

Hype vs Reality: Agentic AI in Today's Dealership

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Hype vs. Reality: Agentic AI in Today's Dealership

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Why this conversation now

- Dealer investment in AI is accelerating
- Confusion still exists between buzzwords and real impact
- Control, trust, and outcomes matter more than experimentation

AI INVESTMENT – DEALERS

63%

Investing in AI
now is critical for
long-term business success

Source: 2024 Evolving Consumer, 2025 Consumer Market Update, 2025 AI Readiness in Automotive Retail Study // © 2025 by Cox Automotive, Inc. All rights reserved.

Who you'll hear from



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Setting the Stage: Agentic AI & the Opportunity Ahead



AI is no longer optional – but it's also not magic.

- ✓ AI adoption is focused on *efficiency*, not replacement
- ✓ Most use cases today are *assistive*, not autonomous
- ✓ The biggest gains come from *reducing friction*, not people

81%

Say AI implementation was easier than expected

3 in 5

dealers are just starting to explore or test AI

Only
15%

have AI integrated into workflows or decision-making

What do we mean by "Agentic AI"?

Agentic AI:

Autonomously execute complex tasks without step-by-step instructions.

Agentic AI vs. "basic" AI



Basic AI

- Responds to prompts
- Single-task focus
- Reactive



Agentic AI

- Plans & executes
- Works across systems
- Goal-oriented

Why agentic matters for dealerships



Dealerships run on high-volume, time-sensitive workflows



Speed + accuracy = profit protection

Where agentic AI *actually* works today

- ✓ 24/7 lead engagement
- ✓ Service scheduling & follow-up
- ✓ Used vehicle remarketing & pricing

Most common use cases among dealers already seeing improved profitability with AI:

78%

use it to engage customers 24/7 via chat, text, or email

66%

use VIN-specific pricing / probability insights

63%

automate personalized marketing

Source: 2025 AI Readiness in Automotive Retail Study // © 2025 by Cox Automotive, Inc. All rights reserved.

Cultural adoption matters as much as tech

- ✓ Adoption works best in small, measurable steps
- ✓ AI should improve performance – not threaten team roles
- ✓ Education and trust comes FIRST.

Dealers with a **strategic AI** plan are:

1.2x

more likely to rate
performance as strong

1.4x

more likely to rate
efficiency as strong



Source: 2025 AI Readiness in Automotive Retail Study //
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How Cox Automotive is approaching agentic AI

- ✓ Embedded into existing dealer workflows
- ✓ Designed to support decisions, not replace them
- ✓ Focused on control, transparency, and outcomes

Trust in AI comes from
knowing where the data comes from

Clean, connected data drives
confidence and adoption

How consumers are using AI today

- ✓ Consumers are using AI to compare, research, and evaluate
- ✓ Transparency and data quality matter more than SEO tricks
- ✓ Dealer content feeds AI decision-making



AI USERS

84%

Satisfaction with overall shopping experience

VS.



NON-USERS

71%

Satisfaction with overall shopping experience

From Concept to Practice: AI in the Dealership



The biggest operational wins we're seeing

Faster response + fewer missed opportunities

Better use of data dealers already have

More consistency in pricing and appraisals

Less manual work in high-volume workflows

What it looks like



Embedded in existing dealership workflows (*CRM, inventory, DMS, comms tools*)



Supporting decisions and follow-up, NOT running the store



Often invisible to shoppers, but critical behind the scenes

The realistic adoption curve



Start where AI saves time without changing how teams work



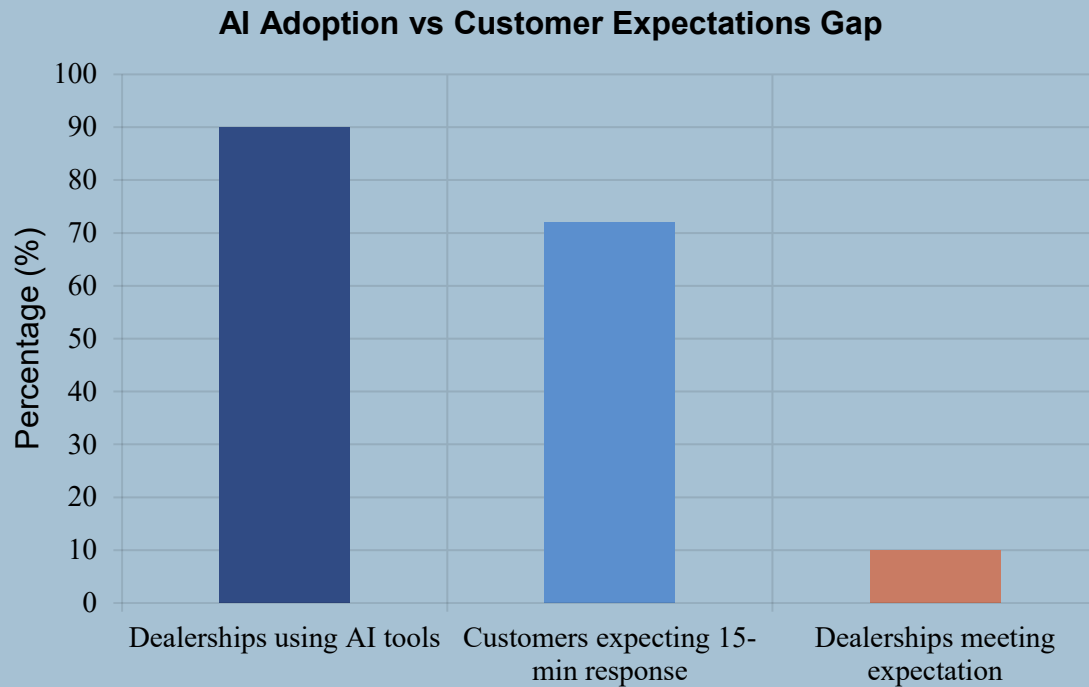
Adoption sticks when teams have visibility and clear ownership



The most success comes from pacing rollout and building confidence over time

AI in the Automotive Industry: Transforming Customer Engagement

How Artificial Intelligence is Reshaping the Customer Journey from First Click to Final Sale



Source: [AI In The Global Automotive Industry Statistics](#)

The AI Revolution is Already Here

- 90% of U.S. dealerships have adopted AI chat and messaging tools to handle increasing customer demands [\[1\]](#)
- 72% of customers expect response within 15 minutes, yet only 10% of dealerships meet this without AI [\[1\]](#)
- AI-driven automation delivers 50% efficiency gains in lead management, freeing staff for high-value interactions [\[1\]](#)
- Nearly 40% of dealers actively utilize AI, with 77% integrating AI tools for measurable impact [\[6\]](#)

How Customers Use AI to Search and Research Vehicles

82%

of shoppers research online before visiting dealerships [14]

84% vs 68%

satisfaction with AI tools vs traditional methods [14]

43%

spike in LLM-driven website traffic in September 2025 [2]

- AI recommendation engines analyze browsing behavior and preferences to match customers with precise vehicle configurations [14]
- Large language models became major referral sources for dealerships in 2025, with 43% monthly increase in September [2]
- Virtual configurators enable customers to explore customization options without requiring initial dealership visits
- Predictive analytics reduce decision fatigue by anticipating customer needs based on browsing patterns [14]



AI Chatbots and Conversational Intelligence



21x

more likely to qualify a buyer responding within 5 minutes [\[13\]](#)

3-4x

more qualified leads with conversational AI [\[13\]](#)

60%

of leads unanswered in first hour without AI [\[13\]](#)

- Responding within 5 minutes makes dealerships 21 times more likely to qualify a buyer, and conversational AI captures 3-4 times more qualified leads than traditional methods [\[13\]](#)
- AI chatbots handle 60% of initial customer inquiries, providing instant responses 24/7 and significantly reducing response time from 45 minutes to under one minute [\[1\]](#)
- 100% of dealerships that implemented AI reported revenue increases over the past year, with 37% seeing 20-30% revenue growth directly attributed to AI tools [\[3\]](#)

AI Voice Assistants and Phone Automation

35% higher

test-drive booking rates with AI voice assistance [\[13\]](#)

- AI-powered phone systems handle after-hours calls and overflow traffic, operating continuously to capture every opportunity [\[12\]](#)
- 74% of dealerships identify AI voice agents as top priority for investment in lead response and service scheduling [\[7\]](#)
- Voice AI increases test-drive booking rates by 35%, freeing advisors for high-value customer interactions [\[13\]](#)
- Communication failures appear in 36.8% of negative reviews; AI addresses issues that drive 82% of customers away [\[12\]](#)

Greeting

AI answers calls and chats 24/7, identifies customer needs instantly through natural language processing



Qualification

Collects vehicle preferences, service requirements, and availability while maintaining conversational flow



Scheduling

Checks real-time calendar availability and confirms appointments instantly without staff intervention



Confirmation

Sends automated text and email notifications with complete appointment details and next steps

Marketing AI: Strategic Analysis and Outreach Automation

7–8 calls

now required vs 4 calls decade ago to reach clients

25–30%

increase in conversion rates with AI personalization ^[1]

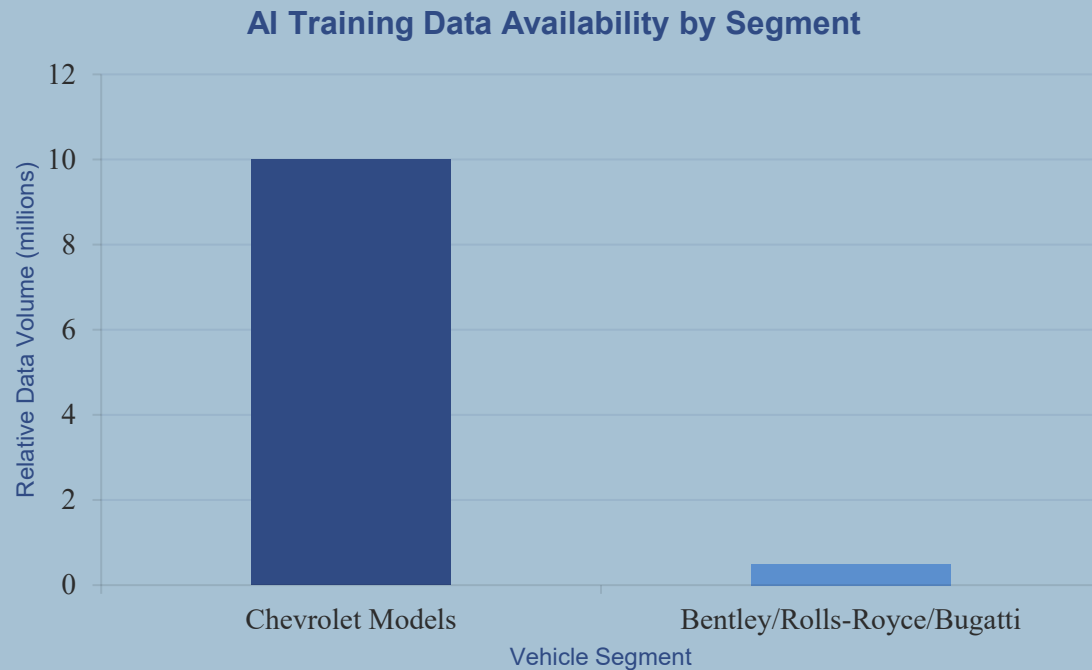
- ChatGPT Pro and Claude AI Pro analyze website traffic and sales metrics to surface hidden patterns
- AI-powered personalization increases conversion rates by 25–30% through targeted campaigns ^[1]
- AI automates overnight lead generation by identifying customers overdue for service
- AI provides unbiased perspective on daily data, identifying blind spots in strategic planning



AI Technology Stack at Fertitta Automotive

- Podium AI serves as primary CRM for internet leads and AI BDC agent during after-hours and holidays, with completely different tone and escalation protocols for each store
- Pam AI handles after-hours reception at Post Oak Motors, provides overflow coverage, and schedules service appointments autonomously with natural language processing
- Intelaigents AI provides photo imaging for both stores to enhance vehicle listings and marketing materials, though requires more oversight for rare luxury models with limited training data
- ChatGPT Pro and Claude AI Pro used for strategic analysis, data interpretation, and advertising optimization, analyzing patterns that daily familiarity causes humans to overlook

Ultra-Luxury AI Challenges: Limited Training Data



- AI excels with Chevrolet models due to millions of training examples available globally, enabling accurate recommendations and pricing
- AI struggles with Bentley, Rolls-Royce, and Bugatti due to scarce global data with only hundreds of examples
- AI cannot differentiate critical model year distinctions for ultra-luxury vehicles, causing incorrect part recommendations
- Podium AI frequently mispronounces "Bugatti Chiron" as "Kairon" rather than proper French pronunciation

The Future of AI in Automotive Engagement

2024–2025 Experimentation

Pilot programs with chatbots, initial voice AI testing, isolated department implementations

2026 Core Infrastructure

76% budget increases, unified platforms, voice agents as priority, AI across full customer journey

2027–2028 Maturity

Predictive analytics, seamless omnichannel, transparent AI with human handoff protocols established

2029–2030 Autonomous Operations

AI handling 85% of interactions, real-time diagnostics, fully personalized experiences at scale

76%

of U.S. dealerships plan to increase AI budgets in 2026 [\[7\]](#)

81%

of dealers who adopted AI plan budget increases for 2025 [\[4\]](#)

- 76% of U.S. dealerships plan to increase AI spending in 2026, with 74% identifying AI voice agents as top priority [\[7\]](#)
- AI adoption in 2025 increased showroom appointments 25-30% and reduced BDC operating costs 33% [\[7\]](#)
- By 2028, 80% of automotive sales will involve AI providing real-time buyer insights and financing preferences [\[9\]](#)
- Gartner predicts 85% of customer interactions handled without human agents, freeing teams for high-value tasks [\[10\]](#)

Key Lessons and Strategic Recommendations

72%

of dealers see AI as job enhancement, not replacement [3]

68%

of early adopters report measurable AI benefits [4]

55%

revenue increase for dealerships implementing AI comprehensively [3]

- Start with high-impact, low-risk use cases like missed call capture and after-hours service scheduling before expanding to complex sales interactions
- Some AI platform requires fundamentally different tone, escalation protocols, and quality control for domestic versus ultra-luxury brands
- Voice AI excels at transactional service scheduling across all segments but needs human oversight for premium brand sales interactions
- 72% of dealers strongly agree AI enhances performance without replacing employees, with greatest value as strategic analysis partner [3]

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Q&A

What questions are you asking about AI in your dealership today?



Thank you!

Connect with us!



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