

Country: UK
Primary Vendor: ZS
Other Vendors: PANW
Quarter: 1 Fy2024
Sector: SASE
Customer Size: Enterprise 5,000 - 20,000

Current Quarter: On Plan
Business Outlook: A Little Better

The Lead

UK

We're doing well with our ZS business, thanks mate. Cannot complain at all.

The market for SASE is picking up steam. ZS has done a terrific job of positioning itself at the forefront of this market.

We had an absolute blast in Spain, ZS really pulled out all the stops. They even had a drone show, and the party at the end was in the theme of the Great Gatsby, which was actually pretty spectacular. Best vendor partner event I've been to in the last 10 years, bar none.

Our ZS channel reps had been signalling to us for weeks that it was an event we really needed to attend, but I think even they were surprised by all the goodies that were announced; Partner rebates, SPIFFs and a lot more investment into the partner ecosystem.

I'll tell you we were VERY surprised by what ZS announced - historically ZS has not been channel-centric. It's like they've done a 180 turn on channel since they hired Karl Soderlund from **PANW** - and I wonder if PANW has suffered from the loss of Karl over the past 6 months, because they've since made a lot of mis-steps.

It's almost too good to be true. What was presented was not in keeping with how ZS have ever managed the channel. Is Jay truly on board with this, or are they going to dump it when the going gets tough?? Forgive me for being skeptical, but Jay has never shown the channel any love before.

For now though, ZS has opened a door which we will happily walk through. Our reps are already ready to jump in feet first - they're guaranteed SPIFFs upwards of \$500 for registering (net new) opps - even a referral can be rewarded by \$1000 if ZS closes it, plus there are kickers

in there for (partner) reps overachieving on sales quota. We need to look at how this all works in practice, but they've certainly got the attention of our reps. And if I'm honest... they did a good job of hooking us (management team), too.

There's also a lot more to mull over in certification and partner status. ZS have made it clear that if we want to REALLY make money, then there is an opportunity to move up the channel value chain and offer more services. We don't have a big ZS services practice because we've never been able to make that work, but again... ZS has opened a door and is enthusiastically gesturing for us to walk through.

Lots for us to mull over, mate. But certainly a hugely positive move from ZS. Plus the fact that it's Karl Soderlund behind all of this..... we're more inclined to rein in our cynicism and get onboard with it.

FyQ2

I think we already had enough pipeline to (hit target) but with excitement levels gone up a couple of notches... we could see a fired up sales team going all-out this quarter.

COMPETITION

If Jay is truly on board with this new channel strategy, then they've pulled off a stunning coup against PANW. Karl knows **PANW** inside-out, and that's going to help ZS. Although I'd still say that ZS has a much more compelling ZT and SASE strategy than PANW does - PANW still looks at SASE from a network-centric view, whereas ZS looks at the world from the viewpoint of the user. Big difference.

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