



TRIANGL

THE BIRTH OF A BRAND:

A Q&A WITH CRAIG ELLIS, CO-FOUNDER OF TRIANGL BIKINIS

People buy products that provide an intrinsic sense of satisfaction and happiness. These purchases lead to the long-term, above-average success of the companies behind the products. That is the basis of the Consumer Alpha™ philosophy.

Yet, beyond the popular and well-established Consumer Alpha™ brands that provide consumers with delicious coffee, decadent chocolates or designer clutches, are countless other, less conspicuous products that satisfy myriad psychological and physiological impulses deeply rooted in human nature. From flip-flops and hair products to pet food and craft beers, consumers invariably select those goods that affirm an aspirational self-image. As consumer tastes evolve, so do the products in the Consumer Alpha™ universe.

ROOTED IN HISTORY

Bikinis are not a modern invention.

Fourth century Greek murals depict girls wearing two-piece outfits, seeming to indicate that even our earliest ancestors were interested in a wardrobe that showed more than just a hint of skin. While the ensuing centuries saw swimsuit styles changed dramatically in step with cultural expectations, consumer desire to sport swimwear that boosts confidence, brings happiness and affirms an aspirational self-image has always been present.




From modest, full-coverage styles popular in the 1800s to “less is more” designs that emerged in the 1920s, consumers from all walks of life (after all, nearly everyone goes swimming) have helped catapult swimwear to a multi-billion dollar global industry. Bikinis, in particular, have played a significant role.

According to a recent industry report from Global Industry Analysts, Inc., worldwide annual swimwear industry revenue is projected to reach \$17.6 billion USD in 2015 and exceed \$20 billion by 2020. Women’s bathing suits make up 70% of overall swimwear market share. In the United States alone the annual spend on women’s two-piece bathing suits exceeds \$8 billion, and the average American woman owns at least four suits.

The statistics are no surprise, especially when it comes to bikinis. In recent years, women have adopted healthier lifestyles, from more aggressive exercise regimens to cleaner eating, and a two-piece swimsuit is a way to showcase the results of those efforts. Also, as with other items of apparel, consumers stay up-to-date on the latest swimwear trends and update their suits every season. Likewise, the continued mobility of society means that swimsuits are no longer a strictly seasonal



SPEED READ

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-  Women’s bathing suits make up 70% of overall swimwear market share.
-  Each year more than \$8 billion is spent in the U.S. alone on women’s two-piece bathing suits.

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Photo courtesy of Triangl

product. People travel often and need swimsuits well beyond summer in their own geographic location. Online retailers successfully offer swimwear year-round and readily find consumers searching for the latest styles.

All of these factors combine to keep the swimwear industry on an upward growth trajectory. Manufacturers took notice and have responded, with everyone from luxury designers to sporting good brands offering swimsuits in all shapes, styles and sizes. With all this competition, one may think the market couldn't sustain another entrant.

One would be wrong.

In 2012, a small Australian start-up looked to shake up the swimwear industry by offering a swimsuit that filled a perceived gap between high-end designer bikinis (with luxury price tags to match) and the less fashion-conscious yet affordable offerings of traditional swim brands. Their target audience? Women and girls looking for fashion and quality at an affordable price. Their product? A revolutionary bikini made from neoprene that was both stylish and priced under \$100.

But how do you create a new swimsuit brand in this day and age, grow it from just an idea to \$50 million in annual sales in three years, and along the way acquire a loyal fan base of more than 2.5 million social media followers? FUSE had a chance to speak with Triangl co-founder Craig Ellis recently to find out how he and his partner Erin Deering grew their brand from a concept to a coveted aspirational product.

THE TRIANGL STORY

In 2011 on a first date at Melbourne's Black Rock beach, the concept for what would become, just three short years later, one of the world's most in-demand consumer products was born.

Like most successful companies, Triangl – which sells only one type of product, a two-piece bikini in varying styles—developed in response to an unmet need. Despite a frenetic search throughout Melbourne for a new bikini to wear to that fateful first date, Erin Deering could not find a reasonably priced, high-quality and stylish bikini that fit her budget. Her choices were either high-end, designer swimsuits with price tags well out of reach or inexpensive, lower-quality options that weren't particularly fashionable.

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Upon arriving at the beach, she told her date about her fruitless and frustrating search. Her date happened to be Craig Ellis, an entrepreneur with a background in clothing design and manufacturing, who immediately recognized an unfilled niche in the swimwear market. Together, Ellis and Deering focused on the idea of designing a high-quality, stylish bikini that could retail for less than \$100.

Since that first date, Ellis and Deering, who has a background in e-commerce and product development, have turned a beachside conversation into a multi-million dollar company that sells their exclusive brand of neoprene bikinis to devoted consumers around the world.

FUSE: You decided to move from your native Australia to Hong Kong to start Triangl. What was the impetus behind that decision?

Ellis: In my past life as a designer for a t-shirt company, I spent a lot of time in China managing all aspects of the manufacturing process. I quickly learned that it is difficult to effectively keep things on track from a remote location. You really need to be hands-on to deal with inevitable issues that arise on a daily basis. So it just made sense to be on the factory floor each day and to be available 24/7 to keep things going smoothly, especially with a start-up.

Being in Hong Kong also allowed me to build solid relationships with our suppliers. An important factor that sets Triangl apart from the competition, and the garment industry as a whole, is our super-efficient supply chain. The typical turnaround time in the industry from design to distribution is 45-60 days, but we've managed to trim that turnaround time to seven days. That means if we come up with a new design, we can have it ready to ship within weeks rather than months. This allows us to maximize on trends and keep our customer base satisfied with the latest and most innovative designs throughout the year.

FUSE: Triangl bikinis are sold exclusively via your company website – www.triangl.com. Tell us about your decision to adopt this distribution model.

Ellis: When Erin and I first started Triangl, we tried the traditional wholesale approach. We quickly ran into the same issues I faced in a previous clothing business venture – retailers who were slow to pay or whose buyers overbought and wanted to return excess product at the end of the season. We found ourselves focusing too much of our limited resources on chasing small invoices of \$100 or \$200 and dealing with issues that we knew wouldn't be present if we sold directly to our customers.

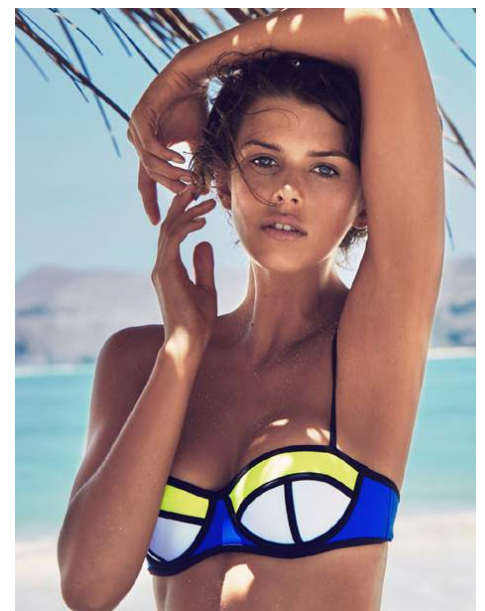


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After a few months of struggling and growing more frustrated, we sat down to come up with a different approach. We determined if we changed our strategy and just sold one bikini a day we could cover our overhead and modest living expenses. Erin's expertise in e-commerce marketing was quite valuable when it came to determining the most effective way to promote our brand and pursue our modest "one bikini a day" goal.

Another reason for developing an exclusive e-commerce distribution model is that we didn't want to lose control of any aspect of our unique product. As a small start-up with limited resources, we knew that once retailers were introduced into the mix we would lose the ability to actively manage how our bikinis were marketed or sold.

We always wanted our bikinis to be perceived as an affordable luxury brand. By tightly controlling all points of the distribution process, we could best ensure Triangl would continue to be seen as an aspirational product. This is also why we never discount our product or offer sales.

FUSE: Tell us about the decision to pursue a marketing strategy that focuses heavily on social media?

Ellis: To be honest, when we first started out we simply didn't have a budget to hire a public relations agent or marketing professional. However, we knew we had a product that had great visual appeal and a target audience of younger women who were savvy social media users. We quickly decided, for pragmatic reasons, to rely exclusively on social media.

We realized that of all the social media options, Instagram offered the most immediately measurable metrics. It also offered the best platform for showcasing photos of the aspirational lifestyle our product suggests. So we went to work trying to figure out the best way to maximize our presence on Instagram.

We knew that any relationships we built on Instagram would have to be mutually beneficial. While our end goal was to get a super-Instagram user to post a photo wearing one of our bikinis, and hopefully influence her followers to want one too, we knew that wasn't going to happen if we simply sent our product to someone like Beyoncé or Miley Cyrus from the start.

Instead we took a more strategic approach. We focused on Instagram bloggers who fit our target demographic and who had more modest but successful follower numbers, similar to our own at the time. Our plan was to work our way up to gaining the attention of more influential Instagram users, and build our brand awareness incrementally. We hoped that once we attracted the attention of a celebrity with millions of Instagram followers, we could break through to the lucrative U.S. market. Kylie Jenner was one of the most significant Instagram users at the time, so we made her our goal.

We carefully researched her circle of friends on Instagram, the people she was following and the people who appeared in photos with her. We developed a core list of approximately 20 girls, and sent each of them a bikini in the hopes that Kylie would notice them wearing our brand and it would generate



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some interest. We started seeing Instagram pictures of our bikinis on these girls, and realized we were gaining traction. A few weeks later, Erin woke up one morning and had an email from Kylie herself, requesting a bikini. After Kylie posted an Instagram photo wearing one of our styles, U.S. sales went through the roof and other celebrities – from Miley Cyrus to Beyoncé to Ellie Goulding– also wore our designs in public, which just added to the momentum.

FUSE: Describe the Triangl customer experience.

Ellis: It is really about the feeling that a customer has from start to finish. Our primary goal is to make sure that every customer has a positive and rewarding experience when she purchases one of our bikinis. We know that we are selling an aspirational product, and we realize it is more than just an article of clothing to the customer.

We let that understanding guide us in all our decisions, from the photographs we put on social media and our website to how we package our bikinis for shipment to the 24/7 live customer support we offer. We want the customer to feel transformed by their Triangl experience.

FUSE: What are the biggest challenges facing Triangl today?

Ellis: One of the pitfalls of success for anyone who develops an iconic item in the garment or accessory industry, I think, is intellectual property theft. Almost immediately after our brand hit the mainstream, we started to see many copycat swimsuits on the market, all trying to capitalizing on our distinctive designs.

We responded rapidly and built up a strong IP team of lawyers and professional advisors whose primary job is to ensure the integrity of the Triangl brand. They have done a great job of tidying things up and curbing these imitators. It is a never ending battle and one that requires continued vigilance, but one that I think we are winning at the moment.



Photo courtesy of Triangl

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Another thing we focus on is staying relevant in an ever-changing industry. Our core bikini is a bold, geometric design and has become the signature Triangl look. It is exciting and challenging for me as a designer to experiment with different textures, fabrics and details to keep our iconic style fresh and appealing to both existing and new customers.

As an example, this season we took a cue from the 70's influence prevalent on the fashion runways and incorporated crochet detailing on some of our styles. We understand that our customers don't buy just one bikini. They come back again and again and are looking for variations on the original design they fell in love with. We want to exceed expectations of these repeat customers and also attract new customers who identify with our ever-evolving brand. Our goal is to re-interpret our original design into new and exciting variations, much like Fendi has successfully done with its baguette.

FUSE: What does the future look like for Triangl?

Ellis: We want to keep building our social community and connecting with our customers, whether it is through Instagram or the Triangl Girls initiative or some other way that we haven't come up with yet. Maintaining a relationship with our customers, where they really feel like part of the Triangl story, is key to our continued success.

Breaking into the Brazilian market is also on our radar. It is a huge, untapped resource for us, but one where we believe our unique product will resonate. Right now the U.S. is our biggest market with the UK coming in second. We realize the incredible potential of the South American market, and are looking forward to introducing Triangl to those consumers. ■