MARKET NOTE

TCS and AWS: Empowering Enterprises with AI

David Tapper Leslie Rosenberg Jeff Newton Stephen Elliot
Peter Marston

EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: TCS and AWS Empowering Enterprises with AI

This IDC Market Note provides details of TCS Analyst Day held in New York City on July 14, 2025. The event was focused on "powering intelligent architecture on AWS" and involved highlighting TCS' partnership with AWS, along with the portfolio of offerings supported by this partnership and several keynote speeches, customer panels, and demonstrations of TCS-AWS solutions. Some of the key topics of the event involved exploring the impact and use of AI-led modernization on enterprises, joint solutions to drive modernization of the enterprise, a partnered view of the future of cloud, and TCS' POV on the strategic approach to agentic AI.

Key Takeaways

- TCS highlighted the depth of its partnership with AWS that spans the full life cycle of services, a broad set of industries, and a vast set of credentials, along with key areas of strategic collaboration involving modernization through program Neo, VMware exit for SCA, and acceleration with SAP RISE.
- Emphasis was placed on TCS' AWS offerings stack strategy that is centered on three key building blocks involving purpose-led innovation, transforming business, and building the digital core, for which each building block is supported by an array of offerings.
- TCS showcased new solutions as part of its Adaptive AI Cloud Suite on AWS that involve mainframe modernization solutions and Java modernization hub and highlighted the TCS Adaptive AI Cloud Suite, which provides dedicated solutions to accelerate and govern enterprise cloud transformation.
- Strategic investments that TCS emphasized for cloud services include contextual and advisory-led solutions, the TCS-AWS solutions set of commercial/open source and indigenous tools and solution accelerators, industry-specific blueprints, and layered agentic architecture.
- TCS also provided its perspective on agentic AI, along with highlighting its agentic platform TCS AI WisdomNext that is designed to support the life cycle of services from planning through continuous improvement.

Source: IDC, 2025

September 2025, IDC #US53761525

IN THIS MARKET NOTE

This IDC Market Note provides details of TCS Analyst Day held in New York City on July 14, 2025. The event was focused on the "future of modernization powered by agentic AI" and involved highlighting TCS' partnership with AWS along with the portfolio of offerings supported by this partnership and several keynote speeches, customer panels, and demonstrations of TCS-AWS solutions. Some of the key topics of the event involved exploring the impact and use of AI-led modernization on enterprises, joint solutions to drive modernization of the enterprise, a partnered view of the future of cloud, and TCS' POV on the strategic approach to agentic AI.

Event Highlights

At the recent TCS-AWS analyst event held in New York on July 14, TCS articulated its partnership and investments with its partner AWS. The TCS Cloud Unit provides solutions for the customers' complex hybrid and multicloud AI and non-AI workloads by delivering a suite of offers that include TCS' public cloud provider partnerships, TCS Enterprise Private Cloud, and TCS' capabilities for designing, implementing, and managing IT infrastructure (datacenters, networking, workspaces, mainframes, and service management) across on-premises, colocated, and edge locations.

With an eye toward addressing its customers' technology, business, and operational pain points, the TCS Cloud Unit has identified solution offerings that are optimized for AWS environments (as highlighted at this conference) around three pillars, which include:

- **Purpose-led innovation:** Designed with an ecosystem approach for delivering holistic solutions
  - Example offers include HPC, quantum computing, satellite communications, 5G edge, sustainability, NextGen automation, and talk to search.
- **Business transformation:** Business model and process innovations delivering best practices across verticals with an eye toward hyper-personalization and new customer experiences
  - Example offers include data analytics, contact center, CCIM, and CDP.
- **Building infrastructure core:** Modernizing infrastructure, applications, and data; and migration of workloads to cloud for efficiency, elasticity, resiliency, and scale
  - Example offers include mainframe modernization, VDI, Java modernization, VM rationalization, cloud operations, and microservices for monolithic applications.

With AWS as its partner, TCS has developed an updated suite of solutions to enable its customers to accelerate their AI initiatives while taking into consideration the business, technology, and operational hurdles that organizations must address. Understanding that each customer will have varying levels of maturity, resources, technical expertise, and

business challenges, the company has developed a broad set of interrelated components that can be configured to meet customers where they are with the right resources to fill gaps and accelerate initiatives forward. These configurable elements consider market and technological dynamics such as cloud costs/FinOps, sustainability, data sovereignty, observability, security, governance, technical debt, and so forth.

TCS also highlighted its perspective on agentic AI. Leveraging its hybrid and multicloud capabilities, as well as its ecosystem for data, models, and agents, TCS discussed its concept for Connected Organization Intelligence (COI) for business transformation whereby organizations move from isolated data intelligence to cohesive ecosystems across the business. With the aim of helping organizations drive toward a faster path to value for their AI investments, business operations and technology operations are brought closer together, coupled with autonomously operating systems and leveraging humans to fine-tune the results. Specific offers included an enterprise AI playground for ideation and experimentation; AI labs to build and model POCs; an AI office/COE to stand up strategy, governance, engineering, and operations; and an enterprise AI platform to set up a foundation for data, models, and agents, including culture change.

IDC'S POINT OF VIEW

Strategic Alliances Rooted in Co-Innovation

Strategic alliances and partnerships are becoming increasingly common in the technology landscape, as they fundamentally accelerate growth, drive innovation, and expand market reach through enhanced competitive advantage in a fast-moving and constantly evolving landscape. Systems integrators like TCS and cloud providers like AWS collaborate with technology vendors to ensure best-in-class solutions for clients delivered as a trusted advisor for industry-specific solutions and scalable delivery. Strategic alliances are not just a business tactic but a necessity for technology partners seeking to lead and prosper in an ever-evolving digital ecosystem.

TCS has developed a cloud unit that is built on public cloud, private cloud, and IT infrastructure. TCS partners with AWS to deliver public cloud offerings, and TCS has built the TCS Enterprise Cloud, a private cloud aimed at the enterprise, providing IT infrastructure such as datacenters, workspace, network, collaboration, and service management.

The strategic alliance between TCS and AWS delivers to customers a strategic technology stack that is built on purpose-led innovation through solutions that deliver business outcomes and catalyze cross-domain innovation with platform play. TCS and AWS are transforming business models and driving process innovations through technology, connecting and personalizing customer experiences. By building a digital core, TCS and

AWS migrate workloads to the cloud for better elasticity, operational efficiency, and scale and by modernizing infrastructure, applications, and data, which are critical to deliver agentic AI at scale.

Infrastructure and Application Modernization: Moving Customers Forward for AI Production Use Cases

As part of the expertise and breadth of the TCS and AWS partnership, there was a focus on infrastructure and application modernization. TCS, as a premier AWS services partner with expertise across 21 competencies, showcased the depth and breadth of its modernization experience with AWS for application portfolio rationalization and cost optimization strategies; on-premises, hybrid, and public cloud modernization strategies; AI and agentic AI agent planning, implementation, deployment, and data strategies; and architecture and data gravity expertise. TCS has a dedicated AWS business unit, with over 700 AWS clients and 70,000 trained staff.

Across several industries, TCS promoted its ability to modernize operations, infrastructure, and applications for customers through AI-powered cloud transformation services and contextual, industry-specific innovation. TCS often tailors client solutions on AWS technologies, using streamlined migration tools, governance guardrails, automation, and support for industry customization and unique compliance requirements. TCS showcased AI-powered architectures and agentic agents that offer a pathway toward the future of intelligent processes that can drive productivity, optimization, speed, and accelerated decision-making across operations, application, and development teams.

For technology executives, modernization continues to be a core transformational opportunity as the multicloud world continues. As AI is the new UI, executives should understand the critical success factors between modernization efforts and agentic AI agents, data, architecture, governance, and security. The roles of development and operations teams are also critical, as AI-led modernization efforts require these teams to engage in the process, enable business value, and reduce business and technology risks throughout the agent life cycle.

Hybrid and Multicloud IT Consulting Strategies in Support of AI Initiatives

TCS is an established provider of hybrid and multicloud solutions for enterprise customers, with developed thought leadership, methodologies, ecosystem partners, tools, and best practices, including FinOps, varied pricing models, and sustainability capabilities for providing consistent experiences globally. TCS can leverage these assets to provide consulting and integration services across public, private, colocated, and edge locations to provide data, infrastructure, and integration services in support of the customers' AI/GenAI and agentic AI initiatives. As part of the offering, TCS highlighted the evolution of its TCS AI

WisdomNext, an agentic platform for guiding customers through their agentic AI journey encompassing strategy, planning, technology solution selection, deployment, integration, scaling, and continuous improvement with agentic capabilities embedded to accelerate the AI journey.

These tools are examples of how TCS is leveraging AI and agents to fundamentally change consulting and integration services and the service delivery experience for its customers. IDC believes that customers will come to expect these innovations as part of their engagements, thereby improving design and configuration, derisking implementation, and accelerating time to value. In addition, these new AI-enabled services driven by telemetry data coupled with TCS' own data (reference architectures, blueprints, TAC insights, and partner data) should allow for better and more actionable insights across all infrastructure to drive improved performance, uptime, and advantage. And more importantly, an opportunity for TCS' consulting and customer success teams to continuously re-engage with their customers to ensure that their IT strategies and IT architecture, while significantly more automated or even autonomous, are tightly aligned with the objectives of the business, illustrating that humans are an essential part of the engagement.

Modernization, AI, and Agility: TCS' Strategy for Evolving Application Services Needs

IDC has observed that the application services market is being shaped by rapid hybrid multicloud adoption, accelerated legacy modernization, and AI-driven enterprise transformation. As a result, IDC has found that many buyer organizations are facing mounting cloud migration backlogs as well as growing needs for modernizing legacy systems to narrow tech debt.

During the event, TCS shared that it too has been observing similar conditions within its clients and prospects. To support client and prospect needs for AI and modernization, TCS is leveraging hyperscaler partnerships and supporting VMware transitions through its cloud unit, with more than 53,000 AWS certifications and 21 AWS competencies. TCS offers AI-led microservices design, cloud-native service, and modernization approaches such as refactoring, rehosting, rewriting, and data estate transformation, and the provider is standing up strategic collaborative agreements with AWS like Program Neo, combined with high certification volumes and deep industry experience, to deliver modernization at scale while meeting diverse client needs.

Economic volatility, rising cloud costs, and geopolitical uncertainties are pushing clients to seek cost-efficient, adaptive application architectures, and TCS is responding to those client demands with FinOps, observability, and modular, cloud-native designs that balance scalability, flexibility, and risk control. Agentic AI is becoming a critical enabler for TCS, helping TCS transform workflows for clients, reimagine value chains, and accelerate time to market. TCS' AI approach spans experimentation, prioritization, scaling, and adoption, using

industry-specific use case libraries to speed execution. Moreover, through partnerships with hyperscalers like AWS, TCS is developing composable AI frameworks and orchestrating multiagent systems to drive agility, cost leadership, operational resilience, and personalized AI-powered user experiences for its clients.

Pursuing Strategic Investments with Public Cloud Providers to Optimize Opportunities with Managed Public Cloud Services

When it comes to managed public cloud services, a subset of the managed cloud services market, collaboration between managed service providers (SPs) such as TCS and public cloud providers that include hyperscalers such as AWS is a necessity for managed SPs to optimize market share. The need for managed SPs to utilize this type of partnership is to ensure capturing opportunities in the managed public cloud services market, which will grow to $50.8 billion by 2028, representing an annual growth rate of 18.0%. Critical factors that are key in leveraging opportunities for managed public cloud services, which TCS highlighted as part of its investments in working with AWS, involve the use of AI, resiliency, sustainability, and governance (see *Worldwide Managed Cloud Services Forecast, 2024–2028: An Extraction View of Technology Outsourcing Services Markets*, IDC #US51494624, July 2024).

IDC research shows that TCS' approach to working with public cloud providers such as AWS aligns with the value that enterprises place on partnerships between managed SPs and hyperscalers. To begin with, enterprises do view the need for managed SPs to partner with public cloud providers as a paramount requirement and that in partnerships between managed SPs and public cloud providers, primary roles of managed SPs should be focused in managing assets (hardware, software) hosted on or procured from public cloud provider platforms, providing value-added capabilities that public cloud providers don't deliver (e.g., migration, analytics), and optimizing financial management of public clouds (FinOps), to name a few. However, enterprises also indicate how they view public cloud providers as an alternative to using managed cloud services for some key areas, which requires managed SPs to work closely with their hyperscaler partners in defining how best to align which competencies and capabilities should be assigned to the right partner so that the collective effort can ensure achieving the optimal outcome for customers.

When it comes to AI, enterprises' primary objectives when used with managed cloud services, whether involving private, public, or hybrid clouds, are to enable more efficient IT operations and align consumption of IT with individual (role-based) needs, factors that TCS highlights in transforming business and building the digital core. When it comes to utilizing managed cloud services for resiliency, firms view sovereign clouds as a means of achieving this objective, particularly in the case of geopolitical instability (e.g., war/conflicts, trade wars), as well as using public clouds with these services as a means of achieving

sustainability, all of which aligns with the need for a multicloud strategy — another feature of TCS' adaptive enterprise focus. Finally, supporting public clouds with managed cloud services increasingly requires robust governance, which must include FinOps, use of a multicloud management platform (control plane) to manage across all IT and cloud resources, and operations and performance management (SLAs), for which these capabilities are supported by different platforms TCS utilizes in conjunction with AWS.

LEARN MORE

Related Research

- *Strategic Alliances Leadership Council Ecosystem Alliances in the AI Era: Strategic Alliance Framework v2.0* (IDC #US53638425, June 2025)
- *Managed Public Cloud Services: Value of Public Cloud Providers When Partnering with Managed Service Providers* (IDC #US53354625, May 2025)
- *Building New Foundations for Services Engagement in the Agentic AI Era: Impacts and Opportunities 2025–2027* (IDC #US53389325, May 2025)
- *IDC MarketScape: Worldwide Hybrid IT Infrastructure Consulting and Integration Services 2025 Vendor Assessment* (IDC #US53312825, April 2025)

Synopsis

This IDC Market Note provides details of TCS' Analyst Day held in New York City on July 14, 2025. The event was focused on "powering intelligent architecture on AWS" and involved highlighting TCS' partnership with AWS, keynote speeches, customer panels, and topics spanning AI, modernization, and cloud.

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com