

AI IS TRANSFORMING DEALERSHIPS – ARE YOU READY?

Artificial Intelligence (AI) is widely regarded as a disruptive technology across numerous sectors, with some embracing intelligent computer programmes as useful tools, while in other quarters they are viewed as a threat to traditional ways of working.

An expert in the field of AI, [Dr Jay van Zyl, a South African innovator](#) based in Silicon Valley, California offered a compelling vision of how AI is revolutionising dealerships, customer interactions, and business operations.

According to Van Zyl, AI is no longer a distant concept. It is already reshaping industries by analysing vast amounts of data to identify patterns, predict customer behaviour, and automate key processes. Traditionally, dealerships have relied on intuition and experience, but AI-driven insights now allow them to personalise recommendations, optimise stock levels, and enhance customer engagement with unprecedented accuracy.

Van Zyl is of the opinion that the automotive industry is on the brink of an AI-driven transformation, much like the world's leading tech companies, Microsoft, Google, Meta, Nvidia, Tesla, Apple, and Amazon have experienced. These companies have built their success on AI-powered decision-making, and dealerships must follow suit to remain competitive.

He explains that AI is already making a tangible impact, giving three key areas as examples to consider:

- **Personalised Customer Interactions:** AI tools can analyse browsing behaviour, past purchases, and lifestyle preferences to suggest the most suitable vehicles, making the buying experience more seamless and tailored.
- **Automated Sales and Service Processes:** AI-powered chatbots and virtual assistants can handle customer inquiries, book test drives, and schedule service appointments, reducing wait times and improving overall efficiency.
- **Data-Driven Decision-Making:** AI enables dealerships to analyse purchasing trends, regional demand, and financial performance, allowing them to optimise pricing, inventory management, and marketing strategies with greater precision.

Looking ahead, Van Zyl believes that AI agents capable of negotiating prices, processing finance applications, and handling aftersales support will soon become standard in the industry. However, he also warns that while automation brings efficiency, it raises concerns around data privacy, job displacement, and ethical AI use. The challenge for dealerships is to implement AI responsibly, enhancing human expertise rather than replacing it.

Challenging dealerships to embrace AI in their operations, Van Zyl asserts that AI is not just an emerging trend. It is already here, shaping the future of the automotive industry. He stressed that one thing is certain: dealerships that fail to embrace AI risk being left behind in an increasingly data-driven world.

Click on this [video link](#) to view Dr Jay Van Zyl's full presentation

The National Automobile Dealers' Association (NADA) represents South African business owners managing new vehicle dealerships and qualifying used vehicle outlets.