



Holiday Insurance: Why not have it for life?

When it comes to considering holiday insurance and life insurance, there are distinct differences in their costs and underlying purposes. Many of us pay for holiday insurance, but never consider life cover.

What's the difference?

Holiday insurance, also known as travel insurance, provides coverage for specific risks and incidents that may occur during a trip, such as trip cancellation, lost luggage, or medical emergencies abroad. On the other hand, life insurance is designed to provide financial protection for your loved ones in the event of your death, ensuring that they are financially secure even after you're gone.

There is a saying 'Most people spend more time planning a one-week holiday than they spend planning their life', and for Brits it seems to ring true; with research showing that over 70% opt for travel insurance, whereas the figure for life insurance is around 30%. Many focus on the short-term cost, ignoring the long-term protection of their loved ones.

How much will it cost me?

In terms of cost, the premium for travel insurance is typically calculated based on the length of the trip, the destination, the insured person's age, and the coverage limits. It is a short-term coverage option that offers protection during a specific period.

Life insurance premiums are based on various factors such as age, health, lifestyle, and coverage amount. Life insurance policies are long-term commitments and often require regular premium payments over an extended period.

While holiday insurance can provide valuable protection during a vacation, life insurance holds a different significance. Life insurance offers financial

security and peace of mind to your family and loved ones by providing a death benefit in the event of your passing. This benefit can help cover funeral expenses, outstanding debts, mortgage payments, and support your family's ongoing living expenses.

Life insurance is particularly important if you have dependents who rely on your income or if you have significant financial obligations, such as a mortgage or other debts. It can ensure that your family members are not burdened with financial hardships during an already emotionally difficult time.

Furthermore, life insurance can also be used as an investment tool or to supplement retirement savings, depending on the type of policy you choose.

The cost of life insurance may be higher than holiday insurance due to the long-term coverage it provides and the comprehensive protection it offers. So why not invest in life insurance and ensure that your family is well taken care.

For more information, contact your adviser who can support you and discuss the options available to you.



If you'd like to discuss the options available to you, contact your adviser today.

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