Nuke pact sparks interest in destination Iran

By Michelle Baran / September 22, 2015

Travel companies reported an uptick in Iran interest last week, as a move by Senate Democrats cleared the way for President Obama’s historic nuclear agreement with, and the lifting of sanctions against, the Persian nation.

“Definitely, the new accord is going to be helpful in making Iran more acceptable as a destination,” said Jerry Sorkin, owner of Iconic Journeys Worldwide, a division of TunisUSA, a tour operator that specializes in off-the-beaten path destinations.

Iconic Journeys has been doing three tours a year in Iran since 2009, and with the news of the nuclear deal it plans on increasing Iran capacity in 2016.

“The more there are signs that relations are becoming more normalized between our two countries, the more Americans will find the comfort level to go,” Sorkin said.

Despite what many travelers assume, Iran is currently not off limits to Americans who want to visit. But it is also not easy to get to, and only about 1,500 Americans visit the country each year, according to John Rose, COO of iJet International, a risk-assessment company that has been getting a growing number of inquiries from a wide range of companies looking to invest in Iran in the wake of the nuclear deal.

In order to travel to Iran, Americans must apply for a travel authorization number from the Iranian Minister of Foreign Affairs. In the U.S., requests are handled by the Iranian Interests Section of the Pakistani Embassy in Washington.

Tour operators can help with the process. Steve Kutay, owner of Asheville, N.C.-based Iran Luxury Tours, said American travelers to Iran need to get a reference number from their tour operator to show they are traveling with a tour group. The visa process can take several weeks, although it is thought that improved relations between Iran and the U.S. will result in an easier and quicker visa process.
There are also limited flight options to Iran. However, Rose said the assumption is that under the deal, “air service is going to increase now that [Iran is] going to be open for business.”

One company that is well positioned to seize on new opportunities in Iran is AccorHotels, which next month will become the first major global brand in decades to operate there when it opens two properties adjacent to the main terminal of Tehran’s Imam Khomeini International Airport. The Novotel IKIA, a mid-scale hotel, will have 296 rooms, and the Ibis IKIA economy property will have 196 rooms, Paris-based AccorHotels reported last week. Each will have spas, meeting rooms and gyms.

None of the major hotel chains such as Marriott, Hilton, Starwood, InterContinental Hotels Group, Rezidor, Hyatt or Wyndham currently have hotels in Iran. Tehran had Hilton and Sheraton properties prior to the country’s revolution in the late 1970s. But the expectation is that there will be more and continued hotel development as the nuclear deal takes hold.

**A bumpy road ahead**

Despite the opportunities Iran presents on the eve of a potentially historic nuclear arms accord, plenty of challenges lie ahead for travel companies hoping to seize on a chance to bring people to a country steeped in ancient Persian history, not least of which is a perception issue.

“Everybody I know is rushing off to Cuba,” Kutay said. “I don’t know that that’s going to happen so quickly in Iran, because Iran has been so demonized for the last 30 years that that’s going to take a while to wear off.”

Kutay said he has seen an uptick in website traffic over the past several weeks, but he noted that the additional traffic had not yet manifested itself in any notable increase in bookings.

The nuclear deal also comes at a time when the crisis in Syria has reclaimed the attention of the news media in the form of masses of refugees pouring out of the country, underscoring the security challenges in the Middle East. While Syria’s ongoing war could certainly dampen Iran’s near-term prospects, operators in the region note that Iran is not alone in that struggle.
“I don’t think the crisis in Syria has any greater impact [on Iran] than it does in other countries in the region,” Sorkin said. “I’m sure you are hearing from everyone in Jordan that tourism is down considerably. While Jordan is filled with refugees, the violence of Syria has not spilled over into Jordan, yet most Americans continue, unfortunately, to paint the entire region with the same brush.”

As Iran opens up more to tourism it will face the same public relations hurdles its neighbors in the region have been dealing with for years, if not decades. The strategy travel companies often use to combat those negative impressions are the firsthand positive reports from travelers who have experienced the country themselves.

For example, Sorkin has uploaded a series of YouTube testimonials from travelers who have recently been to Iran with Iconic Journeys Worldwide. They can also be found on the company’s website.

Leanne Wright of Melbourne, Australia, who recently completed a two-week trip through Iran with Intrepid Travel, said she felt completely safe there and the Iranians could not have been more welcoming and excited to see a group of foreign tourists. She chose Iran because she had a curiosity about the country and suspected it was safer and more approachable than the media portrayed it. She also wanted to see Persepolis, and it combined nicely with a trip to Jordan and Turkey.

Asked if her family or friends were worried when she said she was traveling to Iran, she said reactions were mixed, and then laughed recalling that one relative in fact quipped, “Iran? Really? Why don’t you just go to Syria, as well?”