# Octopus Energy Germany

**Russ:** [00:00:00] Thanks for listening to Inside Octopus. My name is Russell Goldsmith, and regular listeners and regular listeners to the podcast will know that a couple of episodes ago I chatted to the people who head up Octopus Energy around the world. And so off the back of that discussion, we decided that during the course of this year, we're going to invite each of those CEOs back onto the podcast for a deeper dive into Octopus Energy in their respective territories, but also with a view of meeting some more members of their teams to get a real understanding of what it's like to work for our company around the globe and find out a bit more about some of the projects they are working on. For the first in this special series of episodes, we're off to Octopus Energy Germany, and so I'm thrilled to welcome back to the podcast Germany’s CEO Andrew Mack. Welcome to the show, Andrew.

**Andrew:** [00:00:44] Thanks very much.

**Russ:** [00:00:45] Last week I caught up with a few of your team members who we're going to hear from shortly. I spoke with Ina Schauer, your Senior Legal Counsel; Dariel Kremov, Lead Developer and Stefan Langhammer from your Market Communications Team. Now they who were all originally at 4hundred, the company that Octopus Energy acquired to become what is now Octopus Energy Germany, and so I’m going to ask you more about that in a bit, and I also spoke Frederike Jäger about what’s happening in the Tech team and then finally caught up with Simone Groß about recruitment plans. Any concerns of what they may have told me?

**Andrew:** [00:01:25] None whatsoever.

**Russ:** [00:01:28] Good stuff, right? Well, first off, for those listeners who didn't hear you on that previous episode that you featured on, just remind us of your background and your journey to Octopus energy.

**Andrew:** [00:01:36] So my background is in the energy sphere. I worked for Ovo in the UK for a number of years, but then decided it was time to set up my own energy retailer. And I picked Germany because although it has a lot of energy suppliers, there's a real shortage of customer focused energy supplies. People who genuinely care about the benefits for consumers rather than benefits for their own pockets. So, five and a half years ago, I took the plunge, moved over here to Germany to set up my own retailer, which I called 4hundred.

**Russ:** [00:02:10] And so how did the relationship with Octopus Energy start?

**Andrew:** [00:02:13] So a friend of mine connected me with Greg Jackson, the CEO of Octopus Energy in the UK in the middle of 2019. I was fundraising for 4hundred at that point and talking to potential investors. So, I hopped on a plane and went to see Greg in the London office. And we sat down and spent two hours talking through what Octopus had built and most importantly, why they'd done what they done. And the same for 4hundred. And what we found was we'd taken the very, very similar approach to building the two businesses, and we had a near identical set of values. And as Greg described it afterwards, it was love at first sight, love between the two businesses that we created, and a very natural fit between 4hundred and Octopus Energy.

**Russ:** [00:02:58] And so when did the rebrand to Octopus Energy Germany happen then?

**Andrew:** [00:03:02] We became part of the Octopus Group in August 2019. But we didn't rebrand as Octopus Energy Germany until the following year, so we spent a year working through various projects that we had and working on our tech platform and getting ready to implement Kraken, and then in 2020, we became Octopus Energy Germany.

**Russ:** [00:03:22] And so how has that kind of first year or so been under the under the Octopus Energy banner then?

**Andrew:** [00:03:28] I think the really nice thing is not much has changed in many ways. So, our values, our culture, our way of behaving as a business is unchanged from what we had as 4hundred, the DNA that was 4hundred is now the same DNA that we have as Octopus Energy Germany. So, in that level, nothing has changed. What has changed has been the move across to Kraken and all the benefits that that is bringing and the support that comes from being part of a global group of companies.

**Russ:** [00:04:00] Ok, well, it's probably a good time to bring in the first members of the team that I mentioned I caught up, so I first spoke with Ina Schauer, Dariel Kremov, and Stefan Langhammer who were all working at 4hundred when it was acquired by Octopus Energy, as I mentioned. I was really keen to understand a little more about what that transition from start-up to global group has been like on the ground, so to speak, and so I started by asking them each to introduce themselves and their role in the company

**Ina:** [00:04:29] I am Ina Schauer, I'm a senior legal counsel and I started as a freelancer in November 2017 and joined Octopus as a permanent employee last year in April.

**Stefan:** [00:04:40] Hello, my name is Stefan Langhammer. I work in market communications for OEG, and I started in December of 2018.

**Dariel:** [00:04:47] Hi. I'm Dariel Kremov, for me and Obecto have been working with 4hundred since a bit before it was officially a company, starting late 2016, kicking off the 4hundred tech platform. And since I was one of the two original developers, I ended up as a lead developer later as we grew.

**Russ:** [00:05:05] That's great. Well, Dariel, seeing as you've been in the company the longest, let's come to you first. What was it like in those early days at four hundred and how did it feel when you found out that the company was being acquired by Octopus?

**Dariel:** [00:05:16] Oh, wow. I remember the first companywide Skype team meeting or the equivalent of the family dinner that we did back in March 2017, that was the first one we did for a status update. Now we were a few months in working on the platform in the business, and the invite had a total of 11 people across three countries overall. But it was a really exciting time. Everyone busy trying to make sure all the pieces of the puzzle fit in time for the launch later that year. It was a pretty tight schedule, but everyone had a mission critical role, would usually be the only one who could deal with the specific task. So very exciting time. When it comes to the acquisition, it was very interesting as well because we were wondering how different would that be? Would something change? Would it be similar? How would we fit? Turns out that culture wise, it was very, very similar fit, basically the same thing, even from a process standpoint. As a tech team, we had to start very agile. We had to have a very effective structure from the very beginnings because we were working remote from the very beginning before it became mainstream all over the world. So, with all this international team, we had to be able to adapt to changes and be due to industry specifics in Germany or third-party services redesigns, you know, typical start-up. So, when it comes to process, when we joined the OEG, that did not really change. We were still pretty flexible, pretty agile, feels more like a grown-up start-up that still allows for a lot of creativity and initiative, moving quick. But what really did change was that now we had all the resources to really, really scale up the teams and be able to focus on growth big time rather than just dealing with all the fires that kept coming up.

**Russ:** [00:07:07] Ina, what was it like when you met the Octopus team for the first time?

**Ina:** [00:07:11] It was absolutely exciting because we combined the best of both worlds. So, the informal part because when we heard that 4hundred was acquired by Octopus Energy, it was about late summertime and late summertime in Germany means Oktoberfest. So, Andrew had the idea to invite Greg and Stuart to the Oktoberfest, where we had our team meeting and when they just hopped up and came with us in the beer tent, it was a very nice atmosphere of being one whole group, and it was perfect to informally meet Greg and Stewart to have a beer together and to have a short talk and to chat over the evening. And then the kind of real business started the day after with a bit of a hangover, honestly, but was absolutely fun to spend an evening and afterwards to go back to work and to have a great time together.

**Russ:** [00:08:01] And Stefan, what's changed for you between what was 4 hundred and now Octopus Energy Germany,

**Stefan:** [00:08:07] I would say when I signed up with 4 hundred was still a true real start-up with still a long way to go. And on such a long way, you obviously do mistakes. There are things going wrong. There are constantly hurdles you've never experienced before, and so you are learning by doing when something goes wrong, you only see a problem for the first time and then you have to try and fix it. And as Dariel said, there are a lot of fires that you have to somewhat extinguish. And by now, we have reached a point where we have seen a lot of those hurdles. A lot of those fires, we have extinguished them and it's now more of streamlining the progresses instead of just making them somehow work. And Kraken is a big part of that because obviously, Octopus also had a lot of hurdles to overcome. And so, they already fixed a lot of them inside Kraken, which is great. And I have a little anecdote, so to speak of, one of those funny little mistakes that you make and learn and grow by them. It's a story basically about a hoodie similar to this one with a beautiful little octopus on it, but it was a hoodie that was a 4hundred one. I was only three months into the company and there was a fair for students who are looking for jobs after the Bachelor, after their studies. And so, I was forced to sign up for that too and follow our human resource manager into that. And we had a beautiful little QR code on the hoodie that was meant to bring those students to our sign-up site for our jobs. And I was running around with it, and after a while people came to me and said, ‘Your QR code is not working’. And we were like, of course it has to work. And then we found out that the two colours for the code were inverted, and so the QR code was not working. And those are the kind of mistakes that make you grow because you only make those mistakes once.

**Russ:** [00:10:10] That's great. Dariel, what about in terms of the way the culture and the structure has changed? What's your thoughts on that?

**Dariel:** [00:10:18] Well, I wouldn't say it has significantly changed since. Even though we were a much smaller team, we already had a nice structure in place. We had processes and we kept refining them throughout the years. So, by the time we became OEG, we had already been about as good as we could get. So, we essentially kept the same processes, the same structure at that point. So not all that much change on the structure side was more of a maturing of the whole company overall and starting to merge the knowledge and the experience we had accumulated in the German market into the more polished Kraken platform while moving away from our own tech, even though that was, of course, a little bit sad.

**Russ:** [00:11:02] Just to finish off then, Dariel, let's just stick with you for this last one. What excites you about being part of Octopus Energy Germany?

**Dariel:** [00:11:09] Ok, yes, as cliché as it sounds, but genuinely the team and the people, we've been through thick and thin together, and it's super exciting to see where we can get.

**Russ:** [00:11:18] How about yourself, Stefan?

**Stefan:** [00:11:20] First of all, of course, I have to agree with Dariel that it's the people that stick with us for such a long time, but also even from the 4hundred time you kind of join not only a job, but also a cause. And now with Octopus, I think we can make that cause or the cause is already growing globally, which is just a good feeling to see how we can affect global climate change.

**Russ:** [00:11:44] Great. And Ina?

**Ina:** [00:11:46] Yeah, for me, obviously, I need to agree to the guys talking before me, but to add something for me, it's about values. You know, when I started my own business as a freelancer, I look for companies who are really wanted to work for and 4hundred has had three values which were do good, be transparent and treat people fairly. And these are the values we still stick to. And this is what I really love about the company because it's not only words, but the way we handle customer requests, the way we treat each other in the teams and as employees. That is also always reflected by those values. And this is what I really like.

**Russ:** [00:12:28] Andrew, how much of a difference did it make to you being able to bring those original team members with you to Octopus Energy?

**Andrew:** [00:12:33] It was really, really important to bring on the whole team through the transition as we went from being 4hundred to Octopus Energy. Particularly those early employees had had such a big role in shaping the business that we've become. It was a really, really important for me that they felt part of the transition and were involved in the move across to Octopus.

**Russ:** [00:12:54] And those comments that they made about structure processes. Does that resonate with you?

**Andrew:** [00:13:00] Yes. Yeah, it does. It's been a really interesting journey. We've gone from being on day one, just myself slowly building up the team over the first couple of years and then transforming quite dramatically since we've become Octopus Energy. And with that scaling up with that rapid growth, we've had to adapt and change and change the way we do things. And it is a challenge to change and implement processes where before we were very informal and now, we just need to be a bit more organized. But it's great to see we've been able to do that without losing the start-up culture that we had back in those early years.

**Russ:** [00:13:32] So just out of interest, in those early years and that transition from 4hundred to Octopus Energy Germany, what would you say was the biggest challenge during that time?

**Andrew:** [00:13:41] There's a lovely German word called papierkram, which directly translated means paperwork, but really what it refers to is the mass of paperwork you get whenever you do anything. And that was one of the biggest challenges for us was the papierkram that we had to go through in that first year. So, there are over eight hundred electricity network operators in Germany and over six hundred gas network operators. Each is a separate entity. And in order to supply customers across Germany, we needed to contract with each and every one of those 1,400 organizations, and to do that, we had to contact each one individually. They had to send us a paper contract, which we had to read and sign and return to them, and they had to countersign and return it back to us. So, you can imagine doing that 1,400 times over a period of months as you're trying to get the business going. And I vividly remember the postman coming to the door each day with a cardboard box full of paperwork every single day for months on end. And it just seemed never ending the papierkram went on forever. And it was just a really big surprise to me how a country like Germany was still so paper based and so bureaucratic. So, it was it was a big challenge for us to overcome. It took us months to get through that paperwork. But it really brought home to me just how antiquated parts of the German energy market still were.

**Russ:** [00:15:02] Good story. Okay, well, listen, time to hear from another member of the team. Frederike Jäger is the IT project lead for Octopus Energy Germany. And so, when I chatted to her, I started by asking why she chose to work for the company.

**Frederike:** [00:15:18] So I actually did a PhD in physics, and the main aim of the work was to make water filtration more efficient. So actually, I've always wanted to do something that has a bit of an impact. So, Octopus Energy was really the perfect company where I could apply my skills in software engineering, but also feel like I'm really working for a company that has a mission and that wants to make the world a better place. So, when I came for my interview, I just really enjoyed the place and just got a really good vibe from the people who interviewed me and the team in general. And that's when I started working there.

**Russ:** [00:15:52] And how long ago was that then?

**Frederike:** [00:15:53] So I joined Octopus Energy after my PhD, so that was three years ago now. And I joined the team in the UK, which was a really small team at the time. So, the tech team was quite small. The whole company was quite small, the customer service team was quite small, and I started working in the payments team and then started working on the migration's team, which is the team that deals with all migrations from other systems into Kraken, which we use for Kraken licensing that we do a lot of in the UK, for example. And then when the opportunity arose to work on the German team, which is where I'm from, I really couldn't say, no,

**Russ:** [00:16:31] I'm not surprised. And so how many people have you now got working in the German tech team?

**Frederike:** [00:16:34] The German tech team currently has about 15 people working in it, but we're growing quite a lot. But that's a similar size to what I had when I first started in Octopus in the UK. So, it's really nice to be back at the same kind of level and having a small team that works very closely together. The team is mostly based in Munich, but we also have people in Israel and Italy and of course in the UK.

**Russ:** [00:16:55] And so what's special about the Octopus Energy German tech team, then particularly looking at its approach compared to other companies?

**Frederike:** [00:17:02] So what special is that we have quite a small and young team of really motivated engineers who are really keen to make a difference and because the company in Germany is still quite small compared to, say what we have in the UK. It means that we're working very closely with the rest of the company. So be it the customer service staff or the product or marketing teams. And that really means that we can have feedback very quickly between the different teams and work on improving our product both to the customer, but also to the staff who are using our product on a day-to-day basis.

**Russ:** [00:17:38] Andrew, listening to Fred, talk about the tech team there, it would be good to understand a little more about some of the projects you are working on as a team and also some of the other partnerships you are looking to form.

**Andrew:** [00:17:47] So in terms of projects, our biggest one is building out Kraken for the German energy market. While there are a lot of similarities between the UK, where Kraken was developed and the German energy market, there are also some very specific quirks and unique complexities in Germany, and that's really our biggest challenge is how do we take this fantastic platform that we have with Kraken and connect it into a very old fashioned, bureaucratic, complicated energy market structure within Germany? And I would say that's the biggest challenge we face today. But alongside doing that, we're also able to find time to do some really exciting partnerships, and Tesla, I think, is the greatest example we have of that right now. And it's really nice to be able to look at doing innovative tariffs, creating unique offers for people with power walls on in-home battery. And it's really just the beginning of what we hope is a long relationship with Tesla and creating some really fantastic, unique and exciting energy offers for consumers in Germany.

**Russ:** [00:18:49] So that's good to hear about that particular project that you're working on, what I was interested to know actually is in terms of the German market for energy and where you're operating in, how does that compare to the other markets that Octopus Energy operates in?

**Andrew:** [00:19:02] So historically, electricity prices in Germany have been higher than any other European country, and that's not because the cost of generating electricity is any higher here in Germany, but it's because of a plethora of levies and taxes that are all passed onto the consumer. Now we've been pushing for lower electricity prices on two fronts, partly just from a social justice perspective, we think households pay too much for their energy in Germany. But also, we think there need to be bigger efforts made to encourage consumers to switch to electricity for heating, to switch to electricity for transport and making electricity as expensive as it has been historically in Germany actually works against the adoption of EVs as it works against the adoption of heat pumps. So last year we put together an energy manifesto for Germany, and one of our main proposals was to remove a levy called the EEG, which is a renewable energy levy charged to households, and that was accounting for about a quarter of a household bill here in Germany at the time. And we said that should be removed by the end of 2023 and the savings passed on to consumers. And it's great to see that in the last few months, the new government here in Germany has decided not only to remove that levy entirely, but also to bring forward the date so that as of July this year, we're going to be passing on to our consumers four cent reduction in the price per kilowatt hour of their electricity. So, it's fantastic at a time of very high energy prices to actually be able to pass on significant cost savings to our customers. It's something we're really excited about.

**Russ:** [00:20:36] Great, well, I want to finish off by looking to future plans before we do that, let's hear from Simone Groß, Octopus Energy Germany’s Senior Marketing Manager because she is also responsible for your Employer Branding and so I started by asking her about the kind of people she is looking for to join the team

**Simone:** [00:20:56] As you might already have heard, our goal this year is growth and growth not only in customer numbers, but also on an employee side. That's why at the moment we are looking for people in almost every department, beginning from product and marketing over developers for our tech team to specialists and market communication also for our operations team. We are looking for new colleagues. We are looking for people with work experience as well as interns or working students. For us, what's more important than college degrees or big company names in the CV is the right mindset and also the willingness to work towards our big vision. Location wise, we have offices in Munich and Berlin at the moment, so we are mainly looking for people in those two cities. But nevertheless, we are quite flexible here. So, if we find the right candidate in another city, another village, whatever, we are happy to recruit them fully remote as well.

**Russ:** [00:22:01] If anyone is successful in their applications to join the company. What culture and way of working will they find when they arrive?

**Simone:** [00:22:08] Well, I remember when I started at Octopus in June last year, the first thing I noticed was the very open and appreciative atmosphere here. Working at Octopus is characterized by a lot of freedom, a lot of flexibility. And for me, and I think most importantly, for a lot of trust. Me personally, I've been quite lucky. So, I've always worked for companies where no one gave me a list with my tasks for the day or the week. And also, no one thought that I can only do a good job when I'm sitting in the office from nine to five, and that's actually something you also find here. So, when you do your work and you do a good job, actually no one really cares wherever when you do your work from. So, so far, so normal, at least for me. But often when I talk to friends of mine, I realized that those opportunities and also that trust that is given here is actually something that is not so normal for them. I think that especially the last years with the Corona crisis made me aware of the fact that there's still a lot of companies, I think, especially in Germany, that have big reservations against home office and the whole thing, because in times we have always been working for home for weeks and month, some of my friends still needed to go to the office because they didn't even have the digital structures that made working from home even possible. Yeah, but also after Corona times, I think the flexibility we get here is really priceless. I mean, you often have companies that claim that they allow home office, but then when it comes to detail, you find out, well, you can work from home one day a week or two times per month. Yeah, here at Octopus, it's really me who can decide how often I want to come to the office and when I work from home.

**Russ:** [00:24:06] I mean, obviously you've gained all that through your experience of working there. But you know, for someone who is looking to join the company, what do you think it is that draws people to Octopus Energy Germany, but also and then what keeps them there?

**Simone:** [00:24:19] I think one important thing, or if not the most important thing that draws people to Octopus is what we do and what we stand for. I mean, our vision of green energy and cheaper energy for everyone is really something that attracts a lot of people and also something we also often hear during the job interviews that's really attracting people. That fact, paired with the use of technology to fight climate change, is surely a strong argument for people to start working at Octopus. For me personally, it also was the fact that we put the customers first in every decision because I'm quite convinced that companies who put customers first and their decisions also put their employees first and their decisions. Yeah, what makes people stay, I think, surely is the great team and the spirit we have here. I mean, companies can write a lot on their career pages about great benefits, about how great the team and the team events are and that everyone gets a chance to add ideas and shape the workday as he or she wants. But how many times do you then find out that those were just promises and then your everyday life things look quite different and that those were just promises that weren't kept? I think that the fact that we really keep those promises we make is what makes people stay at the end.

**Russ:** [00:25:48] Andrew, great to hear Simone talking about the culture and recruitment plans that leads nicely onto my final question, because I wanted to wrap up this episode by you just telling us a little more about the next set of goals for your team.

**Andrew:** [00:25:59] So we have big, ambitious goals for Germany, and our next big milestone is reaching a million customers by the end of 2024. And I think we're well on the way to achieving that. But we don't want scale just for the sake of having scale. The reason we want to reach that target and the reason we want to do it quickly is we believe that only with scale can we really start to change the energy market in Germany and have a real impact and that's what we want to achieve in the long term. So, making constructive change for the benefit of customers, changing the way the energy market works and demonstrating to the government, to regulators that faster change is possible and it can be good for consumers and good for the climate at the same time. But to really succeed on that, we believe we need to have a million customers or more here in Germany so that we can really demonstrate real time impact in a very positive way.

**Russ:** [00:26:54] Good stuff. Well, good luck with those plans, but for now, Andrew Mack, thanks again for coming back onto the podcast and for giving us access to some of your team members too. So thanks also to Ina, Dariel, Stefan, Fred and Simone. As I mentioned at the top of the show will be looking to feature other teams around the world on this podcast soon. So, do remember to follow or subscribe on your favourite podcast app, ready for those future episodes to drop? That's it for this episode, though, but as always, if you've got any comments on anything we've discussed today, please do get in touch via the website at Octopus.Energy or via the usual social channels. But for now, from me, Russell Goldsmith, thanks for listening and goodbye.