

TRAVEL AND HOSPITALITY

How traveler's insurance can alleviate concerns over terrorism

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Fear of terrorist attacks can be an obstacle for tourism. Still from Paris' tourism film by Jalil Lespert

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While the odds of being a victim of a terrorist attack while traveling are low, the fear of such events and the potential obstructions to travel they present are an unfortunately necessary possibility to think about for travelers.

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Squaremouth, a travel insurance company, set up an information center specifically for travelers to France during last week's shooting on Paris' Champs Elysees, the city's primary high street. The most recent attack likely attributed to terrorism could exacerbate fear of travel, which could be alleviated with the proper use of travelers' insurance.

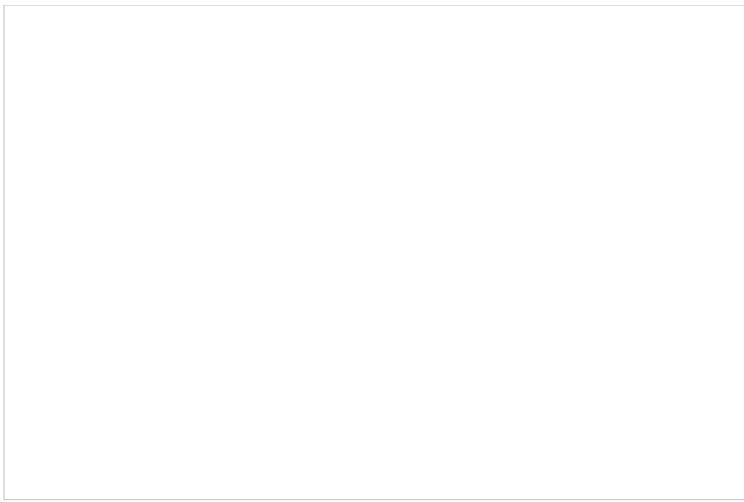
"The terrorism benefit is meant to protect those who are prevented from traveling due to a terrorist attack, either because they are unable to reach their destination, or because it is too dangerous to go there," said Megan Singh, a spokesperson for **Squaremouth**, St. Petersburg, FL.

Traveler's insurance

Over the past few years, terror attacks in Europe have increased in frequency. While countries such as France have been on the receiving end of tragic incidents with heartbreaking casualties, these places are still much safer than some alarmist media may lead people to believe.

But still, the issues are serious and even when threats are contained or neutralized, areas can remain on lockdown for days as investigations sweep through.

Additionally, the fear of terror attacks can put a damper on tourism and discourage travelers. One way of avoiding the negative side effects of these attacks is through traveler's insurance.



Champs Elysees in Paris

Traveler's insurance will reimburse consumers for travel costs if the trip is canceled for unforeseen reasons. Terrorism is covered under most policies, but must meet certain criteria before the policy is triggered.

For example, most United States insurance providers require an incident to be deemed an act of terror by the U.S. State Department before customers can be reimbursed. While the group calling itself ISIS has claimed responsibility for the shooting in Champs Elysees, the State Department has yet to officially declare it so until investigations are complete.

Additionally, the incident must have taken place within 50 to 100 miles of the traveler's intended destination, to allow for room for authorities to track possible suspects who may still be at large.

These events can often sow confusion and information can be conflicting and scarce. For these reasons, Squaremouth set up an information center for travelers to France to be kept up to date on what was going on and so they could be informed if their traveler's insurance would cover the shooting.

Information center

While many recognize that fear of terrorism is disproportionately high to the likelihood of experiencing it while traveling, that fear is still a significant factor in travel decisions from consumers around the world. One poll taken by Virtuoso showed that U.S. travelers are affected by it in particular.

According to Virtuoso's poll, U.S. members' clients are avoiding destinations, specific countries and regions due to perceived global threats. Virtuoso has captured this sentiment through the use of the term VUCA, standing for volatile, uncertain, complex and ambiguous, to describe travel disruptors related to geopolitical situations ([see story](#)).

The shooting in Champs Elysees last week is only the latest in a number of attacks in Paris over the last few years.



Image courtesy of Saks Fifth Avenue

Paris famed high street is dotted with luxury and mass market boutiques, cafes, tourist shops and is a main tourist draw for international visitors to the French capital city. France relies heavily on tourism and foreign luxury sales for its economy, which has all suffered to the tensions of political and social unrest in the European country ([see story](#)).

Travelers to other countries who feel a particular fear regarding the possibility of potential attacks should look to

traveler's insurance as a way of alleviating concerns and protecting investments.

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