Insurance in the tourism system

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Abstract. Insurance and tourism are of great importance for the development of the country's economy. Services, which include these types of activities, are important components of the national economy. The tourism sector is quite widespread and, according to statistical indicators, occupies one of the first places in the economy in terms of the volume of services provided. Tourism activity makes a significant contribution to the country's economy, contributing to the creation of new jobs and employment of the population, allowing to attract additional funds to the state budget, including foreign exchange, activating foreign trade turnover.

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In recent years, there has been a noticeable increase in the number of insured events, especially severe and expensive ones, including deaths and the need to repatriate the body to a permanent place of residence. The insurance situation in a number of traditionally tourist countries has also worsened. One of the reasons for the deterioration of the insurance situation is the lack of a culture of behavior of Russian tourists abroad. In part, this problem could be solved by the travel companies themselves, by conducting detailed briefings with clients before leaving. Of course, no one is immune from accidents. But some of the troubles that happen to customers can be prevented.

Insurance is a type of civil law relations regarding the protection of the property interests of citizens and legal entities in the event of the occurrence of certain events (insurance events) determined by the insurance contract or current legislation, at the expense of monetary funds, which are formed by paying insurance payments (insurance payments) by citizens and legal entities. contributions, insurance premiums). Insurance in tourism is a system of relations between an insurance company and a tourist to protect his life and health and property interests in the event of insured events.

The essence of insurance, like any other economic category, is determined by its functions. Insurance performs four functions: risky, preventive, savings, control. The content of the risk function of insurance is to compensate for the risk. Within the framework of this function, the monetary form of value is redistributed between insurance participants in connection with the consequences of random insured events. The risk function of insurance is the main one, since the insurance risk as the probability of damage is directly related to the main purpose of insurance to compensate for international losses to victims.

The preventive function of insurance is to finance at the expense of the insurance fund measures to reduce the insured risk.

The savings function of insurance contributes to the accumulation of a sum of money for later life.

The control function of insurance is to verify the...
targeted formation and use of the insurance fund.

Features of insurance in tourism relate directly to the insurance of tourists. Unfortunately, most of our citizens, hoping for a chance, are in no hurry to use the services of voluntary insurance before a tour. Many people treat any insurance with distrust, and even sharply negatively, as an unreliable business: they take money, but there is no result. Meanwhile, if you ask a German, a Frenchman or an American about what he gets first of all when he is going to make a tourist trip to another country, he will definitely name an insurance policy.

Tourism insurance: basic rules and recommendations

In most cases, an insurance policy is an obligatory part of the package of documents for traveling abroad. But it is necessary, first of all, not only because without it you will not be given a visa, but because the policy is a guarantee that you will be assisted if you need it. Tour operators usually include insurance in the cost of the tour. But the insurance they offer most often involves the minimum set of services necessary in case of illness or injury, namely: payment of medical expenses, medical transportation services, repatriation in case of death.

In fact, the possibilities of insurance are much wider. Therefore, you can also purchase the policy separately from the insurance company by presenting the already completed documents for the tour. True, you will have to spend time visiting the office, but citizens traveling abroad will be able to find out in more detail their capabilities, carefully read the insurance rules and find out in advance which expenses will be reimbursed and which will not.

Types of insurance in tourism

Travel companies as legal entities use a number of services of insurance companies. However, in the tourism business, there are additional types of voluntary and compulsory insurance. Insurance in the tourism system is classified into the following types:

1. insurance of the tourist and his property;
2. risk insurance for travel companies;
3. insurance of tourists in foreign trips;
4. insurance of foreign tourists;
5. civil liability insurance;
6. civil liability insurance of motor vehicle owners;
7. Accident insurance covering medical expenses.

Insurance is voluntary and mandatory. The mandatory types of insurance in accordance with the current documents include:
1. civil liability insurance of motor vehicle owners;
2. transport travel insurance.

Other types of travel insurance are voluntary. Tourist and property insurance includes liability for loss or damage to property of tourists. The validity of such an agreement begins from the moment the insured person leaves his permanent place of residence and ends at the moment of his return. Tourist and personal property that tourists have with them can be insured under such an agreement. Baggage refers to the checked and unregistered belongings of the tourist. In addition, things that are on his clothes and body, as well as those acquired during a trip abroad, are subject to insurance.

Types of insurance liability: accidents, fires, explosions, natural disasters, robberies, theft and other deliberate and malicious actions, military actions, etc.

Risk insurance for travel companies includes financial risks, liability for claims of tourists, their relatives, third parties. Financial risks include:
1. commercial risks (non-payment or delay in payment, penalties for the counterparty if he does not recognize the circumstances of the breach of the contract as force majeure);
2. bankruptcy of the company;
3. changes in customs legislation, currency regulation, passport control and other customs formalities;
4. occurrence of force majeure circumstances;
5. political risks, etc.

Tourist insurance for foreign tourist trips, as a rule, includes:
1. provision of emergency medical assistance to a tourist during a foreign trip in case of a sudden illness or accident;
2. transportation to the nearest hospital capable of providing quality treatment under appropriate medical supervision;
3. evacuation to the country of permanent residence under proper medical supervision;
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4. nosocomial monitoring and informing the family and the patient;
5. provision of medical supplies if they cannot be obtained locally;
6. consulting services of a specialist doctor (if necessary);
7. payment of transportation costs for the delivery of a sick tourist or his body to the country of permanent residence;
8. repatriation of the remains of a tourist;
9. provision of legal assistance to a tourist in the investigation of civil and criminal cases abroad.

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When concluding an insurance contract, the sum insured is selected according to the country of destination and is classified depending on the need for minimum coverage.

Currently, there are two forms of tourist insurance services: compensatory and service.

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The first form includes payment of all expenses by the tourist himself and subsequent compensation upon return to Russia. This is very inconvenient, since the tourist does not know in advance how much he should take.

With service travel insurance, having concluded an agreement or contract with an insurance company, it is enough to call one of the indicated dispatch services, report your policy number, last name - how the necessary assistance will be provided to the victim. The travel agency itself chooses the insurance company, which, in turn, will take responsibility for providing timely assistance and for paying the costs.

Civil liability insurance is used by tourists traveling in private cars, motorcycles or other vehicles that are sources of increased danger. This type of insurance is also used when the object of insurance is the liability of the insured to third parties.

What is insured in tourism?

The object of insurance is the insured risk associated with unforeseen and unintentional financial expenses for the provision of various types of assistance and services, the need for which arises when an insured event occurs.

Insured events in the tourism business are:
- cases of receiving paid medical care, the need for which is caused by an accident, or an acute illness, or an acute exacerbation of a chronic disease, without which there was a
real threat of a health disorder of the insured or his death;

- cases of unforeseen, sudden unintentional and independent of the will of the insured person loss of ability to work (accidents);

- cases of loss of luggage, documents, means of subsistence independent of the will of the insured;

- cases of unforeseen expenses, the need for which is caused by the occurrence of general civil and auto-civil liability;

- cases of refusal to use a discount ticket due to illness, accident or death of the Insured, his relatives and friends;

- cases of impossibility to make a planned tourist trip, if it is caused by an accident, acute illness or death of relatives and relatives of the insured person, damage to his real estate on a large scale, illegal actions of third parties;

- cases of unforeseen expenses of tourist organizations caused by the refusal of the tourist to fulfill contractual obligations for the provision of tourist services;

- cases of non-fulfillment or incomplete fulfillment of contractual obligations of tourist organizations to tourists (professional responsibility). In addition to the above, other events that entail unforeseen and unintentional expenses of the Insured, both tourists and tourism organizations, may be recognized as insured events.

What is covered in tourism?

Cancellation insurance

The more you dream about rest, the more often unexpected events occur that ruin all plans and turn everything in their own way. Anyone who has used the services of travel companies knows that canceling a trip less than two weeks before departure is almost a complete loss of the contribution made. However, money can be saved if you insure against the impossibility of making the planned trip. In terms of popularity and volume of contributions collected, this type of insurance firmly holds the second place - after medical insurance (excluding those traveling by private car). Usually, the contract of insurance "against recognizance" is concluded at least two weeks before the hour "X". If the
client cannot make the planned trip for a valid reason (hospitalization or death of relatives, summons to the military registration and enlistment office or summons to court proceedings, fire in the house, failure to obtain an entry visa), the insurance company will reimburse the cost of the tour. It should be noted that travel insurance is expensive. The cost of such insurance is 4-10% of the tour price. Sometimes firms do not include "visa denial" in the list of risks. In this case, the insurance rate will be 0.5-1% lower.

Lost property insurance

On trips, troubles happen not only with people, but also with their things: luggage is lost, and valuables are stolen not only on the beaches, but also from hotel rooms. In the case of air travel, suitcases checked in are generally considered to be insured by the carrier airline. If it is lost, the airline must reimburse the owner for damages at the rate of $20 per kilogram of weight. Of course, the things left in the suitcase are usually much more expensive. Therefore, some companies offer luggage insurance services while traveling to the destination. Such insurance usually costs $2-3 (regardless of the number of pieces of luggage). If things are lost or damaged, in addition to the money due from the airline, insurers will issue additional compensation - approximately $25 for each kilogram of loss (in each case, this amount is negotiated separately and indicated in the policy).

If you do not have expensive things with you, such insurance will suit you. Well, if you took valuables and expensive clothes on a trip, it is better to buy another policy - which provides insurance for the personal belongings of travelers for the entire duration of the trip, including the flight or relocation and all the time of rest. You can insure valuables in many Russian companies. The company, based on the value of things, sets the sum insured that you will receive in the event of their complete destruction or theft. The cost of such a policy is approximately 0.1% of the sum insured. If all property or part of the insured items is lost, the company will reimburse their cost. True, for this you will have to document the fact of theft or damage. So keep
police reports, hotel certificates, and missing baggage confirmations issued by airport baggage tracing services.

**Conclusion**

Travel insurance is a special type of insurance that provides insurance protection for the property interests of citizens during their stay on tours, travels, cruises, etc.

Personal travel insurance refers to risky types of insurance, the most characteristic feature of which is their short duration, as well as a large degree of uncertainty of possible damage in the event of an insured event.

The main insurance events for which personal insurance of tourists is carried out are: accident insurance, illness insurance, insurance in case of death or death.

A tourist, as a client of an insurance organization, is interested in the fact that, if necessary, assistance is provided to him as quickly as possible and at the proper level. Not the last role in this is played by the insurance or service organizations with which the Azerbaijan insurer cooperates abroad. At the same time, domestic insurance companies selling insurance policies currently resort to assistance systems, i.e., national insurer, directly or through an intermediary, concludes an agreement with a company specializing in organizing the provision of medical care and other services. The list of services provided is very diverse - up to visa extension and ticket exchange.

**References:**