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A Social Strategy: How We Profit from Social Media by Mikolaj Jan Piskorski

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Piskorski, Mikolaj Jan. *A Social Strategy: How We Profit from Social Media*. Princeton: Princeton University Press, 2014. ix + 275 pages. Hardcover, $29.95.

In *A Social Strategy: How We Profit from Social Media*, Piskorski, a professor of business administration, discussed both the theory and practice of social media or social platforms. The book identified the existence of social failures which are the "missing interactions representing unmet social needs" (p. 2), and mentioned various solutions available in the market place to alleviate social failures. In turn, it analyzed how companies profited or tried to profit the solutions while satisfying the economic needs of their customers. Historically, economics literature extensively studied economic costs, paying much less attention to social costs. Piskorski argued that social failures bring both social and economic costs. Although the targeted audience for this book are scholars who are interested in social platforms, this book is informative for anyone who are interested in this topic and its interdisciplinary nature.

In the first part of the book, the author gave a thorough overview of social platforms and their theoretical structure. It is stated that unmet social needs in our society generated a tremendous amount of demand for social platform services. Social needs are complex, for example, they vary in discrete levels (private versus public), in success rate of building friendships (few friends versus more friends), and in the depth of social interaction (general acquaintances versus marriage-driven dating). Due to the complexity, different social platforms can coexist and complement each other. For instance, LinkedIn, Facebook, and eHarmony all have their own audiences. Platforms such as eHarmony, OkCupid and Twitter allow for public interaction between strangers and provide a solution to 'meet.' On the other hand, Facebook and mixi focus on providing a solution to form 'friendships.' Piskorski commented that these two social platforms help alleviate social failures because we interact with people we know. It is possible for LinkedIn and Friendster to provide both 'meet up' and 'friendship' solutions. Also, interestingly, with respect to search costs, the author mentioned that the online dating services such as eHarmony and OkCupid "reduced search interaction costs by allowing people to view personal information about others without having to ask them for it" (p. 48).

In the second half of the book, Piskorski focused on social strategies. For example, the author discussed the low-cost 'meet' strategy applied by Yelp. Yelp profited by introducing strangers through their voluntary comments, and improved the quality of the comments through their Elite Squad program. Piskorski also discussed the social strategy of sports giant, Nike. Between 2009 and 2012, Nike cut 40 percent of its traditional media expenditure, and spent more than eight hundred million dollars on social media marketing. NikePlus provided a platform for athletic-oriented people to meet and become friends. While satisfying their social needs, NikePlus increased the willingness of its customers to pay for its products.

The beauty of this book is that it is not only informative to scholars, but also applicable for business practitioners. By highlighting the complexity of social interaction and the high cost of social failure, it showed both the social and economic benefits of social platforms. This book is also helpful for users of social platforms. By understanding the purpose of various platforms, users can choose the right platforms for their social needs, protect their privacy, and limit unintended consequences. The limitation of this book is that it did not discuss how to assess the effectiveness of the social strategies. Although it separated strategies used by large firms and start-ups, the risk management associated with social platforms warrants further discussion.

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