remains essential for many companies, especially those conducting business overseas. However, with the resurgence of business travel comes an increase in risks that companies must be prepared to manage.

...And neither are the risks:

- Pandemics
- Civil unrest/political upheaval
- Acts of terrorism
- Natural catastrophes

Why Zurich?

Customizable Coverage:

Whatever the size of your company, Zurich can tailor an employer-paid Business Travel Accident program with coverage and service options, including:

- Medical care and AD&D (Accidental Death and Dismemberment)
- Safety and security services
- Travel inconvenience protection

Zurich Travel Assist

Administered through Zurich-owned World Travel Protection, our global assistance network provides comprehensive support to your employees, ensuring their safety and well-being wherever they are:

- Medical and Dental Support
- Security and Repatriation Support
- Pre-Assessment of Risk and Training
- Digitally Enabled Monitoring and Alerts
- Technical Support, including Re-Booking and Embassy Contact

Meet Tomorrow Prepared!

International Capabilities:

- Dedicated team with a single point of contact
- Global platform for rapid policy issuance, cash flow management and efficient processing
- Cross-border solutions that comply with local laws, regulations, and tax obligations
- Advanced analytics and monitoring tools

Customer-Focused Technology:

- Travel Assist Mobile App
- Zurich Assist Portal
- My Zurich Platform
- Zurich Risk Advisor
- Zurich GPS (Global Program Support)

Zurich's comprehensive solutions ensure that your business travelers are protected and supported, no matter where their journey takes them. Equip your organization with the tools and coverage needed to navigate the evolving landscape of business travel safely and efficiently.

This is intended as a general description of certain type of insurance available to qualified customers and is provided solely for informational purposes. Insurance coverages underwritten by Zurich American Insurance Company, a New York domiciled company with its principal place of business at 1299 Zurich Way, Schaumburg, IL 60196 (NAIC # 16535).

Each claim is unique and subject to the facts it presents, and that depending on the facts presented in a particular claim and the coverage provisions that might apply to the facts of that claim, coverage for the particular claim might not be afforded, might be excluded, or might be limited. The examples shown are for situations where there are no coverage issues related to the claim and the claim is fully covered. However, please be assured that if or when a claim is presented, Zurich will use its best efforts to adjust such claim according to the facts of the claim, the applicable policy language, and the applicable law.

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