

**Country:** Global  
**Primary Vendor:** PANW  
**Other Vendors:** Aqua, Wiz, ZS  
**Quarter:** 1 Fy2024  
**Sector:** Security Platform  
**Customer Size:** Enterprise 5,000 - 20,000

**Current Quarter:** On Plan  
**Business Outlook:** A Little Worse

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## The Lead

### Global

Ugh... is it Christmas yet? I need a break. We were burning the midnight oil with Palo at the end of October. Trying to squeeze across everything we could. There was some very creative efforts on the part of Palo. Lots of discounting. Really, I can't remember the last time there was this much discounting. Clearly, it was needed.

We finished OK, and Palo likely did OK, because they were stealing business and margin from us.

### Staffing

Morale over there is a bit of a mixed bag. I think some are having doubts about hitting their quotas this year, yeah.

However, I think most people at Palo are still jazzed about the core business (Network Security).

### FyQ2

I'm concerned about this next quarter. That's two quarters in a row now that we've pulled business forward. That makes it tighter and tighter for us. Sooner or later, when you stretch the rubber band too tight, it will snap.

PRODUCT

On Prisma Access, SASE, PANW is simply one big step behind **ZS** on Marketing, and it kills them. ZS has a lot of field depth that knows how to sell SASE in all situations. PANW is still very thin in comparison.

(Cortex) XDR is bloody worthless.

XSOAR, there are no customers saying, Hey, I want workflow automation in my SOC ... give me XSOAR!" They're not going to Phantom (SPLK), or Swimlane, or Demisto (PANW). They're looking for newer solutions.

On Prisma Cloud ... **Wiz** is a huge threat. We're not even worried about **Aqua** Sec anymore - that's how big of a threat Wiz is.

#### COMPETITION

**Wiz** has taken a BUNCH of Palo guys. Technical engagement people in particular who are the last folks you want to lose. They are poaching the Palo Channel HARD. Like SUPER HARD.

They are calling all the key Palo partners offering them the moon. Actually, we're (adding Wiz to our vendor portfolio). Palo is going to be pissed, but it's what customers are asking for.

It's not that their tech is that much better ... but they have FOCUS. It's like CRWD in EDR. If you have a company that is focused on selling one thing and selling it well, it's difficult to combat that.

During the process where they were trying to get us to join, at one point I asked, "Tell us why you're better than Prisma Cloud?", and they couldn't. They might have tried harder around a customer who doesn't know as much as we do. A lot of them are ex-Palo guys, and in front of us, they didn't even try.

They just have more focus. Well, for example, they'll have ten guys selling into a single 1a enterprise account, while Palo has one guy in a speedboat selling Prisma Cloud across 20 accounts, and the Palo rep barely knows his name and is only interested in Prisma Cloud if it doesn't interfere with his core sales.

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