



## ANCHORED IN ASSURANCE:

# THE REVENUE, LOYALTY AND GUEST EXPERIENCE CASE FOR TRAVEL INSURANCE PARTNERSHIPS

Sponsored by:



Written by:

Michelle Bruno

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## About this report

### **Anchored in Assurance: The revenue, loyalty and guest experience case for travel insurance partnerships**

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Author: Michelle Bruno

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# Introduction

It's high tide in the cruise market. Customer demand is strong, the industry is resilient and cruise companies are quickly responding to customers' desire to travel differently, experience more and live better. However, cruise travel is complex, multidimensional and dynamic. So, while cruise companies strive to deliver on customer expectations, they also need to manage passenger risks, such as missed flight connections, missed ports of call and medical emergencies, among others.

Cruise lines are in a favorable position to leverage travel protection plans, potentially building their brands and increasing customer loyalty. Travel insurance is becoming a critical component of the travel experience. Bespoke partnerships with travel insurance firms offer cruise lines additional capabilities, helping to provide cruise customers with what they want: the confidence to travel well.



## State of the global cruise market

The demand for cruises in 2025 is robust. In its [State of the Cruise Industry Report 2025](#), the Cruise Lines International Association (CLIA) reports that global (ocean-going) cruise passenger volume in 2024 reached 34.6 million passengers, a 9.3% increase over the previous year, and 42 million passengers are forecast to sail in 2028.

Other pockets of growth are emerging, too. [Phocuswright's U.S. Cruise Market Essentials 2025](#) report says, "The introduction of shorter cruises on better ships, increased emphasis on private destinations and the luxury market remaining strong all contributed to 2024 growth." More ocean ships are coming online, and luxury hotel chains like The Ritz-Carlton are entering the cruise market.

The cruise industry is expanding in other ways too. "The interest and enthusiasm in river cruising continues," the Phocuswright research says. "2024 was a landmark year marked by significant growth, robust demand and notable industry milestones. Most river cruise lines recognized double-digit increases in 2024 with Viking, Avalon, Scenic and AmaWaterways all having their best years."



# Factors driving demand for cruise travel

**Cruises are popular for many reasons. A cruise that includes meals, entertainment, lodging and travel between destinations, “provides an exceptional value in challenging times” compared with a land vacation, Phocuswright reports. Furthermore, the concept of a single vacation offering diverse travel experiences, including expeditions, remote itineraries, hyper-personalization and wellness (priorities for luxury travelers), as well as adventure, cultural immersion and sustainability appeals to many.**

A loyal and growing base of new-to-cruise customers is also helping to drive demand. For example, CLIA reports that 82% of travelers who have cruised previously plan to cruise again. Additionally, 67% of cruise travelers today are Gen X or younger. The average cruise traveler is 46.5 years old, and the travelers most enthusiastic about cruising are millennials and Gen Xers. An increase in the number of multigenerational and solo travelers (28% and 12%, respectively, in 2024) who choose to cruise also helps pack the cruise customer pipeline.

# Why cruise customers buy travel insurance

**Cruise travelers are buying travel insurance at higher rates than before (a reported 74% in 2025 compared with just 38% in 2024). Often, it may be because they are more aware of the potential risks, including global health emergencies and climate-related disruptions (fires, hurricanes, floods) that could lead to increased trip cancellations, medical issues or itinerary changes.**

Safety and security are of paramount concern for many travelers, said Ross Boyd, manager, commercial strategy at Azamara Cruises. "With the uncertainty in different areas of the world, guests are increasingly opting for travel insurance for peace of mind," he said. "There has been an increase in travel insurance purchases for guests traveling to areas farther away from the United States."

Cruise passengers face travel risks that differ significantly from those encountered by other types of travelers. For example, cruise lines typically impose stricter trip cancellation policies than other forms of transportation, such as airlines. Itinerary changes in response to changing conditions on the ground are not uncommon, and the potential for missed connections before and after the cruise due to airline delays and cancellations is higher.

Cruise travelers have distinctive travel insurance needs. "Unlike a simple flight or hotel stay, a cruise booking will often involve multiple components, such as pre- and post-cruise travel or shore excursions. Guests might add or remove these items multiple times between booking and sailing, so the insurance benefits need to be flexible and keep up with those changes," said Daniel Roth, head of partnership success for agency, cruise and tour at Allianz Partners US.

Cruise lines are enhancing their insurance offerings to cruise customers when interest and adoption are at



their highest. "The most effective approach is to make insurance part of the booking process either through cruise line customer service agents or directly in the booking path, so it's easy and natural for guests to add it," Roth said.

Firms like Allianz Partners also provide co-branded marketing materials, digital campaign assets and ongoing sales training to help cruise staff share features and benefits of cruise-specific insurance.

Cruise insurance products have significantly evolved, and insurers now offer tailored protection (a primary benefit for customers who purchase travel protection direct from the cruise line) for the increasingly diverse clients, activities and destinations unique to cruise travel. Travel insurance plans may now include:

- Higher medical benefit limits for luxury and expedition cruisers
- Protection for pre- and post-cruise travel and experiences
- Protection for high-value personal effects
- Multi-trip, long-term and annual plans for frequent and loyal cruisers
- Protection for covered illnesses
- Benefits for certain employment-related changes

As more cruise customers seek travel protection, insurance providers are making it more appealing and convenient for travelers to buy and benefit from insurance. These capabilities take many forms, including:

- Streamlined and automated claims processes
- Digital assistance services (via mobile app)
- 24/7 customer support anywhere the cruise line travels
- Access to a global service network for evacuations, medical assistance, temporary accommodations, other types of emergency responses and reimbursement



# Travel insurance business case for cruise lines

**For several reasons, it makes sense for cruise companies across all categories—luxury, mid-level, river, coastal and ocean—to invest in offering travel insurance specifically designed for their customers.**

Cruise lines place travel insurance high on their list of priorities. “Azamara views travel insurance as an essential component of a cruise vacation. Azamara immerses guests in unique travel experiences around the globe and wants to ensure their protection in the unlikely event of a covered travel disruption. Likewise, travel insurance provides protection if there are issues at home when a guest is traveling,” Boyd said.

An estimated 70% of US travel insurance is purchased via digital platforms, which may help cruise lines with robust online booking path integrations. According to Phocuswright’s Cruise Market Report, “There has been a concentration by cruise lines on increasing online market share.” The report also notes, “As bookings increase over the next five years, cruise lines will look to gain an even higher percentage of the direct online market.”

Cruise lines that partner with travel insurance providers to offer branded travel protection may have a greater

opportunity to enhance customer experience and build brand equity. Partnering with a trusted travel protection provider to help manage benefit details and the claims experience can help cruise lines maintain brand standards, leading to lower guest friction and stronger loyalty. Tailored offers can help reduce complaints, streamline support and protect the brand during disruptions.

Customer data is critical, not only for developing better insurance products but also for strengthening the customer relationship and identifying potential weaknesses in the travel insurance infrastructure. When industry growth is as vigorous as it is now, the importance of customer data is even more elevated. Allianz Partners, for example, has a robust Voice of Customer program that it uses to collect customer feedback and tailor its offerings to fit the needs of cruise lines and their customers.

Travel protection can help cruise lines in other ways. It helps provide consistent guest protection during covered disruptions, from cybersecurity issues to health incidents, to protect the cruise line’s reputation. Delivering a great customer experience through travel protection also helps drive customer loyalty.



# Luxury as a niche for cruise line travel insurance

**Luxury is one of the fastest growing and most potentially lucrative sectors in cruise travel. According to CLIA, the luxury vessel fleet has more than tripled since 2010. However, luxury travelers differ in several significant ways from their non-luxury counterparts, and travel insurance support systems and products need to accommodate these differences.**

Luxury cruise customers have unique profiles, spending habits, risks and expectations. For example, they spend more per trip, bring more luxury goods (jewelry, clothing, electronics) with them. Also, “Luxury status (travelers) tends to skew a little bit older. So, you’re likely to have more medical issues for travel insurance to cover,” said Mary Pat Sullivan, executive vice president of marketing and partnerships at Northstar Travel Group.

Travelers who choose luxury accommodations and service levels typically travel for more extended periods and with higher frequency to more “expensive” destinations than non-luxury travelers. Their itineraries can be complex, thus requiring more and different types of benefits and plans than standard travel protection plans offer.

These behaviors add up to a potentially higher financial burden for luxury travelers who experience disruptions, medical emergencies and losses while cruising. The average loss from a luxury cruise cancellation for a passenger without travel insurance is higher than for a non-luxury cruise passenger because luxury cruises typically cost more than non-luxury cruises. Also, potential out-of-pocket expenses for specialized services (medical evacuation, for example) can be much higher for luxury travelers.

By working with an insurance partner that offers products tailored to luxury clients, cruise companies can meet the expectations of its high-value customers and drive long-term loyalty.



# Implementing a partnership roadmap

**Co-creating a travel insurance partnership is as much an art—choosing an insurance company with similar brand values, an emphasis on customer service and alignment with the cruise company's strategic objectives—as it is a science, which involves gathering data, analyzing criteria, applying business models, leveraging technology and determining performance metrics.**

For cruise lines like Azamara, the ultimate performance metric for a partner is a high degree of customer service. “Success with a travel insurance provider is measured by how well the partner takes care of our guests in the event of a claim. The responsiveness of claims processing is paramount,” Boyd said.

## Riding the waves of change

Judging by the numbers, the global cruise industry is booming. However, as cruise lines diversify their customer base, transform their itineraries and enhance the customer experience, they must also continuously adapt their service levels and travel protection plans. A reliable and innovative insurance partner follows the contours of the industry as it evolves, offers cruise lines the support they need and gives cruise customers the peace of mind they crave.





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## About Allianz Partners

As a global leader in travel and specialty insurance, Allianz Partners has a long history of helping people—anytime, almost anywhere.

Every year, more than 100 million people worldwide choose us to protect their travel plans, tuition payments and event ticket purchases, and we take pride in exceeding their expectations. With the support of our award-winning service and around-the-clock assistance team, your passengers can enjoy greater peace of mind—no matter what voyages are on their radar.

Allianz Partners can help safeguard their cruise experiences with the right protection for their needs—including protection for travel bookings they add independently, plus pre-trip or post-trip extensions. With both a long, proven track record and a commitment to innovation, we're uniquely suited to deliver ideal solutions that meet your customers' ever-changing needs.

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