

Airbnb, Uniqlo, Shell, Netflix: Brand reputation winners and losers from Russia's invasion of Ukraine

Article

The news: Companies including **Airbnb**, **Uniqlo**, **Netflix**, and **Shell** all continue to debate the pros and cons of operating in Russia after its invasion of Ukraine prompted global rebuke that has made the country a commercial outcast.

Airbnb burnishes its reputation: Airbnb said it would host 100,000 Ukrainian refugees at no cost, while simultaneously halting operations in Russia and Belarus.

- The company benefited from a grassroots campaign to put money in the hands of Ukrainians. Last week, a social media user encouraged followers to book Airbnb apartments in Ukraine—not with any intention to stay, but to assist local hosts in receiving instant cash assistance. The campaign has since been endorsed by CEO and co-founder **Brian Chesky**.
- Customers booked more than 61,000 nights in Ukraine in two days, grossing over \$2 million, per Airbnb data. Hosts are usually paid within 24 hours of visitors' check-in time.

Netflix pulls plug: Netflix has halted all operations in Russia due to the invasion.

- Netflix announced it wouldn't comply with a new Russian law requiring large streaming platforms to host Russian propaganda channels.
- The streaming giant later announced all productions and acquisitions in Russia would be halted.
- Netflix has roughly 1 million members in the country, per Bloomberg.

Shell-shock: Energy giant Shell defended its decision to buy Russian oil at a discount until just hours ago, when it changed course.

- “We are acutely aware that our decision last week to purchase a cargo of Russian crude oil... was not the right one and we are sorry,” wrote CEO Ben van Beurden in a statement.
- The company is claiming that the profits from the purchase would be used for humanitarian help in Ukraine. The move had been condemned by Ukraine's foreign minister and others who argue that purchases from Russia support the invasion.

Uniqlo's misstep: **Fast Retailing Co.**, Asia's largest retailer and parent of Uniqlo, would continue to operate in Russia, with CEO Tadashi Yanai arguing that clothing is a necessity. It should be noted that Russians already own clothes.

- While Yanai says he opposes the conflict, all 50 Uniqlo stores in Russia will remain open.

- [Read further analysis on Uniqlo's decision from our Retail & Ecommerce Briefing.](#)

Elsewhere: Other companies are taking action to highlight their humanitarian efforts in the region:

- **Google** will use office space and other resources in Poland to help Ukrainian refugees, allowing nonprofits to provide legal and psychological aid from its Warsaw campus.
- **Uber** is providing free trips between Ukraine and Poland.
- **Meta** has prevented Russian state media from using its network to run advertising or make money. The Russian government retaliated by saying it would partly restrict residents' access to Facebook, accusing the social media behemoth of "censoring" Russian news.
- **Apple** and **Nike** have both shut down stores, with Apple stating it will halt all product sales in the country.
- **Visa** and **Mastercard** announced that they would cease business in Russia.
- **BMW** and **General Motors** have halted vehicle deliveries.

The big takeaway: Russia isn't a huge market, but it's not a small one, either. The real reason brands are cutting ties with Russia is because consumers are willing to punish brands that aren't taking positive actions.

- 82% of corporate leaders agree that broader societal concerns can't be ignored, and doing so can cause "negative financial consequences," [per](#) a study by risk intelligence firm Crisp.
- 63% of consumers believe they have the power to force brands to change, with 78% wanting to exert that power to improve society, [per](#) a 2021 Edelman study.
- Three in four Americans indicated they support brands that are cutting ties with Russia due to the invasion of Ukraine, [according](#) to a Morning Consult survey last week. And ultimately, the US market is far more valuable to most brands than Russia's economy, which is smaller than that of New York state.