Russian shopping malls lose up to 30% of footfall

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Russian shopping malls are "de-energised" and have lost up to 30% of their footfall following the exodus of Western brands, the son of one of Russia's most prominent property developers was quoted as saying on Monday.

Emin Agalarov, a pop star and first vice president at the Crocus Group founded by his billionaire father Aras Agalarov, was quoted by the RBC media outlet as saying the loss of key tenants could spell the end for shopping malls altogether.

"If you have a luxury shopping centre, you need Prada, Chanel, Louis Vuitton; if it's the middle category - Zara, H&M, Reebok, Adidas," RBC quoted Emin Agalarov as saying in an interview. "And if you don't have them, then the venue becomes depersonalised."

He estimated that Crocus Group's huge flagship Vegas and Crocus City shopping centres on the outskirts of Moscow had lost 30% of their traffic. Crocus might have to open a bowling alley or a warehouse if it was left with vast spaces that it was unable to lease.

A press number for Crocus was not answered and the group did not immediately respond to a request for comment.

Many Western brands have exited Russia or suspended operations since Moscow sent tens of thousands of troops into Ukraine on Feb. 24. A handful of former McDonald's Corp restaurants reopened on Sunday under a new brand in one of the most high-profile examples of a Western brand exiting.

Many retailers have opted simply to close for now, leaving Russians with fewer stores to choose from at shopping centres and in Moscow's central luxury district.