

Ercole Rovida's Newsletter

April 2026



MESSAGE FROM THE AUTHOR

March has gone and spring has arrived in this geopolitically complex 2026, shaped by the events we are experiencing.

It has been a month that once again highlighted how closely global dynamics and technological evolution are linked, particularly within the IT and telecommunications ecosystem.

The spotlight of March was undeniably on the Mobile World Congress 2026, the industry's most influential gathering and a key reference point for understanding current and future trends. This year's focus on the convergence of connectivity and intelligence confirmed a clear direction: networks are becoming smarter, more automated, and increasingly central to digital economies.

Yet, beneath this technological momentum, a broader strategic question has emerged with increasing clarity—especially for Europe. While the United States and China continue to accelerate towards technological independence through scale, investment, and vertically integrated ecosystems, Europe still appears fragmented and structurally dependent on external players across critical domains such as cloud, semiconductors, AI platforms, and network technologies.

Another theme that has gained strong visibility throughout March is cybersecurity. What was once considered a specialized or vertical concern is now extending across all sectors of the market, from telecommunications and critical infrastructure to enterprises, public services, and industrial systems. As digitalization deepens and geopolitical tensions persist, cyber resilience is increasingly seen not only as a technical requirement, but as a strategic necessity. This shift is also reflected in the rapid growth of investments in defense and security, where cyber capabilities are becoming a core component of national and corporate protection strategies.

Discussions throughout the month reflected this growing convergence between connectivity, security, and sovereignty. Intelligent infrastructure, AI embedded in telecom operations, and enterprise-grade use cases are advancing rapidly, but Europe's challenge remains the same: translating regulation, values, and innovation into industrial leadership. In a world where technology sovereignty and cyber defense are becoming strategic imperatives, the gap between ambition and execution risks defining Europe's role in the global digital order.

It is within this context that this month's newsletter takes shape. Understanding where Europe stands, how global players are moving, and how cybersecurity and defense are reshaping technology priorities is essential for anyone operating in the IT and telecommunications sector. The articles and insights that follow aim to provide clarity on these dynamics, offering perspective on the trends, challenges, and strategic decisions that will influence the industry's future.

GLOBAL MARKET SNAPSHOT

As March 2026 concludes, the global IT and telecommunications market reflects a phase of strategic acceleration shaped by geopolitics, AI adoption, and rising security priorities. Technology investment is increasingly driven by long-term resilience rather than short-term growth, as governments and enterprises align digital infrastructure with sovereignty, defense, and economic stability goals.

Global IT spending continues to expand at a strong pace, with artificial intelligence and data-center infrastructure acting as the primary engines of growth. Market assessments published in March confirm that AI-optimized servers, cloud platforms, and software ecosystems are absorbing a growing share of enterprise and hyperscaler budgets, reinforcing the shift toward AI-centric digital architectures and large-scale compute capacity.

Telecommunications, while remaining structurally mature, is undergoing a profound transformation. Connectivity demand keeps rising worldwide, but monetization remains challenging, pushing operators to integrate AI, automation, and security more deeply into their networks. March analyses highlight how telecom infrastructure is increasingly viewed as a strategic national asset, closely tied to industrial policy, data sovereignty, and defense considerations rather than pure market dynamics.

Cybersecurity has emerged as one of the most pervasive cross-sector priorities of 2026. March publications underline how cyber risk now affects every vertical market, including telecoms, energy, finance, manufacturing, healthcare, and public administration. AI-driven threats, geopolitical fragmentation, and state-sponsored cyber activities are accelerating investments in identity security, cloud protection, network defense, and managed security services.

This trend is closely linked to the rapid expansion of defense-related technology spending. March market intelligence shows cybersecurity increasingly integrated into national defense strategies, with governments treating cyber capabilities as a core component of deterrence and resilience. The boundary between digital infrastructure, cybersecurity, and defense continues to blur, reshaping global technology investment priorities.

Overall, the March 2026 global snapshot reveals a market where technology, security, and geopolitics are converging. Growth is no longer driven solely by innovation cycles, but by the need to protect critical infrastructure, secure data flows, and maintain strategic autonomy in an increasingly polarized global environment.

MORE INFORMATION

[Gartner – “Top Cybersecurity Trends CISOs Must Act on in 2026”](#)

[IDC \(via InfotechLead\) – “Global Cyber Security Spending to Hit \\$308 bn in 2026”](#)

[Business Research Insights – “IT Market Report 2026-2035”](#)

REGIONAL FOCUS – SPAIN AND EUROPE

As of March 2026, Spain stands out as one of the most active European markets in terms of cybersecurity adoption and digital infrastructure investment. Market analyses published during the month indicate that cybersecurity has become a transversal priority across virtually all sectors of the Spanish economy, including telecommunications, finance, healthcare, industry, energy, and public administration. Regulatory pressure linked to the EU's NIS2 framework and operational exposure driven by rapid digitalisation are accelerating demand for advanced security solutions and services.

March publications also highlight how Spain is positioning cybersecurity as a strategic industrial asset, not merely a compliance obligation. Government-backed initiatives under the Digital Spain 2026 agenda and the Recovery and Resilience framework continue to support investments in connectivity, cloud adoption, and cyber capabilities, while strengthening the national ecosystem of vendors, start-ups, and research centres. This approach reflects a broader ambition to position Spain as a relevant cybersecurity hub within Europe, at a time when digital resilience is increasingly tied to economic competitiveness and national security. At the same time, Spain's telecommunications and digital infrastructure are becoming more exposed to cyber risk as 5G deployment, cloud migration, and SME digitalisation expand the attack surface.

Across Europe, March 2026 confirms a clear shift toward technology sovereignty and defense-driven digital investment. European market and policy analyses published during the month underline how cybersecurity, telecom infrastructure, and defense technologies are increasingly treated as interconnected pillars of strategic autonomy. The EU's 2026 budget priorities and defense programmes emphasize cybersecurity, digital infrastructure protection, and dual-use technologies as central to Europe's preparedness in an increasingly unstable geopolitical environment. Cybersecurity has emerged as one of the most critical cross-sector challenges for Europe. March reports describe a threat landscape dominated by ransomware, supply-chain attacks, and state-linked cyber operations targeting critical infrastructure, telecommunications networks, industrial systems, and public institutions.

Overall, the European picture in March 2026 is one of structural transition rather than short-term disruption. Growth in telecom and IT markets remains moderate, but strategic investment in cybersecurity, defense, and digital sovereignty is reshaping priorities. Europe's challenge remains translating regulatory leadership and public investment into scalable industrial capabilities that can compete globally while safeguarding critical infrastructure and digital trust.

MORE INFORMATION

[Mordor Intelligence – Spain Cybersecurity Market](#)

[Chambers & Partners – Cybersecurity 2026: Spain](#)

[Security.Land – Spain Cybersecurity Market to Surpass €3 Billion](#)

[European Parliament – EU Budget Priorities for 2026](#)

[European Defence Fund – EDF 2026 Work Programme](#)

[IMF – Macroeconomic Impacts of EU Defense Spending](#)

FEATURED STORY

Europe's agentic commerce moment: Decision influence is here; execution is coming

Before a European consumer purchases a product, an AI tool may already have narrowed the field to three options—and explained why one of them failed to make the cut.

This is the near-term reality of agentic commerce: AI-mediated discovery and evaluation are scaling quickly, even as full autonomy remains limited. While fully autonomous bots are not buying everything on our behalf, AI is fast becoming the primary interface for discovery, comparison, and recommendation—the point in the consumer journey where preferences form and winners emerge. The stakes are considerable: [McKinsey research](#) estimates that by 2030, agentic commerce could orchestrate \$3 trillion to \$5 trillion globally,¹ as AI agents increasingly influence discovery, decision-making, and transactions across categories. Given Europe's share of global consumption, even moderate adoption scenarios would translate into material impact across European retail and consumer sectors.

For leaders, the strategic question is shifting. It's no longer simply "How do we convert customers?" It's "How do we remain visible and persuasive when the first 'customer' in the funnel is not a human, but an AI agent?" When evaluation moves into AI-mediated interfaces, traditional levers such as placement, advertising, and user experience matter less than whether an offering is retrievable, comparable, and defensible in an AI's logic.

New consumer research from France, Germany, and the United Kingdom suggests that Europe is already entering that phase. Most respondents report using AI tools in their everyday personal or professional lives, and usage is not confined to experimentation. Consumers are applying AI to practical decision support:

researching topics, synthesizing information, and increasingly shaping purchase decisions. These tools span general-purpose assistants as well as retailer-embedded bots and third-party shopping agents, each with different incentives and economic models.

This article examines how European consumers are already integrating AI into their shopping journeys. Our research shows that AI—whether tools such as ChatGPT and Gemini or brand-owned agents and embedded agentic experiences—is rapidly becoming the primary interface for discovery, comparison, and, increasingly, transaction initiation. It is here, at this early stage of the journey, that preferences are shaped, consideration sets are formed, and competitive advantage is won or lost. Fully autonomous shopping agents, meanwhile, will evolve at different speeds and plateau at different levels across categories and use cases, not always moving all the way to complete, end-to-end autonomy. But the consumer behaviors we are seeing today—such as AI-led comparison, synthesis of options, contextual recommendations, and basket assembly—are leading indicators of deeper delegation to come.

McKinsey argues that Europe has entered the first real phase of agentic commerce, not through fully autonomous purchasing, but through AI-driven decision influence. European consumers are already using AI tools to shape what they buy—by narrowing choices, comparing alternatives, and explaining trade-offs—even if they are not yet delegating final transactions to AI agents. The article shows that AI is rapidly becoming the **primary interface for product discovery and evaluation**. Tools such as general-purpose AI assistants, retailer-embedded agents,

and third-party shopping bots are increasingly involved at the earliest and most decisive stages of the customer journey. This is where preferences are formed, consideration sets are defined, and competitive advantage is effectively won or lost. In this new environment, the "first customer" is often no longer human, but an AI system evaluating options on the consumer's behalf.

However, McKinsey highlights a clear **gap between influence and execution**. While European consumers are comfortable using AI to research, summarize, and recommend, they remain cautious about allowing AI to act autonomously—particularly when money, trust, and accountability are involved. Full agent-initiated purchasing is therefore still emerging and constrained by issues of authorization, transparency, and control.

For companies, the strategic implication is profound. Traditional levers such as brand visibility, advertising placement, and user-interface optimization are becoming less decisive. Instead, success increasingly depends on whether products and services are **machine-legible, comparable, and explainable** within AI-mediated environments. Brands must ensure that their offerings can be retrieved, evaluated, and justified by AI agents using structured data, clear value propositions, trusted signals, and defensible claims.

In short, **decision influence is already here in Europe**, and while execution will come more gradually, the competitive landscape is being reshaped now.

[Go to the full article](#)

LISTEN ON THE GO

In this new edition of my newsletter I would like to talk about **Doug McMillon**, the man who transformed Walmart.

When Doug McMillon became CEO of Walmart in 2014, the world's largest retailer was at a crossroads. Amazon was redefining retail, digital platforms were reshaping consumer expectations, and Walmart—despite its unmatched scale—was increasingly perceived as a legacy giant struggling to adapt. Over the next twelve years, McMillon would oversee one of the most consequential transformations in modern retail history, turning Walmart from a predominantly brick-and-mortar powerhouse into a people-led, tech-powered omnichannel enterprise without abandoning its core identity.

McMillon's transformation of Walmart was not driven by dramatic gestures or disruptive rhetoric. Instead, it was shaped by long-term thinking, cultural continuity, and disciplined execution—an approach that now stands as a case study in how incumbents can reinvent themselves in the digital age.

Doug McMillon's leadership style was deeply influenced by his personal journey. He began his career unloading trucks at a Walmart distribution center and rose through merchandising, international leadership, and Sam's Club before becoming CEO. This operational grounding shaped a leadership philosophy centered on store reality, frontline workers, and customer trust, rather than abstract strategy alone. [hbr.org]

Rather than distancing himself from Walmart's traditional strengths, McMillon treated them as strategic assets. Stores were not liabilities in the digital era; they were future fulfillment hubs. Associates were not a cost to be minimized; they were the backbone of customer experience and long-term competitiveness.

One of McMillon's most important contributions was reframing digital transformation as an **evolution, not a rejection, of Walmart's DNA**. Under his leadership, Walmart invested heavily in e-commerce, data platforms, automation, and logistics while preserving its core promise of value, accessibility, and scale.


Instead of building a parallel digital organization disconnected from stores, McMillon pushed for **deep integration between physical and digital operations**. Stores became central to online pickup and last-mile delivery, allowing Walmart to compete with pure-play e-commerce players using its existing footprint.

This omnichannel model—now widely emulated—proved that legacy retailers could compete digitally without abandoning physical infrastructure.

Perhaps McMillon's most counterintuitive move came in 2015, when Walmart committed billions to raising wages, improving training, and expanding career paths for frontline associates—at a time when automation and cost-cutting were dominant narratives in retail.

The decision was controversial and initially met with investor skepticism, but it reflected McMillon's belief that technology and people were complementary, not competing forces. Over time, Walmart paired workforce investment with automation, AI, and advanced analytics, improving productivity while strengthening engagement and service quality. [hbsp.harvard.edu]

This "people-led, tech-powered" philosophy became a defining feature of Walmart's transformation and a differentiator in a highly competitive labor market.



"The best leaders lead through influence and collaboration, regardless of their title"

McMillon's tenure was also marked by his ability to lead through sustained uncertainty—trade wars, the pandemic, inflation, and accelerating technological disruption. His response was not to chase short-term wins, but to emphasize **purpose, values, and long-term resilience**.

In his final interviews as CEO, McMillon repeatedly highlighted that the only constant at Walmart—aside from its purpose—was change itself. His focus remained on building an organization capable of adapting continuously, rather than optimizing for a single market cycle.

Doug McMillon's transformation of Walmart stands out not because it was fast or flashy, but because it was deliberate, human-centered, and structurally sound. He proved that digital reinvention does not require abandoning heritage—and that leadership in the digital era is as much about culture and trust as it is about technology.

In an age obsessed with disruption, McMillon showed the enduring power of evolution done right.

[The HBR Interview with Outgoing Walmart CEO Doug McMillon](#)

COMPANY OF THE MONTH

TSMC (Taiwan Semiconductor Manufacturing Co.)



Taiwan Semiconductor Manufacturing Company (TSMC) is the world's largest and most strategically important pure-play semiconductor foundry. Founded in 1987 by Morris Chang, TSMC pioneered the dedicated foundry business model, separating chip design from manufacturing and enabling the rise of the global "fabless" semiconductor ecosystem.

Headquartered in **Hsinchu Science Park, Taiwan**, TSMC is listed on the **Taiwan Stock Exchange (2330)** and the **New York Stock Exchange (TSM)**. It manufactures integrated circuits for hundreds of customers worldwide across end markets including **high-performance computing (HPC), smartphones, artificial intelligence, automotive, IoT, and consumer electronics**.

In 2025, TSMC operated manufacturing capacity exceeding **17 million 12-inch equivalent wafers annually**, making it unmatched in both scale and technological sophistication.

Business model: the pure-play foundry

TSMC's defining strength is its pure-play foundry model. Unlike integrated device manufacturers (IDMs), TSMC does not design its own chips and therefore does not compete with its customers. This neutrality has allowed it to build deep, long-term partnerships with the world's leading semiconductor designers.

TSMC is widely recognized as the **global leader in advanced semiconductor manufacturing**. Its competitive advantage lies not only in process innovation but in **manufacturing execution, yield management, and time-to-volume production**.

The company leads in cutting-edge logic nodes used for:

- **AI accelerators and high-performance computing**
- **Advanced mobile processors**
- **Next-generation automotive and industrial systems**

In addition to advanced nodes, TSMC maintains a broad portfolio of **specialty technologies**, which are critical for automotive electronics, IoT devices, and industrial applications.

Advanced packaging technologies, including silicon stacking and high-density interconnects, are an increasingly important part of TSMC's value proposition, particularly for AI and HPC workloads.

Strategic importance and geopolitical role

TSMC plays a central role in the global semiconductor supply chain and is widely considered a critical strategic asset. Its dominance in advanced node manufacturing—where few competitors can operate at scale—has made it indispensable to industries ranging from consumer electronics to defense.

As a result, TSMC sits at the intersection of technology and geopolitics. Governments around the world are actively working to secure semiconductor supply chains, leading TSMC to expand its global footprint with new fabs in regions such as the United States and Japan, while maintaining its core operations in Taiwan.

Financial strength and long-term outlook

TSMC's business is characterized by strong revenue growth, high margins, and significant free cash flow generation, driven by sustained demand for advanced chips. Key growth drivers include AI, cloud computing, 5G, and automotive electrification.

<https://www.tsmc.com/english>

Unleash Innovation

Technology is our cornerstone. Innovation is our passion.

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EVENTS

- ***Microsoft 365 Conference*** (April 21-23, 2026 Orlando, Florida) – Focuses on AI-powered workplace and Microsoft Copilot.
- ***GITEX Africa 2026*** (April 7–9, Marrakech, Morocco): Focusing on mobile technology, AI and the digital economy on the African continent..
- ***Connected America 2026*** (April 14-16, Dallas, TX): Technology, regulation, and the investment environment for next generation broadband
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