



A Q&A for financial institutions

Driving innovation: How AI is reshaping automotive sales

Unlock AI-powered insights and solutions
to transform your operations and
customer experiences



AI's impact in the next five years?

Human life will speed up, behaviors will change and industries will be transformed – and that's what can be predicted with certainty.



From automotive finance to mobility provider

The automotive finance industry is going through a dramatic shift, driven by technological advancements in vehicles, changing customer mobility and transportation preferences, and new industry players. Customers now expect flexible, highly personalized financing solutions, seamless omni-channel experiences and agile customer service.

To meet these needs, automotive finance companies must transition from traditional automotive lending entities to comprehensive mobility providers offering a full range of transportation solutions, including flexible financing, subscription services and integrated mobility platforms. Join Murad Baig, Head of Asset Finance & Mobility Vertical, Sales Growth Office, FIS® to learn how finance companies can achieve these goals.

Q: With all the advancements in AI, what do you see as the biggest opportunities for the industry?

A: As we stand on the cusp of a new era in the automotive industry, AI is not just knocking on our door – it's revolutionizing every aspect of our business. Let me paint a picture of the three most exciting opportunities that AI presents:

1. First, imagine a world where every marketing message lands perfectly, where every customer feels like you're speaking directly to them. **That's the power of AI-driven**

personalized marketing. It's not just about selling cars anymore; it's about creating a connection, a relationship with each customer that feels uniquely theirs.

2. Second, think about a future where cars tell us they need attention before they break down. **Predictive maintenance powered by AI** isn't just a convenience – it's a complete paradigm shift. It's about transforming the entire ownership experience, turning breakdowns into a thing of the past, and redefining what it means to care for our customers long after they've driven off the lot.
3. Finally, picture dealerships where the right car is always in stock at the right time. **AI-optimized inventory management** isn't just about efficiency; it's about meeting customer needs instantly, reducing waste, and ultimately, about respecting our customers' time and desires.

These aren't just incremental improvements – they represent a fundamental reimagining of our industry.

The question isn't whether we'll adopt these technologies, but how quickly we can leverage them to create experiences that were once thought impossible.

Q: What tips or best practices should dealers keep in mind to develop a practical AI strategy/approach that will provide value and lead to real outcomes?

A: To turn ambition into outcomes, dealers need to focus on these principles:

- 1. Start with a problem, not technology.** Identify specific pain points – whether it's lead conversion or optimizing floorplans – before deploying AI.
- 2. Start small, scale smart.** Pilot one use case (e.g., dynamic pricing) and expand based on ROI. Choosing a well-priced vendor for customer support, for instance, requires you to:
 - a. Start with the problem** – Customer support agents struggling with inconsistent answers.
 - b. Try before you buy** – Panviva offers a pilot program allowing customers to test before decision.
 - c. Check TCO** – Beyond subscription fees, factor in setup, training and support costs to ensure affordability.
 - d. Prioritize easy integration** – Panviva, for instance, seamlessly integrates with CRMs like Salesforce and Zendesk.
 - e. Look for proven success** – Case studies must be evaluated for existing customers to show how AI improved response times/customer satisfaction.
- 3. Prioritize data quality.** AI is only as good as the data it learns from. Clean, unified and accessible data is non-negotiable.
- 4. Upskill your team.** Equip employees with tools and training to use AI effectively.

AI doesn't replace human intelligence – it augments it. The best strategies balance innovation with operational simplicity.

Q: What are the highest leverage opportunities for dealers to use AI?

- 1. Personalized customer experiences:** Imagine stepping into a dealership where every interaction feels tailor-made just for you. This isn't a distant dream – it's the reality AI is creating today. By harnessing the power of data, dealerships are transforming into trusted advisors, crafting experiences that resonate on a personal level. For instance, a customer has been repeatedly looking at a dealer's website for a specific sports model. AI can look at the associated account history and automatically alert him when his choice of car is about to become available within his price range. It's not just about selling cars anymore; it's about forging lasting connections that turn customers into lifelong advocates.
- 2. Intelligent chatbots:** Picture a world where your questions are answered instantly, day or night, by an AI assistant that knows your preferences better than you do. These intelligent chatbots are revolutionizing customer engagement, guiding buyers through the complex journey of car selection with ease and precision. They're not just answering queries; they're creating conversations that feel genuinely human.
- 3. Enhanced sales and marketing strategies:** Now, think about the potential of predictive analytics in sales and marketing. It's like having a crystal ball that reveals exactly what your customers want before they even know it themselves. This isn't just targeted advertising; it's about creating a seamless journey where the right car finds the right buyer at the perfect moment. But the real magic happens behind the scenes. AI is rewriting the rules of dealership operations, turning the complex dance of inventory management into a perfectly choreographed performance. It's about having the right car in the right place at the right time, every time.



Q: How do you think the auto industry can develop an effective AI risk strategy that addresses fraud and ensures the technology is implemented responsibly and effectively?

A: The automotive industry's journey with AI must be as responsible as it is innovative. At FIS, we're building solution accelerators that incorporate our IP and automation to reduce project timelines, costs and risks (i.e., data privacy, model, security and abuse, ethical and regulatory risks), but at the same time effectively addressing fraud and ethical deployment. Here are our tips:

- **Embed governance early:** AI governance is the bedrock of any effective strategy. Establishing frameworks for oversight and accountability ensures decisions are ethical, data usage is compliant and risks are proactively identified. Set up an AI Ethics Board that evaluates risks before models go live.
- **Diagnose and prepare:** Risk starts with preparation. Using diagnostic tools, like an AI Diagnostic process, organizations can assess vulnerabilities before implementation, i.e., conduct scenario planning for fraud vectors using historical data. Ask yourself: Would you trust AI with your customers' data if you can't fully explain its decisions?
- **Scale & monitor:** Fraud evolves rapidly, so your AI must adapt equally fast. A robust MLOps (Machine Learning Operations) function ensures continuous monitoring and improvement, governance and compliance, making fraud detection smarter over time. Regularly audit AI models to identify and correct biases or errors. AI without continuous learning is a liability in an industry as dynamic as ours.
- **Collaborate across ecosystems:** Work with regulators, industry peers and tech providers to establish shared standards for responsible AI use.

The future of AI in the automotive sector hinges on balancing innovation with responsibility. By focusing on governance, scalability and transparency, we can unlock AI's potential while keeping risks under control.

Q: How does your company use AI today (actively or in dev) and distinguish between ML, Gen AI, etc.?

A: We're committed to AI at the highest level within the organization and have an AI COE. Over the last five or six years, FIS has developed and matured a number of AI, ML and Gen AI use cases.

We are also working with partners to explore the next-generation application of Gen AI, i.e., Agentic AI. Unlike today's Gen AI models, which respond to specific human prompts, Agentic AI can independently perceive, reason, act



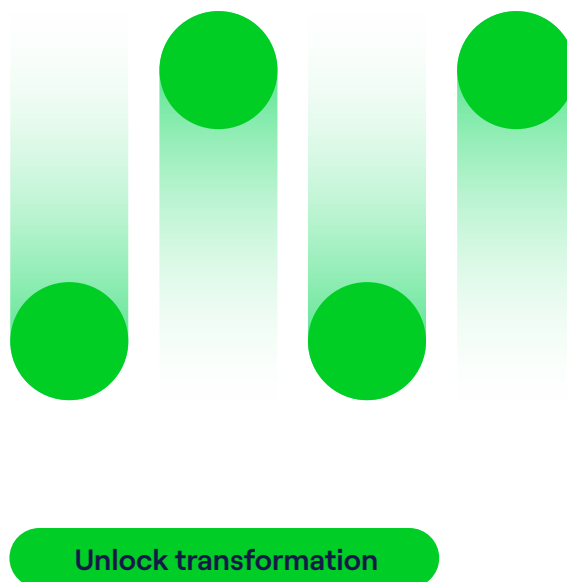
and learn without continuous human input. This innovation promises to revolutionize workflows by swiftly processing data, enhancing decision accuracy, personalizing customer interactions and adapting to complex market conditions, ultimately steering finance toward greater process autonomy. We're working on Agentic AI with AWS.

- **FIS Credit Intelligence (Machine Learning Model)** automates the process of financial spreading and analyzing the financials for credit risk, reducing the manual effort previously required of credit analysts. Using AI and Machine Learning, the application architecture processes and digitizes unstructured data elements from multiple sources relevant to structured credit analysis. Data sets are created, grouped and categorized and then presented for consumption through multiple channels.
- **FIS Credit Assessment (Optimist)** is a financial analysis application that allows bankers to assess the creditworthiness of business customers and develop sophisticated customer management strategies across the whole of the relationship lifecycle. Credit Assessment uses an ML model for mapping the line items from the financial statements with Optimist's internal chart of accounts to assess the creditworthiness of the customers.
- **FIS Invoice Manager** improves the accounts payables workflow for auto and equipment finance using Gen AI. It provides instant data capture from invoices, reduces the likelihood of human error and helps to mitigate fraud. It's also cost-effective and quick to deploy as a microservice.

Closing thoughts

As we stand at the crossroads of technology and automotive retail, we have to ask ourselves: how will we harness this AI revolution to not just meet, but exceed customer expectations? How can we use these tools to create not just transactions, but transformative experiences? The future of automotive retail isn't just about selling cars – it's about reimagining the entire journey of car ownership. And with AI as our co-pilot, the possibilities are limitless.

However, many automotive finance companies have been held back by legacy practices, such as isolated process improvements that fail to consider the entire customer journey, disjointed data ecosystems, and a lack of investment in large-scale technology like contract management systems. To navigate the dynamic future of mobility, automotive finance companies should adopt a building block approach that encompasses process, data and technology, including AI.



FIS helps automotive sales companies put money to work more effectively. Our **technology** powers the global economy across the money lifecycle.



Money
at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.



Money
in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.



Money
at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

About FIS

FIS is a financial technology company providing solutions to financial institutions, businesses and developers. We unlock financial technology that underpins the world's financial system. Our people are dedicated to advancing the way the world pays, banks and invests, by helping our clients confidently run, grow and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses adapt to meet the needs of their customers by harnessing the power that comes when reliability meets innovation in financial technology. Headquartered in Jacksonville, Florida, FIS is a member of the Fortune 500® and the Standard & Poor's 500® Index. To learn more, visit FISglobal.com. Follow FIS on LinkedIn, Facebook and X (@FISglobal).

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