# Working Harder Is No Longer Enough to Win.

*An AI Roadmap for Dealers Building Internal AI Capability*

***"Now, here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!"***

*— The Red Queen, Through the Looking-Glass*

Lewis Carroll wrote those words in 1871. He was describing a world where the ground moves beneath you — where running at your current pace means falling behind. The Red Queen Hypothesis, borrowed by evolutionary biologists, describes precisely what automotive retail faces today.

**Your competitors are not waiting.** While you debate whether to adopt AI, they are deploying it. While you evaluate vendors, they are optimizing. The race is not to those who work hardest — it is to those who evolve fastest.

This roadmap helps you stop get ahead instead of just working harder.

NOW IS LATE

# The Case for Internal AI Leadership

he pattern is consistent: impressive demos, misaligned incentives, and consequences that surface in the wrong department months later.

The solution is not better vendors. It is internal AI competency — someone who owns your AI strategy, evaluates claims against evidence, and connects decisions to outcomes across departments. We call this role the **AI Manager**.

This roadmap provides the structure for building that capability. It covers Sales, Service, and Administrative functions — not as separate silos, but as interconnected systems where AI decisions cascade across the organization.

> ***The dealerships that win will not be those with the most AI tools. They will be those who deploy AI with strategic intent — knowing which problems to solve, in what sequence, and how measurements affect changes. Most importantly, who is in charge of the initiative?***

# Phase 1: Foundation

Before deploying any AI, establish the foundation. Rushing past this phase is why most AI initiatives fail.

## Appoint the AI Manager

This is not a technical role. The AI Manager needs:

- Cross-departmental visibility (Sales, Service, F&I, BDC, Marketing)
- Ability to evaluate evidence over hype — asking what research supports vendor claims
- Translation skills between technical and operational teams
- Ownership mentality — the AI roadmap is theirs, not the vendor's

The AI Manager reports to executive leadership with clear accountability: Are AI investments delivering measurable outcomes? If not, why?

## Inventory Current State

Most dealerships run 40+ software systems. Many already contain AI features — often underutilized or misconfigured. Before buying new AI:

- Catalog every vendor tool currently in use
- Identify which already include AI capabilities
- Assess utilization: Are AI features active? Trained? Measured?
- Map data flows: What information moves between systems?

The Red Queen's lesson: You may already have capability you are not using. Running faster means optimizing what exists before adding complexity.

## Define Success Metrics

AI vendors pitch volume metrics — conversations started, leads generated, emails sent. These are activity metrics. What matters are outcome metrics:

| Activity Metric | Outcome Metric |
|---|---|
| Chat conversations started | Showroom appointments set |
| Leads captured | Leads that close |
| Emails sent | Responses that advance deals |
| Service reminders sent | ROs generated |
| AI interactions | Customer satisfaction scores |

# Phase 2: Sales Department

Sales is where AI either proves its value or erodes trust. Get this right first.

### Customer Engagement AI

The highest-stakes AI decision. The companion brief detailed how masquerading chatbots and lead-capture-focused AI destroyed customer trust. The alternative:

#### Skilled AI with Memory

AI that identifies itself honestly, answers specific questions with specific answers, and earns the right to ask for contact information by providing value first.

**Evaluation questions:**

- Does the AI answer questions or deflect to sales staff?
- How does it identify itself when asked if it is human?
- What is the ratio of value provided to information requested?
- Can you test it with adversarial questions before buying?

**Lead response and follow up questions:**

- How important is lead response time to you?
- What are the OEM rules for what “stops the clock?”
- What happens when a customer engages with your staff
- Do you want follow up to persist after the lead is dispositioned in your CRM?

# Phase 3: Service Department

Service is the retention engine. AI here compounds customer lifetime value.

### Appointment Scheduling AI

Conversational scheduling that handles the 40% of service calls that are simple appointment requests — freeing advisors for consultative work.

- Natural language scheduling: "I need an oil change Tuesday morning"
- Capacity optimization: Balancing technician workload and customer convenience
- Multi-channel: Phone, chat, text — consistent experience
- Integration: Direct write to DMS appointment schedule

### Predictive Maintenance Outreach

AI that knows when a customer's vehicle is due for service — and reaches out before they remember to call. Proactive, not reactive.

- VIN-specific service intervals, not generic reminders
- Customer communication preference matching
- Recall and campaign awareness integration
- Declined service follow-up sequencing

### MPI Presentation & Upsell

AI-assisted multi-point inspection presentation — visual, clear, and trust-building rather than pressure-driven.

- Video or visual inspection documentation
- Prioritized recommendation sequencing (safety first)
- Price transparency before advisor conversation
- Digital approval workflow reducing check-in friction

# Phase 4: Administrative Functions

The invisible infrastructure. AI here reduces friction and frees human attention for judgment-intensive work.

### Document Processing & Compliance

AI that reads, extracts, and validates documents — from deal jackets to title work to compliance audits.

- Deal packet completeness validation
- Compliance flag detection (Red Flags Rule, OFAC, privacy)
- Data extraction from scanned documents
- Audit trail documentation

### Financial Reporting & Forecasting

AI-assisted financial analysis that surfaces anomalies, predicts cash flow, and identifies operational patterns.

- Daily financial health dashboards
- Anomaly detection in expense patterns
- Cash flow forecasting
- Departmental profitability analysis

### HR & Training Support

AI that supports employee onboarding, policy questions, and training reinforcement — consistent, available, and documented.

- New hire onboarding assistance
- Policy and procedure Q&A
- Training content recommendation
- Performance pattern identification

# The Red Queen Imperative

The Red Queen's world punishes stillness. In automotive retail, 2026 is the year the ground shifts beneath dealers who have not built AI competency.

**63%** of dealers recognize that investing in AI now is critical for long-term success. Yet **78%** are not sure how to effectively use predictive data — the very foundation AI runs on.

This gap is your competitive opportunity — or your existential risk.

***"AI does not create clarity. It punishes the lack of it."***

*— Todd Smith, QoreAI / The Intelligent Dealership*

The dealers who thrive will not be those who adopted AI first. They will be those who adopted it correctly — with internal ownership, evidence-based evaluation, and strategic sequencing.

Working hard is not evolution.

Initial Assessment Guide
Before engaging vendors or drafting budgets, answer these questions honestly. They form the foundation of your AI strategy conversation.

Use this assessment in preparation for a discovery conversation. The answers will shape where to begin and what to prioritize.

## Leadership & Ownership

- **Who currently makes AI and technology purchasing decisions?**
  - Is there a single point of accountability, or is it diffused?
  - Do they have visibility into all departments affected?

- **What AI tools have you purchased in the last 24 months?**
  - Which are still active? Which were abandoned?
  - What was the evaluation process?

- **When an AI investment disappoints, who owns the consequence?**
  - Is it the person who approved the purchase?
  - Or does blame diffuse across departments?

## Sales Operations

- **What is your average response time to new leads?**
  - Does it differ by source or time of day?
  - How do you know?

- **What percentage of your web leads convert to showroom visits?**
  - Has this changed in the past 12 months?
  - Do you attribute by source?

- **How do you currently prioritize leads for sales staff?**
  - Is it first-in-first-out, or intelligence-based?
  - Can you prove the current method works?

## Service Operations

- **What percentage of service appointments are scheduled digitally vs. phone?**
  - Is phone volume a capacity constraint?
  - What happens to after-hours requests?

- **How do you currently handle declined service recommendations?**
  - Is there a follow-up sequence?
  - Do you track capture rate on re-engagement?

- **What is your service absorption rate trend?**
  - Is it improving, declining, or flat?
  - What interventions have you tried?

## Administrative & Back Office

- **How many hours per week does your office spend on manual data entry?**
  - Between which systems?
  - What is the error rate?

- **When was your last compliance audit finding?**
  - Was it process or documentation failure?
  - How was it remediated?

- **How do you currently forecast cash flow?**
  - Spreadsheets, DMS reports, or intuition?
  - How accurate has it been?

# Start the Conversation

Now is Late helps dealer groups design AI department structures, evaluate vendor claims against evidence, and build roadmaps that connect AI investments to measurable outcomes.

We do not sell AI software. We do not take vendor referral fees. Our incentive is aligned with yours: get the AI decision right the first time.

Complete the assessment guide above. Then schedule a discovery conversation with **Lane Campbell** to discuss what your AI roadmap should look like.

Contact: lane@nowislate.com

NOW IS LATE