

As AI tools multiply, auto retail tech leaders say the underlying data will decide the winners

Artificial intelligence tools are only as effective as the information they draw from, putting the importance of data squarely in the auto tech spotlight.

As more AI-powered software rolls into dealerships, industry leaders say the real differentiator for competing tools will be whether retailers and vendors will be able to access and leverage robust, real-time information and keep that data clean, connected and governed. Without that, even the most impressive-sounding AI products will struggle to deliver.

“Data is the foundation,” said Brodie Cobb, CEO of The Presidio Group. “If you want AI that does something useful in the real world, you must start with clean, organized, dealer-centric data. Everything else depends on that.”

But data holes — lack of access to deep and broad information, as well as problematic unreliable data — is a persistent challenge that dealers and tech vendors face. While not a new problem, it’s one that’s increasingly in the crosshairs of the tech players grappling with the issue. Some have high hopes that ever-more-powerful AI tools will help them find solutions.

Significant opportunities exist to bring together fragmented records across dealership departments and

consumer households to maximize the value of the customer life cycle more efficiently, Inga Maurer, senior partner at McKinsey & Co., recently told Automotive News.

“The auto industry hasn’t maximized AI’s potential despite advances in the back office and with analytics,” Maurer told the publication. “Data is the key to making further gains.”

At the Presidio Auto Tech Summit last October, some of the sharpest criticism was aimed at data used to feed agentic AI tools.

Matt Leone, CEO of customer relationship management provider DriveCentric, called much of that data “really bad” and a risk for having “AI go rogue.” The industry needs to solve the data hitches that arise when software providers are pulling from the same sources such as dealership websites carrying 30 different pixels or dealership management systems supporting 40 different integrations, he said.

“Companies that do a good job of harnessing the data, cleansing the data, enriching data, putting some identity around that data so that it’s universally accurate, then you can start to trust your agents,” Leone said.

Jade Terreberry, senior director of strategic planning at Cox Automotive, concurred that this is where real separation between winners and also-rans will emerge.

“You will start to see the gap widen drastically on who can actually play in the space, because it is all about the underlying data,” Terreberry said. Without accurate and up-to-date data, “you can have the brightest, shiniest AI tools and capabilities out there, and it is totally useless to the dealer.”

For Pearl Percy, chief corporate development officer at JM Family Enterprises, the data issue presents both opportunity and exposure.

“In the last five years, we’ve really been thinking about people, process, technology and differentiating data,” Percy said at the Presidio summit.

That lens now drives serious questions in all of Percy’s strategic conversations: How clean is this data, who has access to it, and what risk does JM assume if it acquires or partners with a company that has not taken governance seriously?



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The infrastructure advancements underway in today's industry are helping to get dealers and vendors closer to where they need to be on the data front, Jay Vijayan, CEO of DMS provider Tekion, said at the summit. He described the move to modern DMS platforms as being, at its core, about data integrity and security — both prerequisites for any serious AI work.

Tekion uses AI tools to cleanse decades of legacy data during DMS migrations but Vijayan stressed that the process must be anchored in an understanding of dealership workflows. He also warned about careless use of public AI tools, relaying a case in which internal competitive intelligence from another tech company's private meeting surfaced inside ChatGPT after someone uploaded notes to that public model.

Tekion bans its employees from using public ChatGPT and is developing its own "Tekion GPT," which can leverage large language models while keeping dealer and consumer data within Tekion's own secure environment.

Concrete use cases are emerging where the link between data and AI performance is easy to see. One of those is with voice and telephony systems.

A recent Deepgram survey of voice AI adopters offers a snapshot of how far the industry still has to go on data readiness. Even in one of the most advanced test beds for automation — voice AI — data and systems integration are proving to be the real constraint. Roughly two-thirds of respondents to the Deepgram survey said integration with existing systems is one of their biggest challenges to adopting voice AI.

As long as dealership data remains fragmented across multiple, poorly connected systems, even sophisticated AI tools will struggle to plug in and perform.



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If data depth and integrity is one half of the equation, access and scale are the other. At the Presidio summit, marketing and technology executives pointed to a structural disadvantage facing smaller and midsize vendors. They may have clever products, but not the volume or diversity of information needed to train robust models or refine features.

John Fitzpatrick, CEO of Force Marketing, said midsize providers that do not sit at the center of large-scale transaction flows need access to a wider swath of information and thus must collaborate more deeply with third parties to truly make the most of their AI ambitions.

"We've got to do better in this massive category in partnering together," Fitzpatrick said. "We're talking to all of the big partners in the space that have a significant data footprint on how can we do better on behalf of the dealer."

Without the volume and variety of real-time, first- and zero-party data that larger ecosystems can access, many of the smaller players are facing a strategic choice. One path is to band together — forming data-sharing alliances or consortiums designed to give them deeper, more robust records to leverage. The other is to link themselves more tightly to companies with larger ecosystems, whether through deep partnerships or perhaps even eventual sale to bigger platforms with stronger data positions.

Accelerated consolidation among the plethora of AI players is one likely outcome of data gaps, Cobb said.

"If companies don't have the data and don't have the time to build it, they're going to buy it," he said. "Data needs are going to drive a lot of decisions — who partners with whom, who gets acquired and which platforms are still relevant three or five years from now."



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DEALERSHIP TECH SPOTLIGHT

Presidio highlights technology companies adding value to the auto retail ecosystem via innovations that enhance customer experience, drive revenue, improve efficiency and increase profitability. This quarter's focus: Digital training and RockED, a dealership employee training platform that's growing rapidly.



ROCKED

Dealership training platform RockED has grown rapidly since its 2021 launch, attracting notable auto industry investors and building training partnerships with vendors, automakers, distributors and dealers. More than 12,000 U.S. franchised dealerships have access to RockED's training, with about 30 percent accessing the platform monthly, according to CEO Matthias Stoever.

Founded by leaders with experience in auto retail, software and education technology, RockED was created to address gaps in dealership employee education as industry complexity grows. Training is delivered via a mobile app built around short-form video, gamification and certifications, rather than daylong in-person sessions or long online courses. The format is modeled on technology that employees already use daily, such as social media, fitness or sports apps.

A RockED user may spend 5 or 10 minutes per day on the platform, which over time adds up to hours of training more likely to be completed than with traditional formats, Stoever said. More than 60,000 individuals have logged 10 million-plus course completions to date.

RockED aims to consolidate auto retail training that has traditionally been spread across multiple systems and sources, including automakers, vendors and dealership groups.

"We want to get everybody who does any form of digital training for car dealerships on our platform," Stoever said. "One day, they have an AI training; the next day, compliance training; the next day, sales training; then OEM training. Our goal is...the user gets all of this out of one app and doesn't have to switch to five different systems."

Vendors, automakers and distributors, including J.D. Power, Impel, Dealer Tire, Southeast Toyota and Audi, provide training and certifications through RockED. Retailers such as Rick Case Automotive Group and Hendrick Automotive Group also use the platform for custom group-level training. RockED produces most of its content, creating its own certifications and co-developing programs and additional certifications with partners.

RockED has raised \$20 million from investors, with major infusions from FM Capital and JM Family Enterprises. The company isn't disclosing annual revenue, but Stoever said it more than doubled revenue in 2025. RockED continues investing significantly into growth and product development.

The company's RockED Booster product, launched last year, integrates with dealership management systems to pull performance data and reinforce training goals. Service advisors, for example, can see where they rank on customer-pay repair orders for jobs like tire replacement or alignments and receive targeted training to improve. Dealerships using RockED Booster delivered customer-pay revenue growth between 10% and 20% last year, Stoever said.

The Presidio Group CEO Brodie Cobb called RockED a standout in the dealer training and education space.

"It's a hot company delivering what auto retailers need in a modern way easily adopted by users," Cobb said. "RockED's approach is setting a new industry standard for effective training, helping dealers and partners accelerate growth and improve competitiveness."

RECENT AUTO TECH TRANSACTIONS

Deals span AI, payments and marketplaces



January 2026: Mia Labs, a provider of AI-driven dealership communications technology, raised **\$20 million** in Series A funding led by Permanent Capital Ventures to accelerate growth.



January 2026: Online vehicle marketplace **TrueCar** was taken private by **Fair Holdings Inc.** in a **\$227 million** all-cash deal led by TrueCar founder Scott Painter and backed by strategic investors including dealership groups AutoNation and Atlantic Coast Automotive, PenFed Credit Union and insurer Zurich North America.



January 2026: A minority stake in **myKaarma**, a provider of dealership service lane software, was acquired for an undisclosed amount by private equity firm **Warburg Pincus**, which plans strategic investment to enhance myKaarma's product offerings and growth.



January 2026: Dealerware, a fleet management and mobility platform, was acquired by an investor group led by **Wavecrest Growth Partners** for an undisclosed amount, positioning it to accelerate product development and growth.



December 2025: CHAMP Titles, a provider of digital vehicle titling services to motor vehicle agencies, raised **\$55 million** in new financing, led by W.R. Berkley Corp., Point72 Ventures and ORIX Corp., to help fuel its expansion.



December 2025: Impel, a provider of automotive customer lifecycle and merchandising software, completed a secondary share offering to automotive investment firm **FM Capital** for an undisclosed amount.



December 2025: Element Fleet Management, a fleet management platform, acquired **CarlQ**, a provider of vehicle-initiated payment technology, for an undisclosed amount to broaden its payments offerings.



November 2025: PCMI, an automotive finance-and-insurance software provider, acquired the enterprise solutions business unit of **StoneEagle**, a provider of automotive F&I management services, for an undisclosed amount.



October 2025: EPIC, a vehicle loan, payments, lien and title processes platform, raised **\$10 million** in Series A funding led by FM Capital to help it expand its reach.



October 2025: Authenticom Group, an automotive technology provider, acquired **iSKY's Automotive Experience Division** from Ibex for an undisclosed amount, expanding its customer experience management capabilities.



October 2025: CallRevu, an artificial intelligence-powered dealership call monitoring software provider, was acquired for an undisclosed amount by **Astria Capital**, which aims to expand CallRevu's business.