



Market

The company Algoritam is a reputable publisher, distributor of foreign and domestic books, a distributor of textbooks for learning foreign languages and a distributor of video games and other multimedia libraries, under the name Algoritam Bookshop, it manages retail sales of all the mentioned products, all of which are sold for school and office appliances, hobby and gift products, as well as music and movies.

The book market is as dynamic as all other markets, variable and subject to different influences. The greatest influence made by this new publisher was felt in 2004 when they started publishing and selling books together with their daily editions. That type of kiosk sale made books cheaper and more available to a larger audience, which ultimately, led to an overall increased number of users, readers and the growth of the market.

The market of multimedia products, such as videogames, movies, music and a range of other program products for household use, is very propulsive. Increase of standards and sales prices of basic devices used for watching, listening and using multimedia products brought about a sudden explosion of the market that continues to grow.

Achievements

During its eighteen years on the Croatian market Algoritam continues to publish world novelties. It always tries to be in step with the times, so the selection of offered products would be better, of a higher quality and broader selection, so the service offered would be at a higher level for both customers and consumers.

Algoritam released many popular world-class products to the Croatian market, such as the series of novels about Harry Potter, the videogame World of Warcraft or the Wii game console; and these items went on sale in Croatia at the same time they did on other markets. The game World of Warcraft or Harry Potter novels were put on promotional sale in many

cities in Croatia and released at midnight, at the same time when it was released for sale around the world. Hundreds of eager customers waited for hours in line before the sale began so they would be among the first to buy their copy.

Algoritam brought many popular faces from the world of literature to Croatia, such as Krian Desai, Guy Gavriel Kay, Joanne Harris, Tad Williams, and many others.

Algoritam holds the primacy in sales of foreign literature and multimedia products; it is the leader in the field of distribution of

textbooks for foreign languages for beginner, intermediate, expert and higher educational institutions, such as foreign language schools. In the field of

publishing Algoritam is one of the four largest Croatian publishers.

The company Algoritam was awarded with numerous foreign and domestic awards for its operations. Some of which are: the award Kiklop for the imprint of the year (2005) – biblioteka Facta; the award Kiklop for the editor of the year Zlatko Crnković (editor of the imprint Zlatko Crnković presents); for the book Mali veliki svijet by Sjetlan Junaković and Luko Paljetak won the award Kiklop for children's book of the year (2007) and the award Grigor Vitez for illustrations; for the book Velika knjiga portreta Sjetlan Junaković won the award Grigor Vitez, childrens' award "Ovca u kutiji" and the award Bolognaragazzi (2008); for the book Ljubav spašava živote Sjetlan Junaković received the award Grigor Vitez; the novel Mira ulica, drvored by Nada Gašić, received the Slavic award (2008).

The web page www.algoritam.hr was awarded twice as the best on-line store in Croatia.

The greatest accomplishment was, without a doubt, the creation of two popular and recognizable brands in Croatia: Algoritam and Algoritam Bookshop.

History

Algoritam originated a long time ago, in 1990, with the goal of representing the active society in the endeavour to return the Croatian literature market to the position which it held before all of the changes that happened in that period. The company began distributing foreign books and textbooks for learning foreign languages as well as distributing computer necessities (computers, printers, software, etc.). In 1993 Algoritam established the Publishing Department and published its first book, the translation of The Firm by John Grisham, which started the new era in the company's development, the era of Algoritam as a publisher. In 1994 Algoritam became the exclusive distributor of the British company Oxford University Press for the Croatian area, which started to supply schools with the highest quality textbooks for learning English. The milestone in its development was the opening of the first multimedia store – Algoritam Bookshop on Gajeva Street in the centre of Zagreb in 1994. The bookshop soon became one of the most popular and most visited locations in the capital. With the development of its own retail sales chains under the same name Algoritam Bookshop, Croatian literature was awarded with an altogether new dimension, which expanded the number of buyers and number of overall consumers, and received the

confidence of the customers in specializing its stores and that confidence remains intact until today. These first multimedia stores were a novelty in Europe and employees of Algoritam can be proud considering they were among the first in that segment of the store's business. The following important moment in the development of the company happened in 1998 when the decision was made to stop distributing computer hardware and to switch to the videogame and household software market. The company very quickly became one of Croatian leaders in that



area. Algoritam has opened 12 bookstores in 7 Croatian cities until now.

From the very beginning the company set postulates of business which are still held today, and after 20 years of its existence, it has not deviated. The most important postulate is: the customer always comes first, quality offer of books and products for household fun, the best service in comfortable surroundings.

The targeted groups that Algoritam focuses on are consumers under 50, who received higher education or are still students, speakers of foreign languages, on the one hand, book lovers, and on the other, those that want to search for something entertaining in their free time.

Product

Thousands of products are launched on the Croatian market from the launch pad called Algoritam. On the shelves at the Bookshop there are more than 100,000 different products, and more than 40,000 of those are new entries. Every year, Algoritam's 19 imprints, come hundreds of new titles which encompass area of fiction, comics and publications. Thousands of new games are sold for all platforms of playing, and thousands of Croatian editions of books on offer are equal to the number of products for different hobbies, for presents, and school or office necessities. The market pours in new products daily, and the number of new recent titles is so great the competition is unable to keep up.

However, the most important thing that Algoritam offers is without a doubt its customer service. It is made up of the best work, high efficiency, quality and expert choice of the products offered.

Recent Developments

Strategic development of the company is directed in a number of ways: the first is developing Algoritam Bookshop chain stores, the second is developing

potential production, the third is developing the quality of service and the range of products and the fourth is its own development based on highly developed new technologies.

Algoritam has, until recently, in its sales locations of popular Bookshops, offered its own editions, a wide range of foreign books and multimedia products. By opening its largest store Algoritam Bookshop in Avenue Mall in fall of 2007, the company offered to its customers a complete choice of Croatian editions of books, a large choice of gifts products, and school and office necessities.

During 2008 the Publishing Department began publishing a series of Japanese comics, known as Manga, which was released on a weekly basis and can be found at all kiosks and in all bookstores. Other than that, the publishing company continuously expands the number of its imprints.

The development of bookshops is one of the most important strategic goals of the company. Algoritam has until now opened twelve Bookshops, six of them in Zagreb, one in each of the cities, Varaždin, Osijek, Dubrovnik, Split, Pula and the final in the Sveti Križ Začretje in Zagorje, Croatia. The largest of them is the Bookshop in Avenue Mall opened in the fall of 2007, which immediately became the favourite place for thousands of visitors from Novi Zagreb.

Promotion

The promotional activities are primarily based on retail and direct marketing, like in all strong PR activities. In Algoritam Bookshops, through different events and actions, is realized as a large part of the marketing strategy, and surveys show that in those

stores more than 75% of customers receive information about products and other news (Source: Algoritam research 2008).

With the help of the Algoritam club, which now has 35,000 members, Algoritam directly addresses its users on a two-week basis, by offering them detailed information and news from sales locations and production programs and sales in the Algoritam Bookshops.

In the year 2003 www.algoritam.hr web page was launched with the goal of achieving better communication with the customers and consumers. On the web page visitors can find a majority of the products which the company offers in its programs, they can join the club, read current news from the world of culture and multimedia, buy or order a desired product and read free selections of books from the Algoritam editions.

The Publishing Department cares a great deal for the promotion of its products. Every newly released book finds its place in the media through PR or advertisements. It is important to emphasize the wonderful cooperation with Jutarnji list, a daily newspaper that issues new titles in the popular NAJ imprint together with Algoritam.

Brand Values

The value of the brand Algoritam is priceless on the Croatian book or multimedia market. With his or her own work and activities every employee tries to ensure the name of Algoritam would guarantee quality and always be present in the offer of good books or prestigious products for household fun.

When "foreign books", "bookshops", "videogames", "English language textbooks", or even just "books", come to mind, the first reaction of the majority of consumers in Croatia is "Algoritam" (Source: private research in 2006 and 2008).

www.algoritam.hr



THINGS YOU DIDN'T KNOW ABOUT...

Algoritam

- > Over 70% of customers that buy Algoritam products are highly educated.
- > 98% of Algoritam's customers are satisfied with service they receive, and 99% of customers continually visit Algoritam Bookshops.
- > If you could take all the books that Algoritam has sold until now, and stack them on to each other the total height of the "structure" would be three times higher than Mount Everest, the highest point on earth. If you arranged them face-to-face you could build the length of the road from Vukovar through Osijek, Varaždin, Zagreb, Rijeka, Dubrovnik, Sarajevo, and Tuzia and back to Vukovar again.

