



walls 360

The Creative Industries Innovation Centre (CIIC) produced this feature article for its website, Creativeinnovation.net.au, to showcase the experiences and knowledge of an innovative Australian creative company.

Yiying Lu, creator of the Twitter 'Fail Whale' and co-founder of Walls 360, shares her tips on using social media to open doors.

Before graduating from the University of Technology Sydney in 2007, Yiying Lu posted several original artworks on iStockPhoto, a library of royalty-free images.

Thanks to a combination of luck, talent and good timing, one of these artworks caught the eye of the founders of Twitter, who licensed the image in 2007 and began using it as an error message whenever their service went down.

Dubbed the 'Fail Whale' by Twitter users, Lu's artwork soon attracted a community of supporters who embraced it as a symbol of Web 2.0 and even set up a Fail Whale fan club.

Overnight, the Fail Whale and Yiying Lu emerged from obscurity to become a well-known participant in the global social networking community.

Lu knew the popularity of Fail Whale might be short-lived and began using LinkedIn, Twitter and Facebook to establish relationships with useful contacts. This led to commissions from talk show host Conan O'Brien, brands like Pepsi and Gatorade, and influential Silicon Valley entrepreneurs.

As well as running her own design studio, social networking also helped Lu to meet her business partners at Walls 360, a

startup company that sells graphic wall art printed on-demand on self-adhesive, re-positionable fabric paper, headquartered between Australia and the United States.

As Creative Director, Lu is also in charge of 'telling the company's story' either online or at networking events, which – in an age of brand evangelism – is a key part of WALLS 360's marketing strategy.

In the following interview, Yiying Lu shares her tips on using online communities to grow businesses and brands...

How did you leverage the success of the 'Fail Whale' to become a digital entrepreneur?

I originally designed the image that became the Fail Whale as a digital greeting card for a friend far away. Twitter licensed the image from iStockphoto, which resulted in a lot of exposure and a lot of opportunities. I definitely got lucky.

I wasn't interested in being perceived as a one-hit wonder, so I worked on building a sustainable global design business that leveraged the unique potential of social networking communities. With the help of social media such as Facebook, LinkedIn and Twitter, I was able to connect with a lot of amazing like-minded people, including my three business partners at WALLS 360, who are based in America.

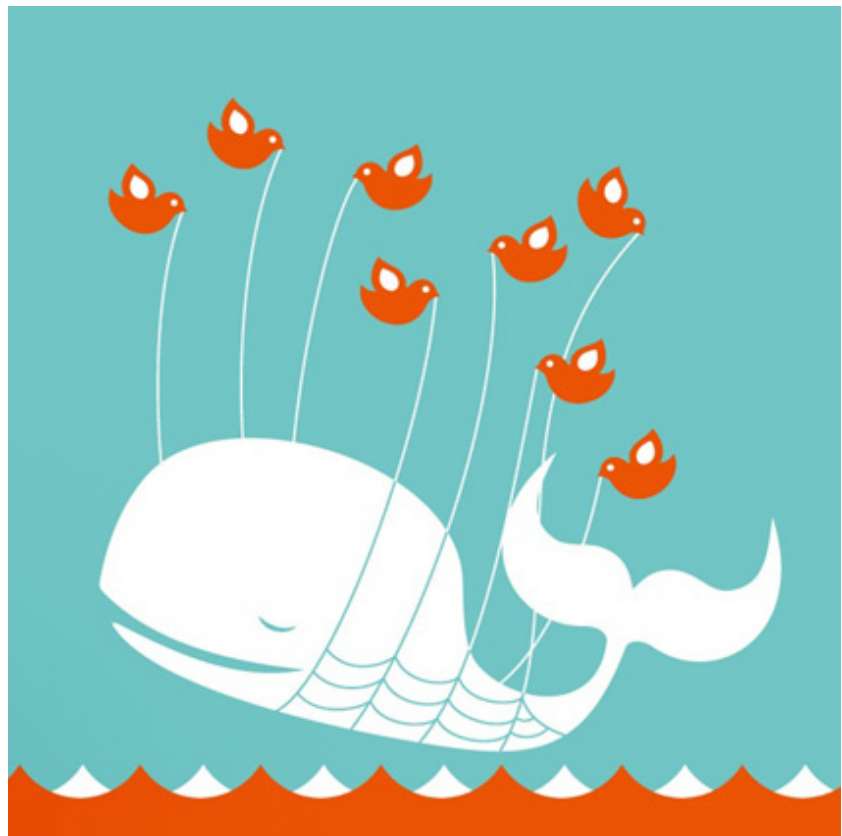
What trends or technologies inspired the launch of Walls 360?

Our vision is one of connecting the digital world with the physical world. We can take any digital image – either

Case study

Cover image:
Yiying Lu, creator of the
Twitter *Fail Whale* and
co-founder of Walls 360
in her studio

This page:
Fail Whale by Yiying Lu



exclusively licensed or custom-designed – and create giant wall graphics for real-world walls. By bringing digital imagery to the real world, we’re creating ‘Art for Everyone’, which is the company’s tagline.

How would you describe your business model?

WALLS 360 has an old-fashioned business model. We manufacture a physical product, and we sell it for more money than it costs us to make it.

What does your role as creative director entail?

I believe a successful brand is not only about great products, but also necessitates a strong company vision, amazing service, and authentic interactions with customers. So my role is not only designing the brand, website and our key consumer products, but also connecting artists, photographers, designers and brands to this new medium, as well as telling the company’s story.

Wall graphics are not a new trend. How do you differentiate from competitors?

When the founders of WALLS 360 started experimenting with re-positionable wall graphics a few years ago, there were just a few companies in the space. Today, there are hundreds.

WALLS 360 competes by offering exclusive ‘wall content’ and on-demand premium product creation, coupled with the broadest possible global distribution channels. We work with exclusive content partners globally, from movie studios,

children’s book publishers and video game publishers. So while there is definitely a lot of competition, differentiation is not our biggest concern.

Is your revenue model reliant on volume?

Our entire production model is ultimately about mass-customisation. We are focused on bringing wall art to millions of people, rather than for millions of dollars, so our target demographics are quite diverse. The person who buys a WALLS 360 vintage poster wall graphic is not the same person buying a life-sized Captain Kirk or Tetris wall graphic.

Our growth opportunities include parents looking for a creative way to decorate walls; teachers who can use interactive wall graphics with students; retailers who use custom-designed graphics at point-of-sale; and businesses engaged in location-based marketing. We have a pretty big list of current and potential customers, and our team is managing growth step by step by step by step.

What business indicators do you use to measure your company’s performance?

WALLS 360 is definitely at the bootstrapped start-up phase of our history, so if the lights are still on it has been a good month! And the lights are still on.

We will sell more wall graphics this week than we sold in the first quarter, so we are moving in the right direction. We have launched less than 5% of the content licenses that we have acquired, and over the next 60 days our wall graphics catalogue will expand by over 20,000 wall graphic designs.

Our distribution channels will also expand globally.

What distribution channels do you use?

We are focused upon the broadest possible global distribution of our content, and have recently announced distribution partnerships with partners like Think Geek and StarTrek.com, and will soon announce partnerships with several of the largest online and on-demand retailers in the world. As a startup, we want to stand on the shoulders of existing giants, as well as developing our own parallel distribution channels.

What lessons have you learned about running a digital start-up?

My biggest challenge is finding enough hours in the day! There are definitely too many round-the-clock workdays because our core team resides in six different cities on two continents.

What's next for WALLS 360?

Yiying Lu: We are working with Mob-Labs in Sydney to create an 'Augmented Reality' wall art visualisation iPhone app. Customers will be able to browse the WALLS 360 catalogue, choose an image, visualize the room where they'd like to hang the image, see how our wall graphics will look at various size, and then order it within the application and have it on their own walls a few days later.

Walls 360 is also working with one of the largest video game companies in the world to bring virtual goods and characters to real-world walls as giant custom wall graphics - including in-game and virtual world purchase options.

Why does Walls 360 appoint a board of advisors?

Yiying Lu: I think that a formal board of advisors is a great way for an early-stage startup to leverage limited resources. It is also incredibly inspiring, and I think that it is fun for our advisors as well.

At WALLS 360, we basically invited some of the smartest people we know to join our advisory board, with an eye towards adding friends who had skills that we did not have on the founding team.

Our board of advisors has provided us with invaluable advice relative to finance and fundraising, Silicon Valley introductions, production scalability and how to optimally launch a new consumer product. It includes Guy Kawasaki (author and venture capitalist), Simon Westbrook (formerly of ATARI), Warren Struhl (entrepreneur and author), Dan Wasserman (sports licensing expert), Doug Segal (panoramic licensing expert) and Susan Bernard (entertainment licensing expert).

What trends inspired you to partner in WALLS 360?

Apart from designing and creating artwork, I am interested in humanising brands, whether my own or those I design for. I believe the best brands are authentic and genuine, that people genuinely want to be associated with.

This was probably one of the key ingredients of Fail Whale's success. So my advice for anyone creating business networks and developing their own brands is borrowed from Starbucks CEO Howard Schultz: 'Pour Your Heart Into It.'

AT A GLANCE

Name:	WALLS 360
Website:	www.walls360.com / www.yiyinglu.com
Location:	Sydney, Silicon Valley
Sector:	Design / wall graphics
Launch:	December, 2010
Directors:	John Doffing, Yiying Lu, Tavia Campbell, Jason Weisenthal
Total staff 2011:	7

Article by Barbara Messer

ABOUT CIIC

The CIIC supports the business of creative enterprise. It is an Australian Government initiative, part of the Enterprise Connect program and is supported by the University of Technology, Sydney.

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