



Insurance Company

World Travel

TRAVEL INSURANCE PERFORMANCE FOR 2023

LET'S GET STARTED

PRESENTED BY
LEE KIN MENG

TABLEAU STORYBOARD





Introduction

Top performing agencies have the potential to greatly enhance sales and facilitate the growth of a company; however they also come with risks that require careful oversight. Thus it is crucial for companies to find the equilibrium in order to prevent any adverse consequences stemming from their dependency on these agencies. It is essential to evaluate relationships with these agencies as this plays a critical role, in risk management and ensuring strategies are aligned effectively. The forthcoming report will delve into the following points;

- Agency performance in sales
- Popularity of company's travel insurance policies
- Probability of claims
- Top Destinations
- Recommendations for driving the growth





Business

Appetite for global travel at its highest since pandemic began, say industry players

The United Nations World Tourism Organisation reports that the travel sector has recovered to about 57 per cent of pre-pandemic levels.



Passengers arrive at the Dubai Airport Terminal 3, in United Arab Emirates, on Oct 25, 2023. (AP/Kamran Jebreili)

[credit - CNA](#)

THE BUSINESS TIMES

OUTLOOK 2024

Global air travel to surpass pre-Covid levels in 2024 as Asia-Pacific makes full recovery

Strong travel demand could drive traffic and profits – unless supply issues and thin margins curtail growth



Derryn Wong

Published Mon, Dec 25, 2023 · 05:00 AM

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TRAVEL SENTIMENTS

The travel sector is seeing a revival following the COVID-19, fueled by accumulated demand and eased travel regulations. The surge had a beneficial effect on the travel insurance sector as a growing number of travelers are looking for the protection against unforeseen circumstances, health issues and trip interruptions. Insurance companies are experiencing rising sales and also creating new products to meet the emerging demands of customers, such as coverage for COVID-19. The expansion of the industry is driven by both leisure and business trips.



DATA INFORMATION

Travel Insurance Dataset

Downloaded from Kaggle

60,533 Transactions Rows

information Included

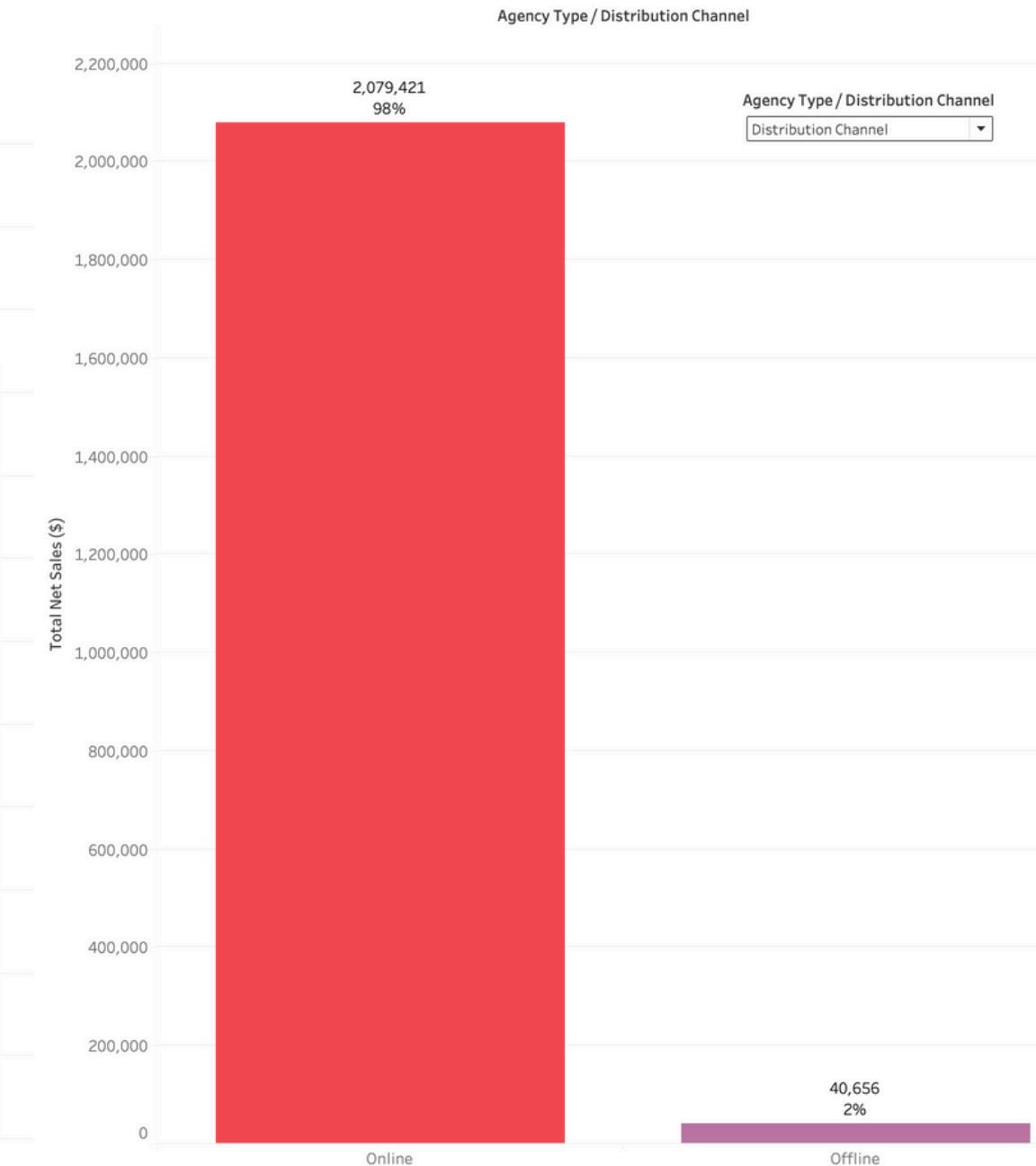
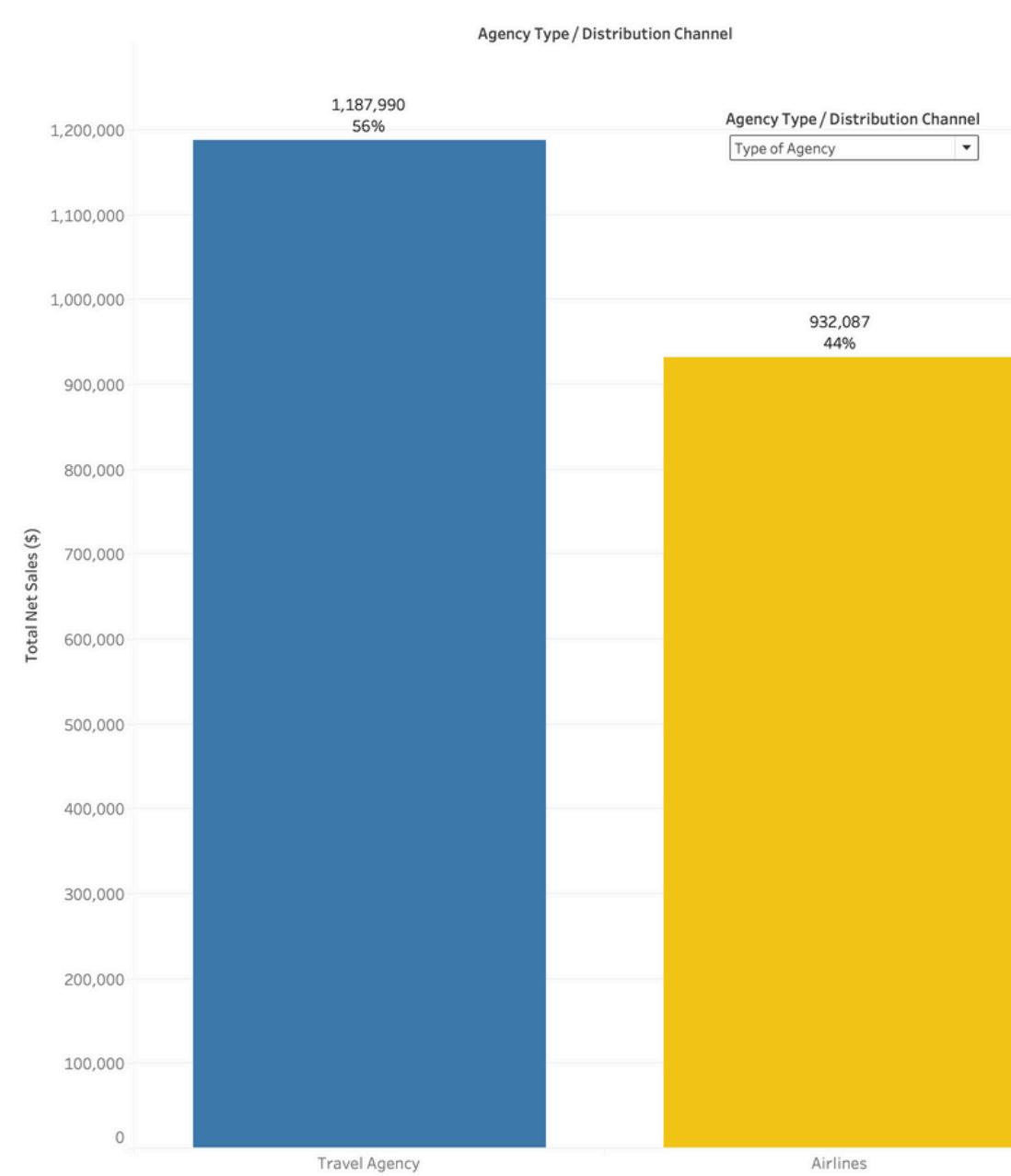
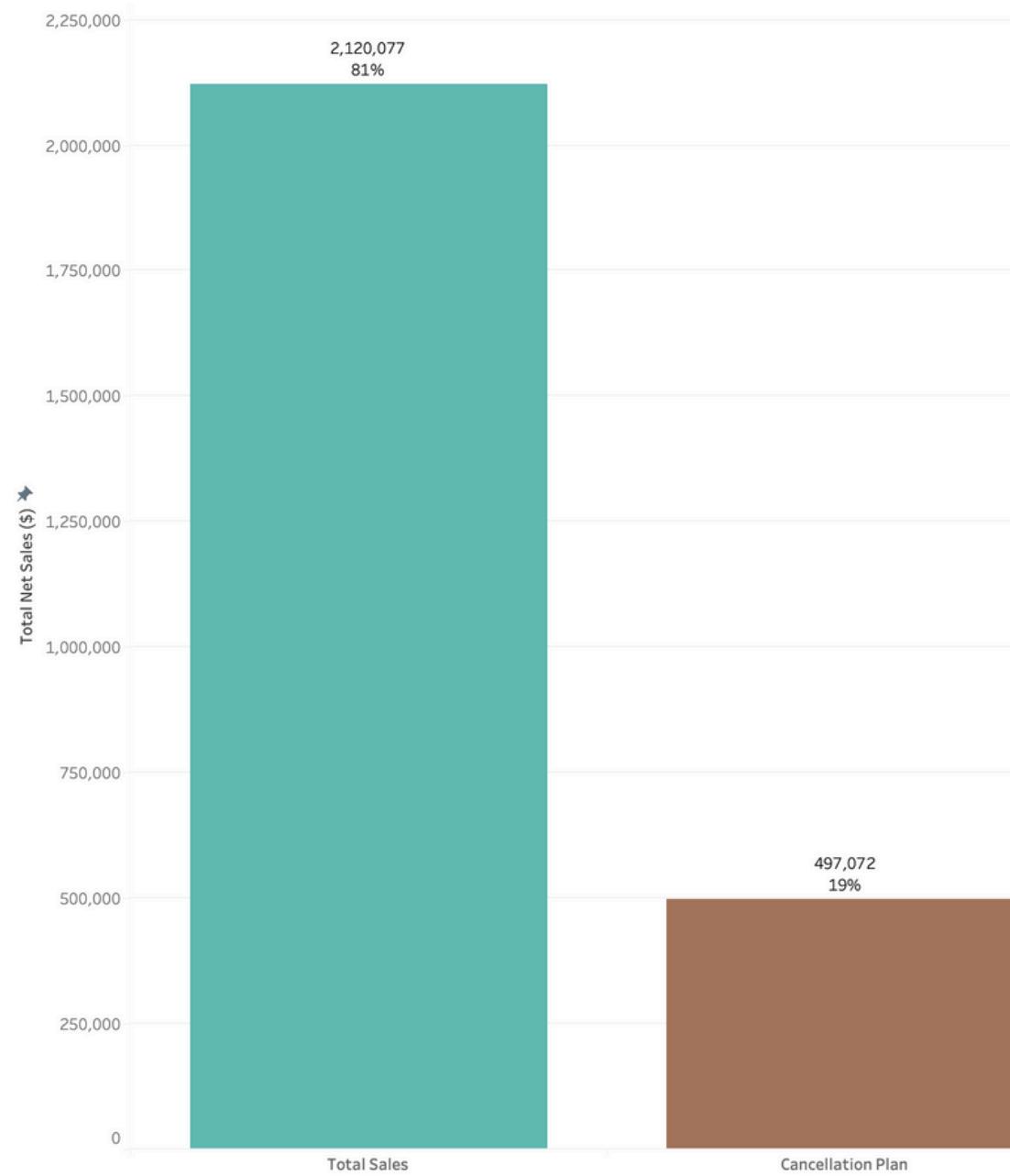
- Agency (Name of Agency, Type and Distribution Channel)
- Product (Name of the Travel Insurance Policy)
- Destination (Country)
- Net Sales (Amount of Sales of Travel Insurance Policies)
- Commission (Commission received for travel insurance agency)
- Duration (Duration of the Travel)
- Age (Age of the Insured)
- Claim (Claim Status whether consumer make a claims)



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COMPANY PERFORMANCE

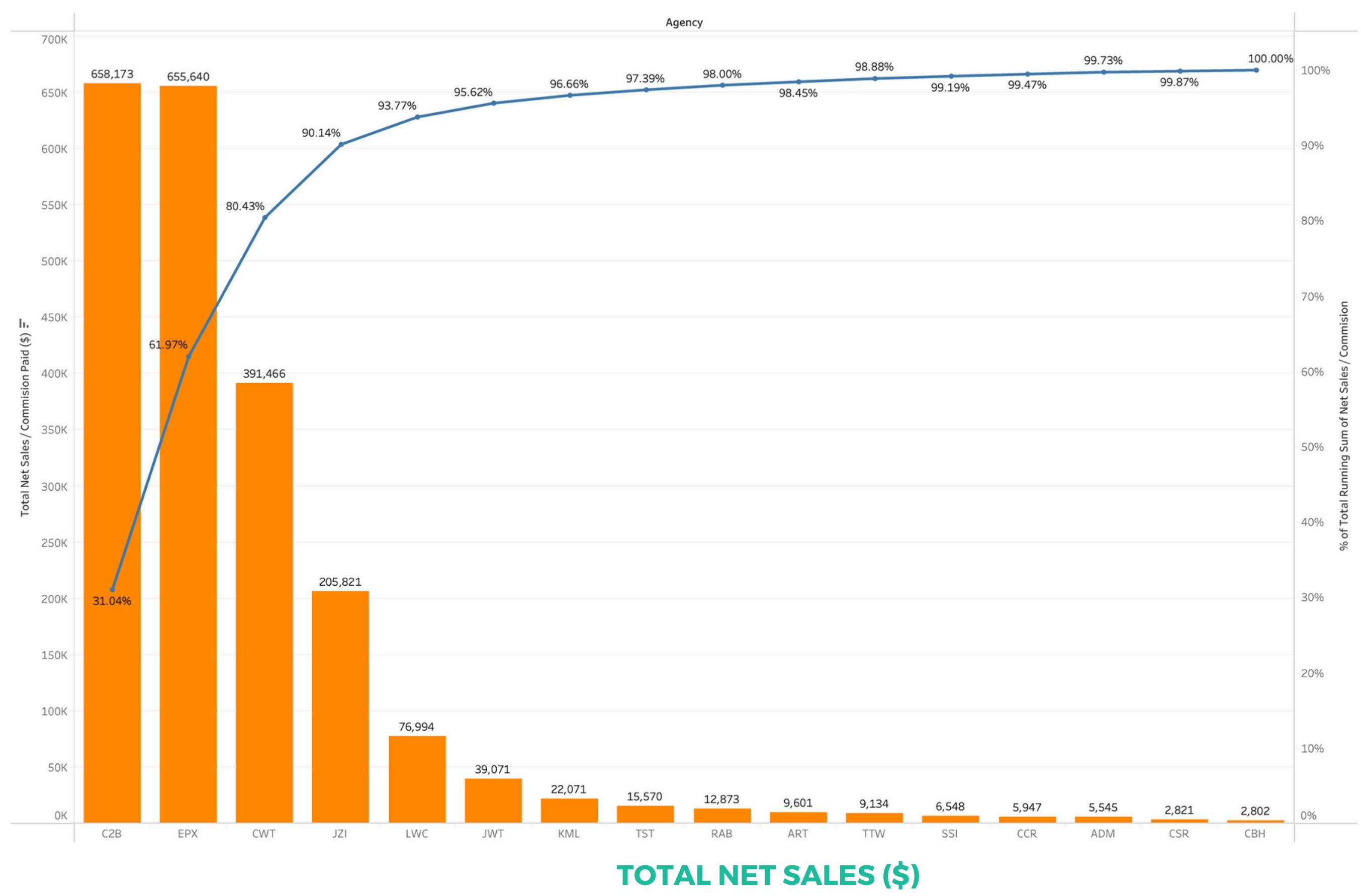
- For the year 2023, the company achieved total net sales of **\$2,120,077** through our partner agencies.
- Travel Agencies contributed **56%** of these sales, with the remainder **46%** coming from our airline partners.
- The majority of sales, up to **98%**, were generated through the company's affiliated links with these partners.
- While the company achieved strong results in 2023, a significant percentage (**19%**) of the travel agencies were cancelled for various reasons.





AGENCIES PERFORMANCE

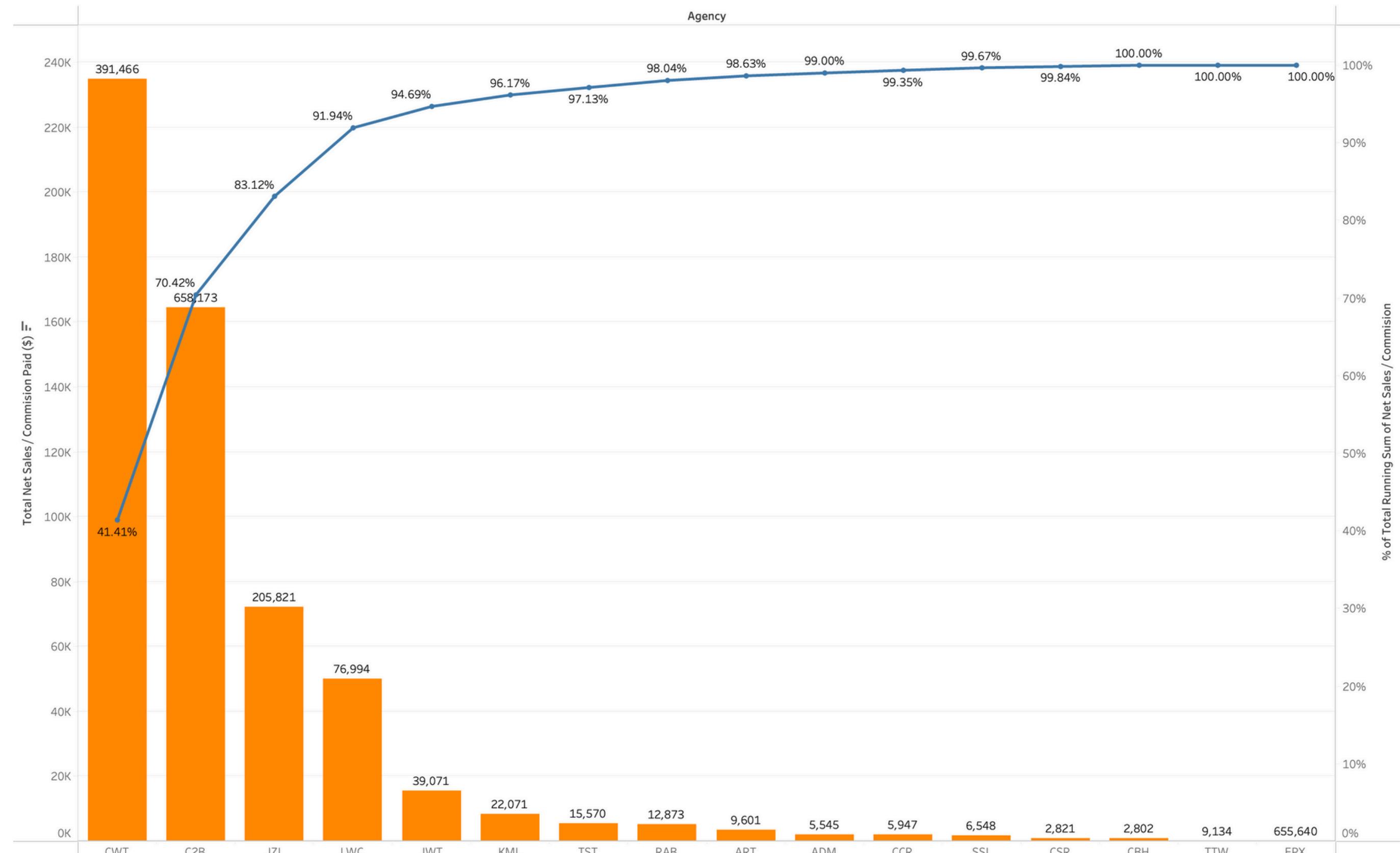
- The top 3 Agencies - **C2B, EPX and CWT** contributed approximately **80%** of the total travel insurance sales for 2023.
- The last **7** small agencies contributed only **2%** of the total sales indicating a minimal impact on the overall business.
- This reflects a concentrated distribution of sales among the top-performing agencies
- **Take Note** - It's important not to be overly dependent on few top agencies since their performance level may change if they alter their business strategies - this arrangement present a **RISK**,





AGENCIES REMUNERATION

- **CWT** and **C2B**, 2 of the Top 3 agencies in sales, received approximately **70%** of the commission payouts.
- The remaining **30%** of commissions were distributed among **14** other agencies, indicating a significant concentration of commission earnings among a few top performers.
- **Take Note** - Smaller percentages of commissions may discourage agencies from going the mile to sell company's travel insurance policies.



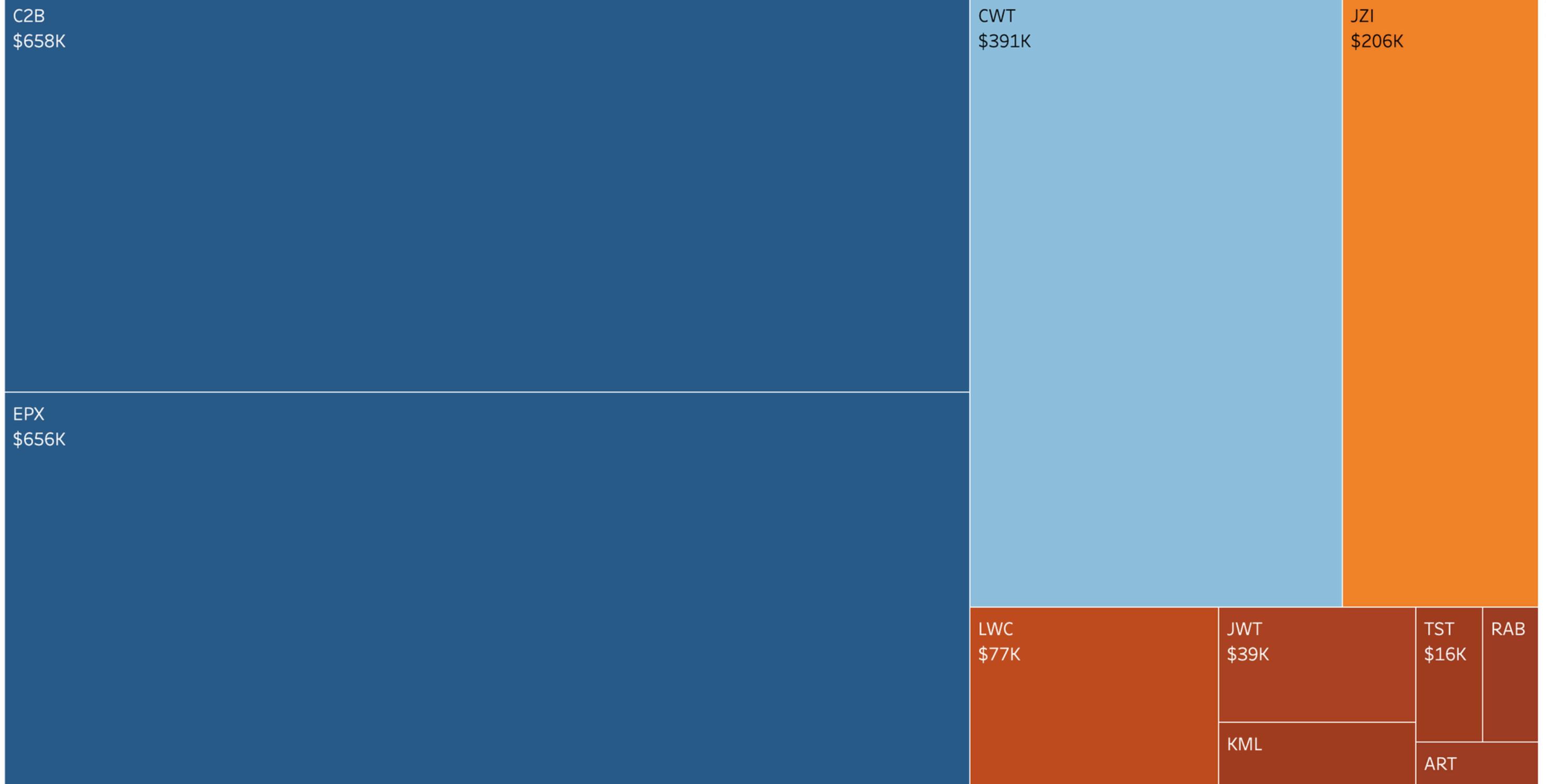


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TOP 10 AGENCIES



BASED
ON
SALES





RECOMMENDATION FOR COMPANY & AGENCY

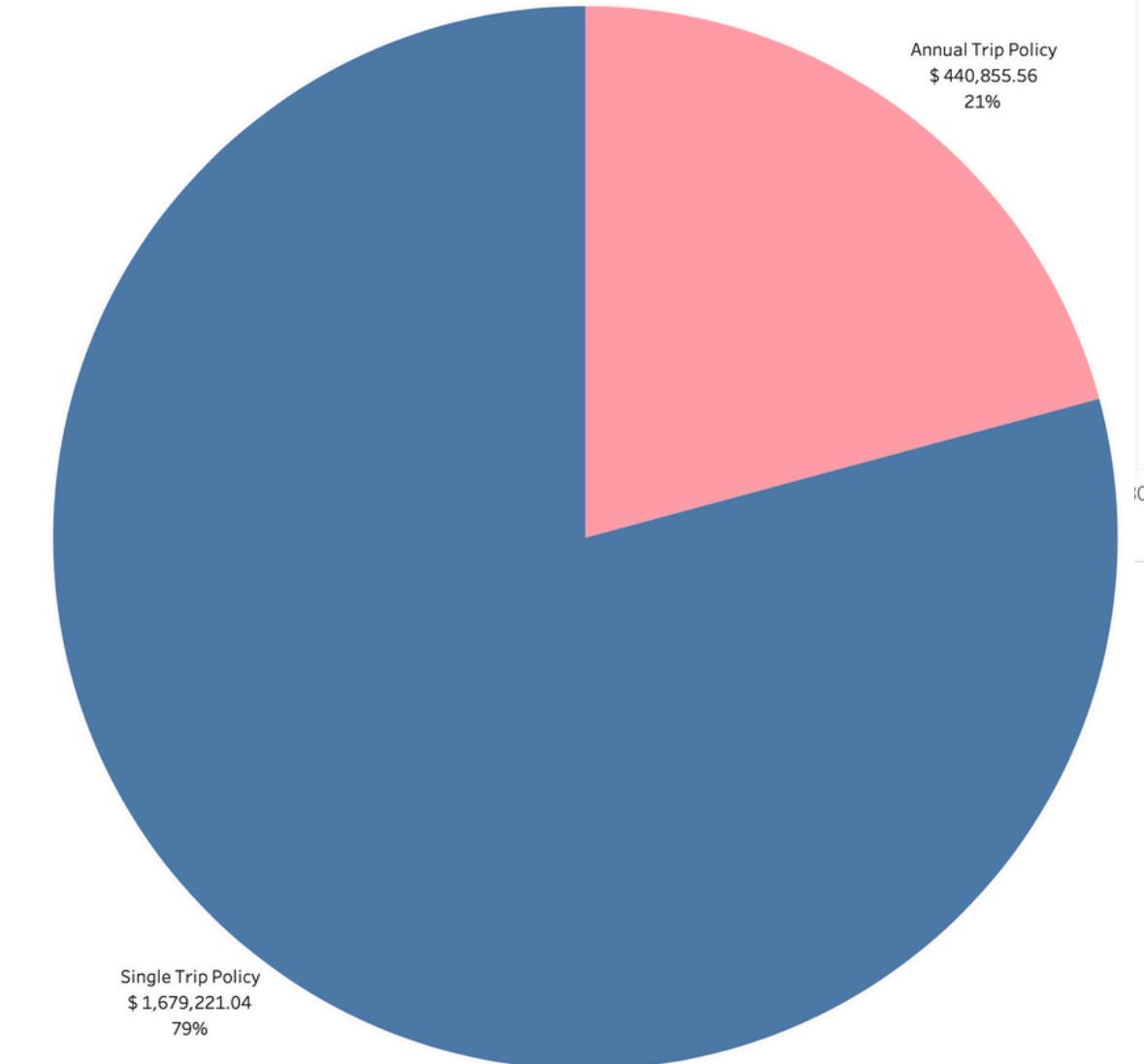
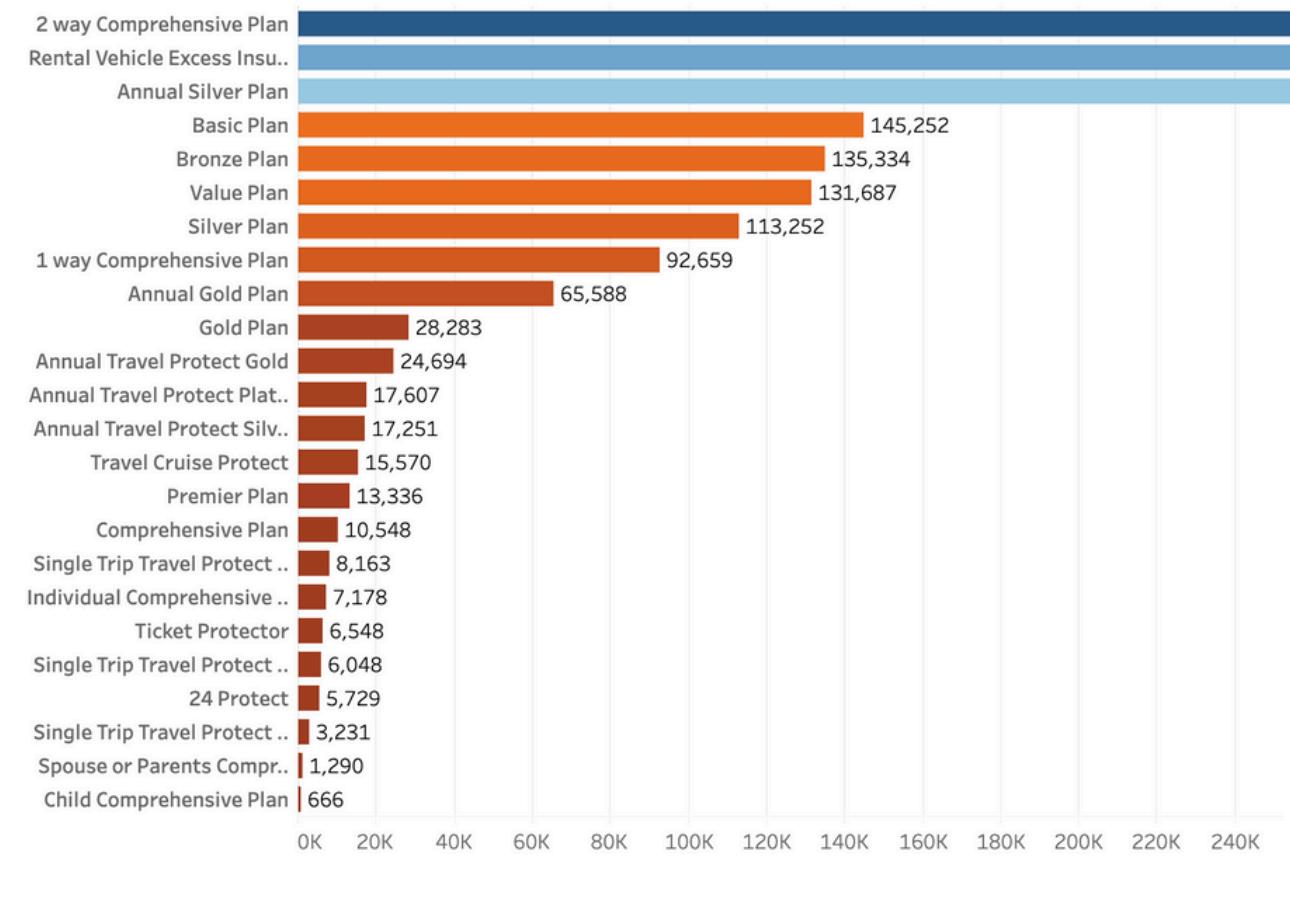
GROWTH

- To boost the performance of travel agencies that are excelling in their operations; company could consider offering promotions or collaborating with them for joint marketing campaigns to further elevate the success of these agencies.
- If a business is facing challenges, with their agencies performance levels are down. Company might want to think about starting specific campaigns or implementing incentive initiatives to help improve their performance and motivate them further.
- In order to enhance the performance of struggling departments within the companys ranks it would be beneficial for the organization to offer assistance in the form of training or resources. This support could be tailored towards customer segments or specific destinations with high potential, for success.



POLICY PERFORMANCE

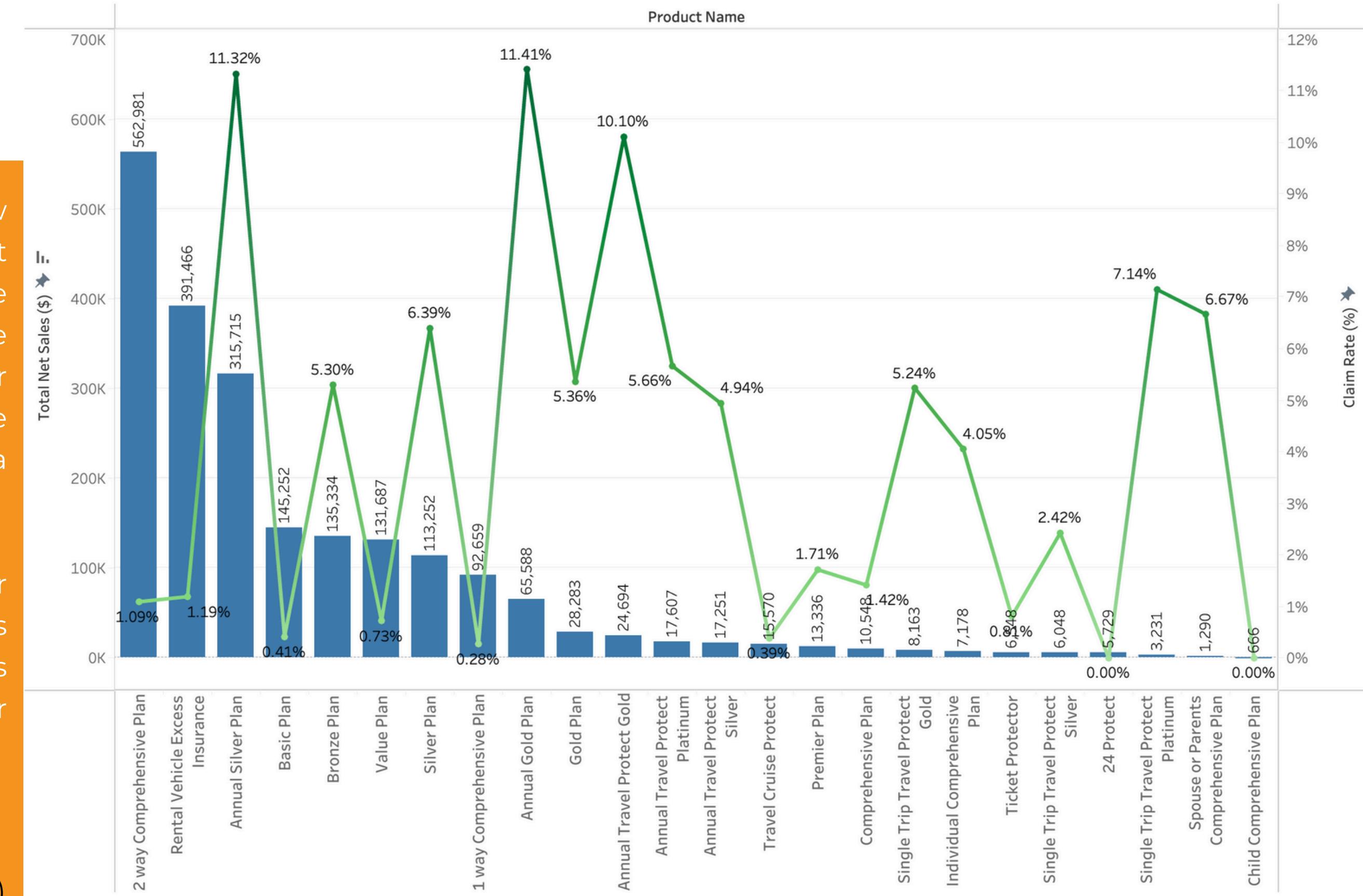
- The **single trip travel** policy is a clear favourite, making up **79%** of sales. This shows that most customers lean towards these type of coverage
- The 2-Way Comprehensive and the rental vehicle excess policies are doing really well, generating **45%** of the total sales.
- Comprehensive type of policies are a big part of the company success, especially with options like the Premier Plan performing strongly. It seems customer really like having all-in-on coverage for their travels.
- Take Note** - Heavy coverage competitions initiated by competitor insurers will compel more our customers to seek thier money back or cancel coverage completely.





POLICIES CLAIM RATE

- Overall, the claims rate is pretty low for several policies. This means that even though sales are strong, the number of claims isn't likely to have much of an impact on profitability. For instance, the 2 way comprehensive policy, which sells the most, has a fairly low claim rate of **1.09%**.
- Annual policies tend to have higher claim rate, averaging **8.69%**. This could be because the annual policies cover unlimited travel plan for customers through the policy year.





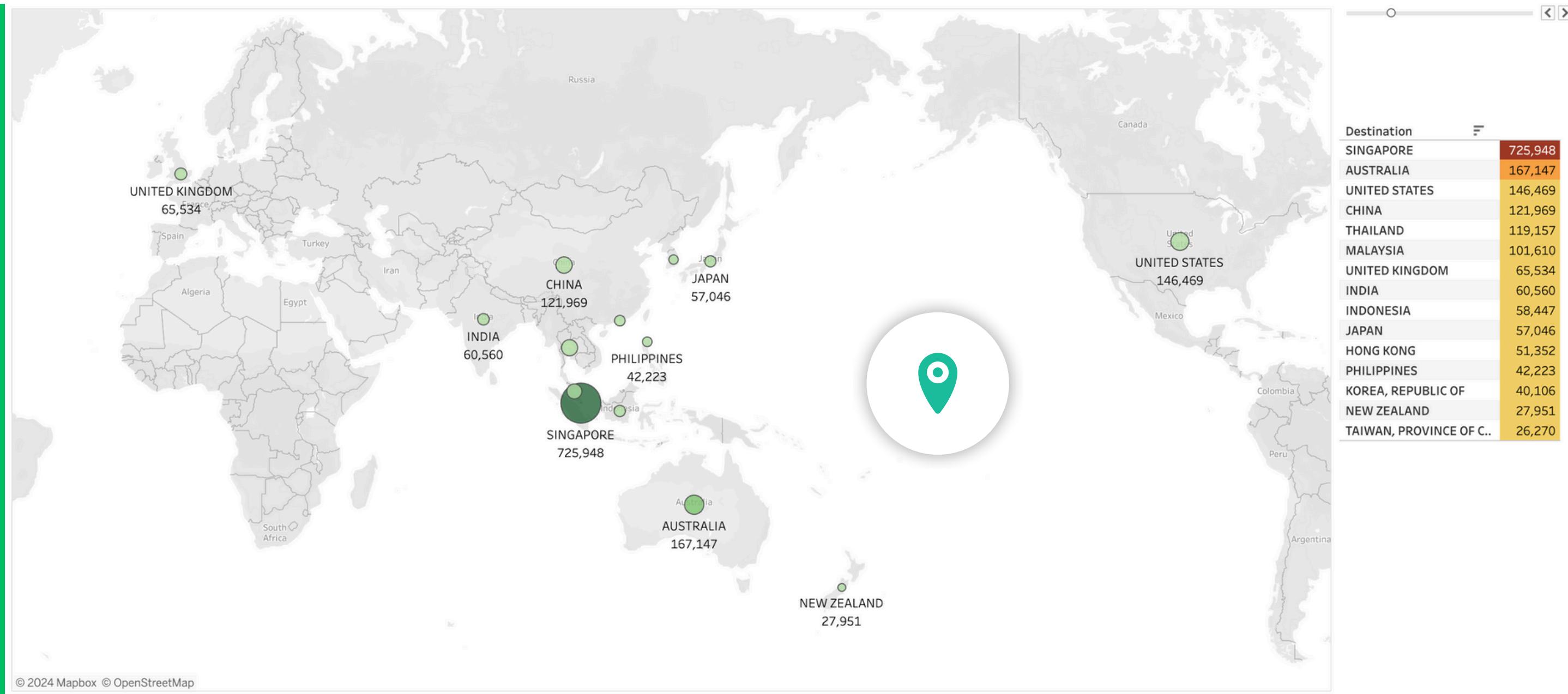
RECOMMENDATION FOR POLICIES

- The company might want to think about offering personalised policies that allow customers to customise their coverage according to their requirements — such as including coverage, for specific adventurous sports activities.
- Crafting package deals that incorporate travel insurance plans at a reduced price might attract budget conscious individuals seeking additional protection.
- The company should actively gather feedback from customers to enhance its travel policies or offer personalised services to those exploring the company's travel insurance options.



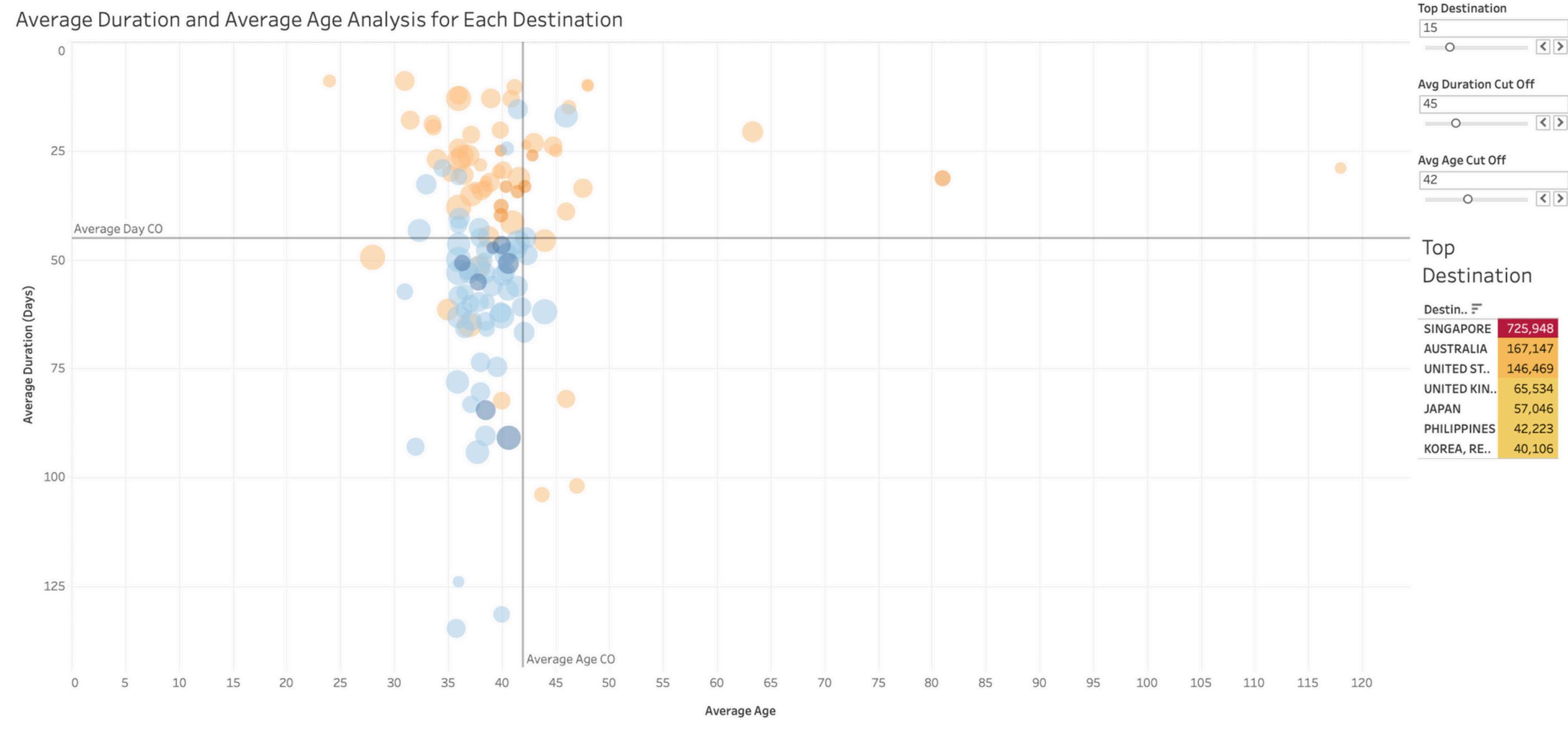
TOP 15 DESTINATIONS

- According to the data, Singapore is the top destination with total sales reaching **\$725,948**. This is likely because Singapore is a multicultural country and has lower crime rates compare to other destinations.
- Asia** appears to be preferred choice for travelers, with **11 out of the top 15** destinations located in the region. This may be due to number of factors including boasts of unique cultures and histories that Asia offered than those in Europe and US.





AVERAGE AGE AND DURATION ANALYSIS



- From the analysis, the older travellers, especially those aged **42 and above**, are more likely to choose destinations with longer average stays. They tend to prefer places with rich cultural experiences where they can spend more time.
- Younger travellers, on the other hand, typically go for shorter trips.
- Take Note** - Popular destinations can be dynamic which means that company could miss out on the sales if it does not adapt to these trends.



RECOMMENDATION FOR DESTINATIONS

- Company should monitor the emerging trends and any risks associated with the popular destinations from time to time. For instance, now people are more engaged in the pursuit of wellness and as such, travellers want to take yoga classes or take a sustainable and low-carbon holiday.
- Company may consider by adapting the emerging trends by offering tailored insurance solutions that meet the evolving needs of travellers by providing valuable protection in the increasingly dynamic travel landscape after post COVID-19.



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**THANK
YOU**

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