

Social media firm Cerebra buys Emerging Media



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Social media firm Cerebra has purchased the technology-focused media relations firm Emerging Media Communications for an undisclosed amount, the companies announced today, Thursday, 30 September 2010. The combined entity will trade under the Cerebra brand, with Emerging Media forming a PR department called Cerebra PR.

The combined group will start with a staff compliment of 25 and billings 'in the tens of millions' according to Craig Rodney, founder and MD of Emerging Media, who will assume the position of MD at Cerebra. Cerebra founder Mike Stopforth will remain CEO.

Worked together

Emerging Media's <u>client list</u> includes some big names in the technology sector, notably The Shuttleworth Foundation, Oracle and Symantec. Cerebra's <u>client list</u> includes Samsung, Microsoft and Toyota. According to Rodney, he and Stopforth have worked together on numerous projects in the past and had gotten to know one another well over the years.

Covering the technology sector as it does, Rodney and his team realised that social media and media communication have been moving towards a point of convergence as lines between them become increasingly blurred. Emerging Media, says Rodney, either had to expand its capacity into social media and compete directly with the likes of Cerebra, or partner with a social media agency, enabling both to offer a broader service offering to clients. In the end, the two groups decided to join forces.

Stopforth says that even as Cerebra was forging its reputation in the social media space, he realised it needed to evolve into a full service communications company. The answer, he believed, lay in acquiring the necessary media smarts to fledge out Cerebra's communication offering. Competition in the social media sector has been heating up with a number of traditional PR agencies building internal capacity, though Stopforth feels they have retained a PR-flavoured approach, which he describes as analytical and rather distant, compared to social media.

"Misunderstood the role"

In the media release announcing the buy-out, Stopforth says that "we feel that the local PR industry has generally misunderstood the role it should be playing for the brands it represents " by deviating from the core PR function "of building and sustaining strong media, company stakeholder and target market relationships, to simply operating as publicity churn machines".

Stopforth believes the focus in consumer and media communication is shifting from a broadcast to a conversation model. While social media agencies are setting goals similar to those any PR strategy would seek to achieve, they do so in context of conversations - a point Stopforth says many online communication strategies fail to take cognisance of.

The nature of media and public relations has changed substantially with the rapid adoption of social media. Organisations are now able to engage directly with the public. PR firms can no longer ignore this direct communication, or rather conversation, as Stopforth would have it, and simply adding bloggers to you media distribution list doesn't cut it either.

Not yet skilled

While PR agencies are geared to communicating via media platforms, they are not yet skilled in a world where organisations build and own their own media platforms, according to Rodney, and here Cerebra's skill set becomes invaluable to those in media or corporate communications.

The Cerebra/Emerging Media merger announcement follows on news that Brandsh, a firm Cerebra had quite a <u>close</u> <u>relationship</u> with previously, has merged with Cambrient and Stonewall+ to form a "full-service digital agency" called Native.

The timing of Cerebra/Emerging Media deal so soon after <u>Brandsh joined Native</u> was co-incidental, says Stopforth. It made sense for Brandsh to tie its stakes to a media-orientated organisation, while Cerebra tied up with a communications company, says Stopforth, who also acknowledges that consolidation in the industry has been inevitable and is ongoing.

The teams will move into a centralised office space located at the Design Quarter in Fourways, Johannesburg, on 1 November.

For more:

- Cerebra: www.cerebra.co.za
- Emerging Media: www.emergingmedia.co.za
- Twitter: @Cerebra and @EmergingMedia @EmergingMediaSA

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The inaugural Vodacom Social Media Journalist of the Year in 2011, Herman Manson (@marklives) is a business journalist and media commentator who edits industry news site www.marklives.com. His writing has appeared in newspapers and magazines locally and abroad, including Bizcommunity.com. He also co-founded Brand magazine.

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