

Mozo Experts Choice Research Report

Product Category:
TRAVEL INSURANCE

5 June 2014



Who is Mozo?

Mozo Pty Ltd (“Mozo”) provides a financial comparison service that was launched in 2008 by a team of passionate financial services enthusiasts with the goal of creating an online service that helped consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service that covers the retail banking market, general insurance, life insurance, business banking and more.

Currently around 300,000 Australians a month use Mozo’s financial comparison service. Mozo’s comparison technology and expertise is used by some of Australia’s largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo’s management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, and actuarial services to product development, and technology. Mozo’s team are often called upon to provide expert media commentary in relation to retail financial services.

Our Experts Choice Awards analysis is carried out by our Research & Insights Director and our Product Data Manager, who between them have over 50 years of experience in financial services and 19 years in online financial services comparison.

Andrew Duncanson is our Research & Insights Director. Andrew has worked in financial services for over 20 years in Australia and the UK and is a qualified actuary. Andrew is also a Responsible Manager for Mozo’s Australian Financial Services Licence.

Peter Marshall is our Product Data Manager. He has over 30 years’ experience in financial services, including managing product data at other financial comparison sites before Mozo. Peter is a Responsible Manager for Mozo’s Australian Financial Services Licence.

Mozo Experts Choice Awards

The Mozo Experts Choice Awards are a new initiative from Mozo that recognises Australia's best value financial products and helps Australians to save money by choosing better products.

The Experts Choice Awards are designed to complement the popular Mozo People's Choice Awards, which are voted by customers and recognise banking and insurance institutions with the highest customer satisfaction levels.

For the Experts Choice Awards Mozo uses a Gold, Silver and Bronze awards classification system for the top 3 travel insurers in each award category. The remaining top 10% of policies in each award category receive a Highly Commended award. Further information about our awards methodology can be found below.

What Travel Insurance products do we consider?

Mozo gathered quotes from 57 travel insurance providers for 133 international travel insurance policies (see appendix) in the course of carrying out its analysis for this research report and subsequent awards.

Quotes were obtained from travel insurance providers between 10 March and 25 March 2014.

Where a travel insurance provider had more than one policy that qualified for a category, the policy with the lowest premium was used.

Premiums were quoted with a standard policy excess of \$100 where possible. If a standard excess of \$100 was not possible the closest excess to that amount was used. Policies where the minimum excess was more than \$150 were excluded from the analysis.

We aim to include most travel insurance policies in the market in the Mozo Experts Choice Awards. However, not every travel insurance product on the market will be included in our review, nor is every feature compared that may be relevant to you. You should read the entire Product Disclosure Statement for any travel insurance policy you are considering to purchase. In particular, you should be aware of exclusions that may apply, and ensure the level of cover suits your needs.

The Mozo Experts Choice

Travel Insurance Award Winners 2014

[1] BEST VALUE BASIC COVER TRAVEL INSURANCE

TRAVEL INSURER

POLICY

Gold winner

Insure&Go

One Trip Bare Essentials

Silver winner

1Cover

Basic

Bronze winner

Worldcare

Budget

Highly commended winners

Cheap Travel Insurance

Cheap Travel Insurance

itrek

Silver

Travel Insuranz

Classic

[2] BEST VALUE COMPREHENSIVE COVER TRAVEL INSURANCE

TRAVEL INSURER

POLICY

Gold winner

SCTI

TravelCare

Silver winner

Worldcare

Comprehensive

Bronze winner

1300 Travel Insurance

Comprehensive

Highly commended winners

Citibank

Essential

itrek

Gold

Insure&Go

Silver

How the Mozo Experts Choice awards are determined

Quotes were based on two profile types (both with NSW places of residence):

- Single
 - a single person aged 25
- Family
 - a family with two adults aged 30 travelling with two dependents.

Mozo collected quotes for both profile types for single trip premiums to each of the following destinations:

- United Kingdom
- United States of America
- Thailand
- Bali

A standard travel period of 14 days was used to find the premium for each of these destinations.

Mozo Experts Choice Awards for Travel Insurance are awarded in the following categories and based on the following methodology:

[1] BEST VALUE BASIC COVER TRAVEL INSURANCE

Aim:

To identify the travel insurance providers and policies that offer the lowest cost premium for singles and families, with no minimum level of policy coverage.

Method:

Quotes were obtained from each travel insurance provider for each of the travel scenarios described above. Mozo then identified the lowest cost policy for each travel insurance provider. Quotes for the lowest cost policy were obtained for each scenario and averaged to determine the overall minimum average premium. Quotes collected for the family traveller profile type were reweighted during the analysis to ensure that the single and family traveller type quotes from each insurer were equally taken into account as part of the overall ranking process. Policies were then ranked from lowest minimum average premium to highest minimum average premium.

The travel insurer with the policy that had lowest minimum average premium was awarded Gold, second lowest was awarded Silver, and third lowest was awarded Bronze. The remaining top 10% of policies received Highly Commended awards.

[2] BEST VALUE COMPREHENSIVE COVER TRAVEL INSURANCE

Aim:

To identify the best value comprehensive travel insurers and policies for singles and families.

To be considered for this award category, travel insurers must have the following minimum level of cover:

- Overseas Medical Expenses (emergency medical and hospital treatment, repatriation/evacuation)
 - Unlimited
- Luggage and Personal Effects
 - \$5,000 per traveller
- Cancellation fees
 - \$10,000 per traveller

No conditions or exclusions that may apply, or other policy features, were considered.

Method:

Quotes were obtained from each travel insurance provider for each of the travel scenarios described above. Mozo then identified the lowest cost policy for each travel insurance provider. Quotes for the lowest cost policy were obtained for each scenario and averaged to determine the overall minimum average premium. Quotes collected for the family traveller profile type were reweighted during the analysis to ensure that the single and family traveller type quotes from each insurer were equally taken into account as part of the overall ranking process. Policies were then ranked from lowest minimum average premium to highest minimum average premium.

The travel insurer with the policy that had the lowest minimum average premium was awarded Gold, second lowest was awarded Silver, and third lowest was awarded Bronze. The remaining top 10% of policies received Highly Commended awards.

How we manage conflicts of interest

Mozo Experts Choice awards is based on objective verifiable facts and analysis. Mozo's research team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions. Our internal structures help to avoid conflicts of interest arising between our research team and other areas of the business in the generation of our research reports. Details of how we are paid are contained in our Financial Services Guide.

Financial product issuers can participate in the Mozo Experts Choice Awards free of charge. Currently Mozo doesn't, but reserves the right to, charge a licence fee to a financial product issuer to allow them to use the Mozo Experts Choice badges in their own marketing activities.

Financial product issuers that receive a Mozo Experts Choice Award may choose to list its products on the Mozo website in a way that may generate revenue for Mozo. Mozo Experts Choice awards is awarded irrespective of a financial product issuer's commercial relationship with Mozo.

DISCLAIMER:

Any advice included in any document published by Mozo Pty Ltd (AFSL/ACL 328141) is general in nature and does not take into account your objectives, financial situation or needs. Before acting on the advice, you should consider whether it's appropriate to you and seek professional advice from a suitably qualified adviser. If a product we recommend has a Product Disclosure Statement (PDS), you should read it before making a decision about whether to acquire the product.

Appendix

Travel Insurers and policies included in Mozo's analysis:

INSURER	POLICY
1300 Travel Insurance	Budget
1300 Travel Insurance	Comprehensive
1Cover	Basics
1Cover	Comprehensive
1st for Women	Diamond
1st for Women	Topaz
AAMI	International Travel Insurance
AIG	Platinum
AIG	Gold
AIG	Silver
AIG	Bronze
Allianz	Budget
Allianz	Comprehensive
American Express	Comprehensive (International)
ANZ	International Travel Plan
AussieTravelCover	Basic Cover
AussieTravelCover	Top Cover
Australia Post	International Single Trip Basic
Australia Post	International Single Trip Comprehensive
Bankwest	Secure Holiday Travel Insurance
Budget Direct	Last Minute Plan
Budget Direct	Platinum Plan
BUPA	Standard Plan
BUPA	Super Plan
BUPA	Super Plus Plan
Cheap Travel Insurance	Cheap Travel Insurance
Chi Travel insurance	Basic International
Chi Travel insurance	Comprehensive
Citibank	Essential
Columbus Direct	Single Trip Premier
Columbus Direct	Single Trip Standard

Appendix (cont.)

INSURER	POLICY
CoverMore	Essentials
CoverMore	Travelsure
duInsure	Backpackers (International)
duInsure	Comprehensive (International)
Easy Travel Insurance	Elements
Easy Travel Insurance	International Comprehensive
FastCover	Standard
Flight Centre	Travelsure Plan TI
GIO	Holiday Travel Insurance
Good2Go	The Works
HBF	Standard
HBF	Super
HBF	Super Plus
HCF	Elements
HCF	International Comprehensive
Insure&Go	Bare Essentials
Insure&Go	Gold
Insure&Go	Silver
insure4less	Essentials
insure4less	Excel Plus
itrek	Adventurer
itrek	Wanderer
Jet	Comprehensive
Jetset	Elements
Jetset	International Comprehensive
Kango	Big Red
Kango	Eastern Grey
Medibank	International Comprehensive
Medibank	International Medical Only
MyCover	Budget Cover
MyCover	Comprehensive International
NAB	International Cover
NIB	Budget

Appendix (cont.)

INSURER	POLICY
NIB	Comprehensive
NIB	Essentials
NRMA	International Comprehensive
NRMA	International Essentials
Online Travel Insurance	Comprehensive
OnTour Travel Insurance	International
Ouch	International Travel Insurance
Qantas	International Comprehensive
QBE	International Travel Insurance
SCTI	TravelCare
Simply Travel Insurance	Budget
Simply Travel Insurance	Comprehensive
Ski Insurance	Ski Plus
Suncorp	Holiday Travel Insurance
Suresave	Comprehensive
Suresave	Necessities
Travel Insurance Cover	Elements
Travel Insurance Cover	International Comprehensive
Travel Insurance Direct	International
Travel Insurance Saver	Essentials
Travel Insurance Saver	International Comprehensive
Travel Insuranz	Classic
Travel Insuranz	Deluxe
Under30	Overseas
Virgin	Comprehensive
Virgin	Medical Only
Westpac	Holiday Travel Insurance
Woolworths	Basic
Woolworths	Comprehensive
World Nomads	Explorer
World Nomads	Standard
Worldcare	Budget
Worldcare	Comprehensive