

AWS Study: Generative AI Adoption Index

Insights on organizations in India

Generative Artificial Intelligence (AI) refers to a category of AI algorithms that generate new outputs based on the data the algorithms have been trained on. Unlike traditional AI systems that are designed to recognize patterns and make predictions, generative AI creates new content in the form of images, text, audio, and more.

This report illustrates the emerging characteristics of the generative AI wave and provides critical insights on what business leaders and policymakers must focus on in order to best harness it. Findings show that organizations will prioritize spending on generative AI tools followed by security in their 2025 IT budgets. Alongside this, a new class of C-suite leaders – Chief AI Officers (CAIOs) – will lead the generative AI transformation. While organizations are adopting and experimenting actively with generative AI, the shortage of skilled talent poses challenges in moving these experiments to production. To address this, organizations are focusing on training existing employees and hiring new talent. Out-of-the-box AI models are anticipated to be highly valued, with the partnership between third-party vendors and in-house teams being critical in their successful deployment.

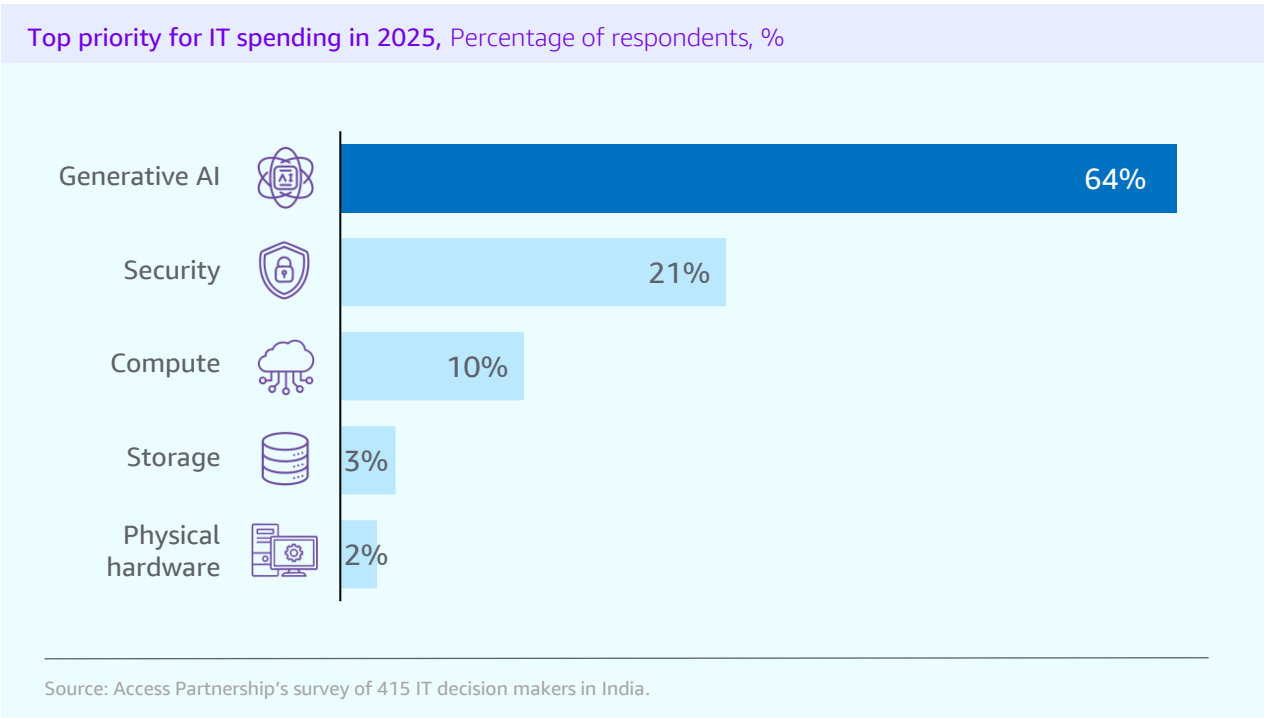
These findings were from a survey conducted by Access Partnership in collaboration with Amazon Web Services (AWS). IT decision makers involved in technology investment, and implementation at more than 3,739 organizations across nine countries – the United States of America (US), Brazil, Canada, France, Germany, Japan, India, South Korea, and the United Kingdom (UK) were surveyed. In India, 415 IT decision makers were surveyed.

1

Organizations prioritize generative AI followed by security spending in 2025

Generative AI tools top budget priorities for organizations in India in 2025. 64% of IT decision-makers surveyed ranked generative AI tools as their top budget priority for 2025, followed by security solutions (21%) and other areas of IT spending (Exhibit 1). This reflects the strong focus of businesses on harnessing the benefits of AI-driven innovation. When evaluating generative AI tools, advanced capabilities are the top priority for both organizations that face low oversight (69%) and those that face high levels of oversight (81%). Interestingly, a significantly higher proportion of organizations that face a high level of oversight (60%) – for example, those in the financial services sector – value privacy and security as compared to those who face lower levels of oversight (49%). Strong security features are emphasized to comply with stringent safety and regulatory requirements in highly regulated sectors.

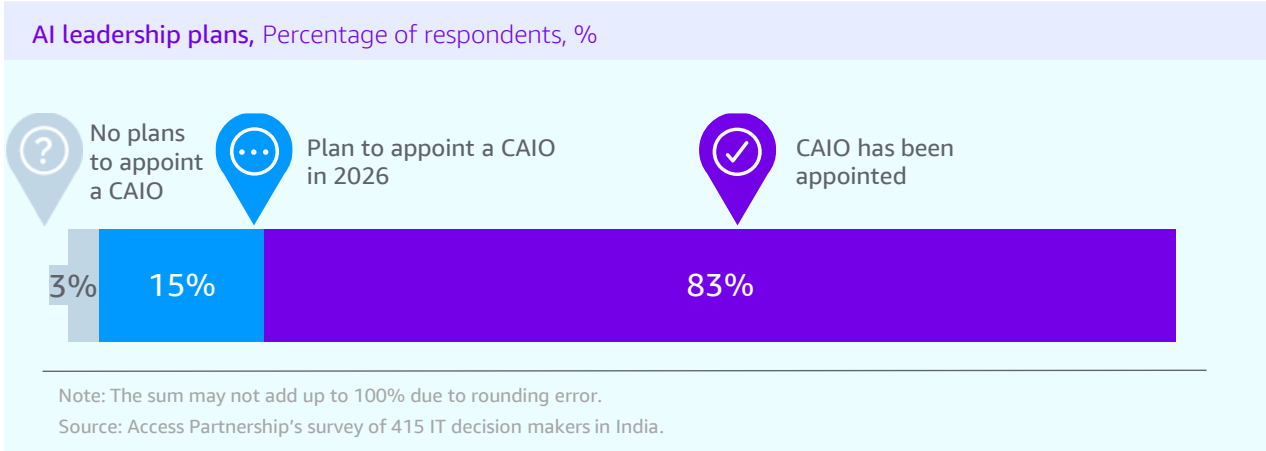
EXHIBIT 1 Organizations prioritize spending on generative AI followed by security



2 The rise of the Chief AI Officer (CAIO)

Generative AI is creating a new class of C-suites who will drive change in businesses. As generative AI becomes embedded in the workplace, organizations are establishing new C-suite roles focused on AI strategy to stay competitive and meet rising demand for dedicated AI leadership. In India, 8 in 10 organizations have already appointed a Chief AI Officer (CAIO) to lead their AI efforts, with another 15% planning to do so in 2026 — signaling a decisive shift toward AI-driven transformation at scale (Exhibit 2). While 75% of organizations do not have a change management strategy to help employees navigate a future shaped by generative AI today, that number is expected to drop to 9% by the end of 2026. This highlights the growing recognition of AI as a transformative technology that requires strategic leadership at the highest levels and a structured approach to change management.

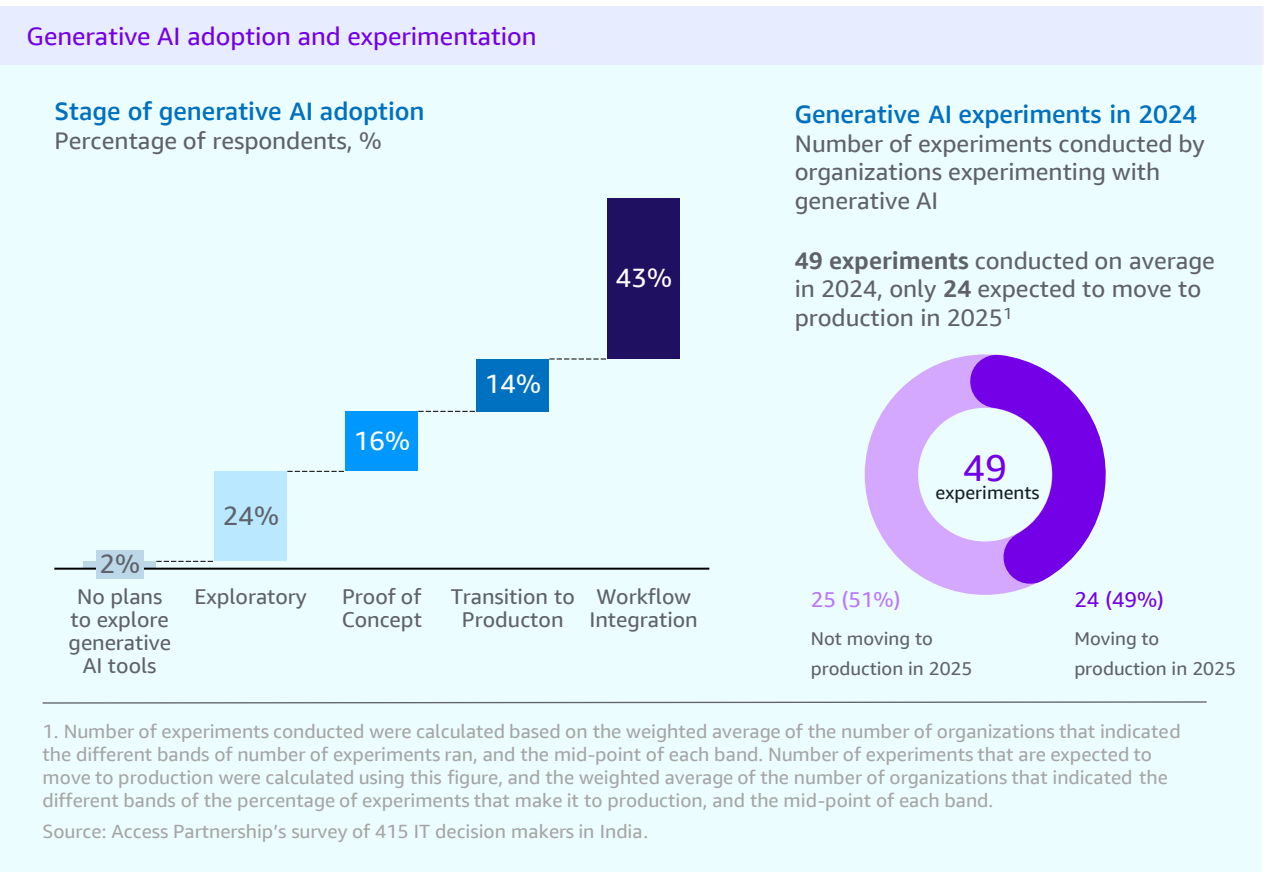
EXHIBIT 2 8 in 10 organizations have already appointed a CAIO



3 From experimentation to full integration – organizations are charging ahead

43% of organizations in India have fully integrated generative AI into their workflows — reflecting the country's accelerating embrace of AI-powered transformation at scale. Along with those fully integrated, generative AI adoption in India is near-universal — 98% of organizations are using generative AI tools, with 95% actively experimenting to unlock new applications. Only 2% of organizations have no plans to explore generative AI tools. Out of the 49 generative AI experiments conducted by organizations on average in 2024 to test and refine generative AI solutions, 24 experiments on average are expected to move to production in 2025 (Exhibit 3). The top challenge hindering organizations' progress is the shortage of workers with generative AI skills.

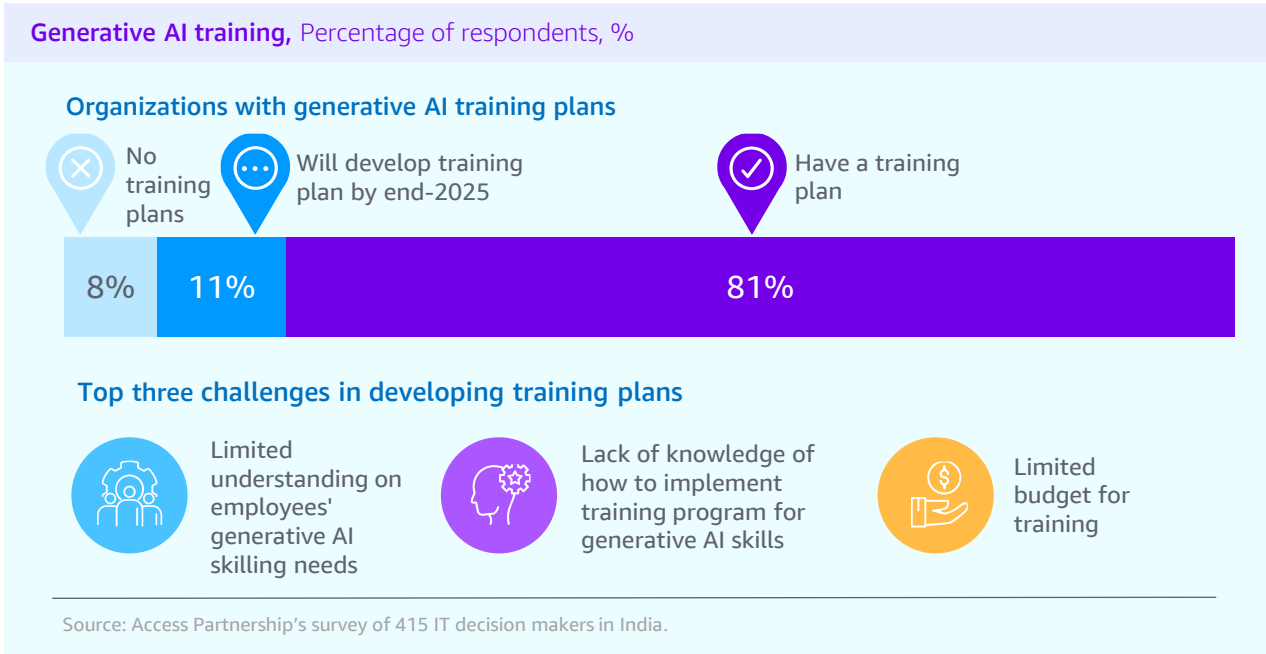
EXHIBIT 3 While organizations are adopting and experimenting with generative AI, talent is a constraint



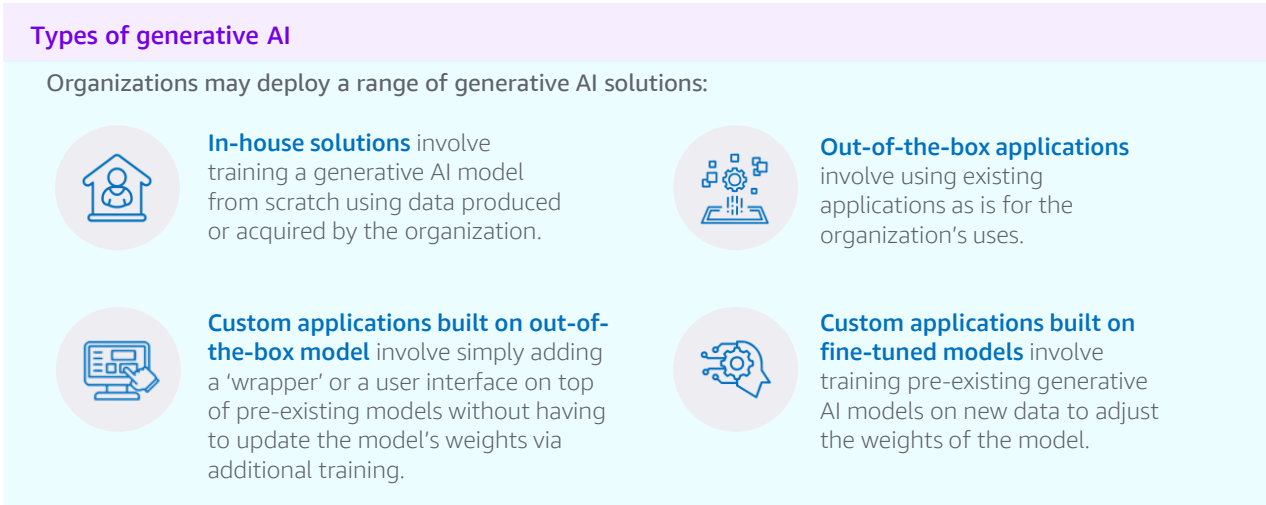
4 Bridging the generative AI talent gap – upskilling and hiring in 2025

To bridge the gap between experimentation and full-fledged deployment, organizations want to train and hire generative AI talent. Today, 81% of organizations in India have developed generative AI training plans. A further 11% will develop one by the end of 2025 (Exhibit 4). However, some challenges are expected. The biggest challenges cited by IT decision makers in the development of training plans are a limited understanding of employees' generative AI skilling needs, a lack of knowledge of how to implement training programs, and budget constraints. Given these challenges, training alone is unlikely to fully meet skill demands. As a result, in India, the demand for talent with generative AI skills will be ubiquitous, with 99% of organizations in the country expecting to hire for roles that require generative AI skills in 2025.

EXHIBIT 4 Organizations are planning to train generative AI talent, but face challenges



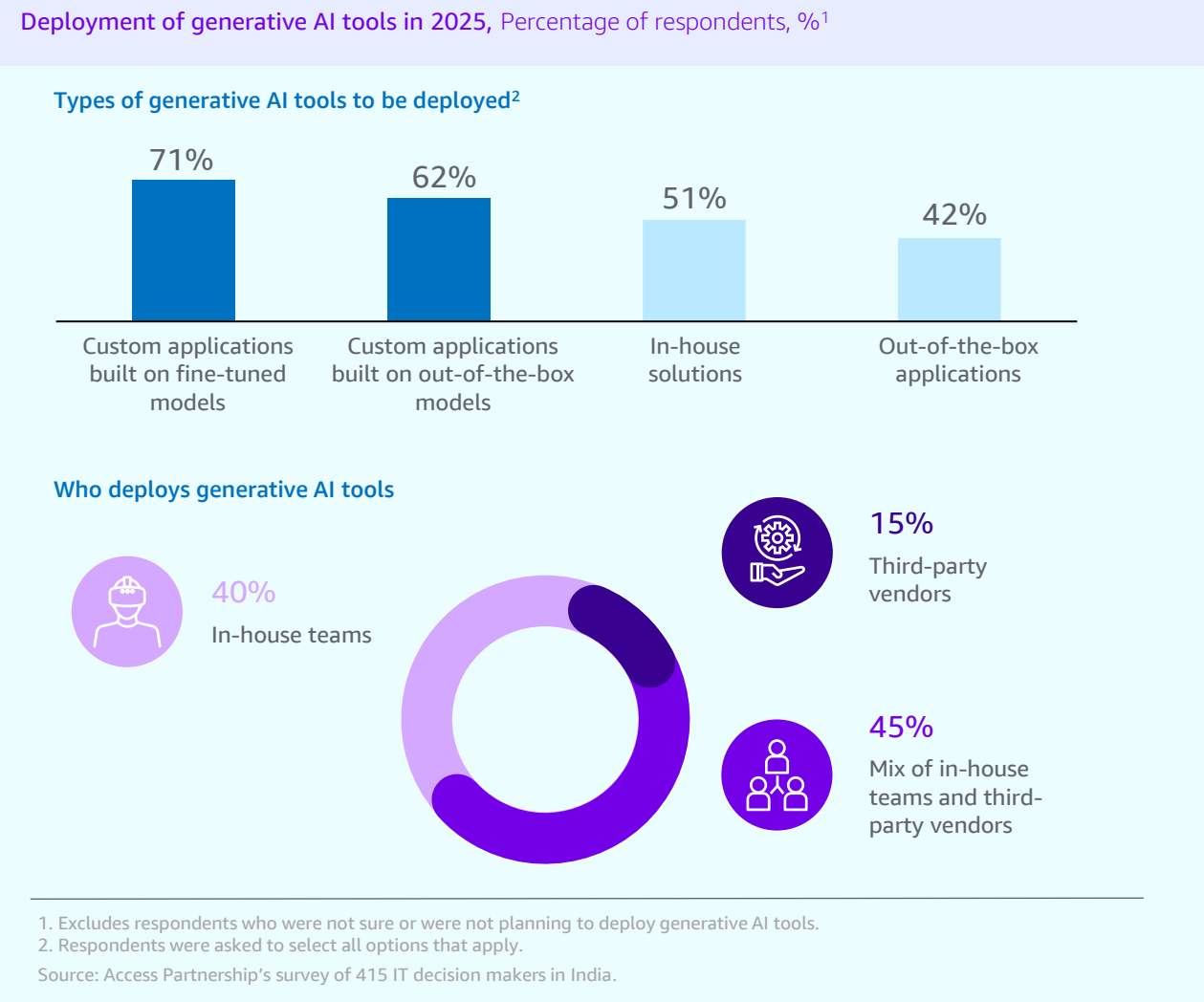
5 Build vs Buy – organizations take a blended approach



Most organizations will depend on pre-existing models but the desire for customization is evident. Most organizations will build and deploy custom applications with organizations predominantly planning to leverage fine-tuned models (71%) followed by out-of-the-box models (62%) (Exhibit 5). This reflects a growing preference for models that can be tailored to meet specific business needs while still leveraging the efficiency of pre-built solutions.

Strong partnership between external vendors and in-house teams is key to accelerating generative AI deployment. 15% of organizations deploying generative tools in 2025 intend to solely rely on external vendors teams for deployment, while 45% plan to rely on a mix of in-house teams and third-party vendors (Exhibit 5). This highlights the increasing focus on developing internal capabilities in tandem with strengthening external partnerships. By harnessing both internal and external resources, organizations can strike a balance between rapid, flexible deployment and maintaining strategic alignment with their broader goals.

EXHIBIT 5 Partnerships between third-party vendors and in-house teams will be critical



Conclusion

Generative AI is set to reshape the competitive landscape for organizations in India, with the rise of CAIOs reflecting a growing commitment to dedicated AI leadership. While interest in generative AI continues to accelerate, closing the talent gap will be key to unlocking its full potential. Organizations are responding by investing in both talent development and generative AI tools. To successfully deploy customized solutions at scale, it will be vital for organizations in India to build strong internal capabilities while deepening external partnerships. Ultimately, a clear and structured strategy will be critical for organizations seeking to integrate generative AI effectively and realize its full value. The key tenets: establish clear AI leadership, prioritize workforce readiness, and select scalable solutions that can be customized to meet unique operational needs to maximize long-term value.