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A GLOBAL
COMMUNITY FOR
AUTOMOTIVE
SERVICE LEADERS

AI IN AUTOMOTIVE SERVICE

Automotive Service Playbook 2027

Practical perspectives from
automotive service leaders.



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INDUSTRY PLAYBOOK

7 KEY LESSONS FOR 2027

PEOPLE, AI, OPERATIONS
AND THE ROAD AHEAD

ABOUT THE **AUTOPULSE** INITIATIVE BY **GARAGEPLUG**

The automotive aftermarket service industry has a reputation problem. Consumers often view it with suspicion, and valuable knowledge seems concentrated within a select few.

We at **GaragePlug**, an **automotive service AI solutions tech company** passionate about the auto service industry's potential, recognized this. We saw that true improvement could only come through collective growth and rising standards.



This realization fueled the creation of AutoPulse Magazine and the non-profit community initiative behind it. We, at GaragePlug, believe that one company's success isn't enough. **The industry needs a platform to bridge the knowledge gap and empower everyone.**

AutoPulse offers a unique space for industry leaders to share their thought leadership without ego or fear of competition. We believe that by fostering collaboration and open exchange, the entire industry can thrive.

This is where GaragePlug's experience with digital transformation comes in. We understand the challenges faced by automotive service businesses firsthand. Through AutoPulse, we aim to share not just industry secrets, but also the power of technology in achieving those high standards.

AutoPulse is more than a magazine; it's a call to action. We invite you, the reader, to not only gain knowledge but also contribute your expertise. Let's build a future where innovation and technology are synonymous with the aftermarket service industry. Together, we can transform the industry's reputation and unlock its true potential.

Join us on this journey. Read AutoPulse, contribute your knowledge, and let's watch the industry rise, together.

HAPPY READING!

- TEAM **AUTOPULSE** + TEAM **GARAGEPLUG**



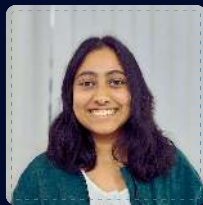
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WHAT'S IN THIS MAGAZINE?

— Featuring top US auto service industry leaders —

VOLUME

09

US 20 EDITION



THE PLAYBOOK FOR 2027 – SPECIAL SECTION

Seven perspectives informing one operating question.
Built from the seven conversations in this edition

04



PODCAST – AUTOPULSE US 20

14



Jay Power (OktoRocket, USA)

14



Arun Coumar (Driven Auto Care, USA)

22



Jake Rodenroth (Rodenroth Consulting, USA)

31



Marc Belanski (HG AutoTech LLC, USA)

36



Lucas Underwood (L&N Performance Auto Repair, USA)

41



Rohit Bhatnagar (Gia by GaragePlug, USA)

49



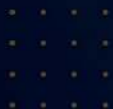
Maria Treat (Prestige Auto Tech, USA)

57



KEY TAKEAWAYS

21-30-35-40-48-56-63



AutoPulse US 20 is a year-long series featuring **20 leaders** shaping automotive service in the United States. This edition features seven of them.



A SPECIAL SECTION OF AUTOPULSE US 20

AI IN AUTOMOTIVE SERVICE

THE PLAYBOOK FOR 2027

**Seven perspectives informing one operating question:
where does AI create real value?**

This playbook was built from the conversations featured in this edition of AutoPulse US 20.

01

Find the constraint

02

Capture the
demand

03

Remove the
friction

04

Protect trust

05

Better decisions

06

Connect the
journey

07

Test, then scale

BUILT FROM CONVERSATIONS WITH



Jay Power
OktoRocket
INDUSTRY DATA



Arun Coumar
Driven Auto Care
MULTI-LOCATION
OPERATIONS



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AUTOMOTIVE SOFTWARE



Lucas Underwood
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INDEPENDENT REPAIR



Rohit Bhatnagar
Gla by GaragePlug
TECHNOLOGY



Maria Treat
Prestige Auto Tech
CUSTOMER EXPERIENCE

ABOUT THIS PLAYBOOK

HOW THE PLAYBOOK WAS BUILT

This playbook was built from the conversations featured in this edition of AutoPulse US 20.

Across discussions with Jay Power of OktoRocket, Arun Coumar of Driven Auto Care, Jake Rodenroth, Marc Belanski of HG AutoTech, Lucas Underwood of L&N Performance Auto Repair, Maria Treat of Prestige Auto Tech and Rohit Bhatnagar of Gia by GaragePlug, we approached AI from very different positions: industry data, independent repair, multi-location operations, collision repair, automotive software, customer experience and technology.

Together, those perspectives cover much of the operating reality facing U.S. automotive service and repair businesses, from independent shops to multi-location enterprises and collision repair organizations.

The question throughout was deliberately practical:

Where does AI create real value now, and what should operators actually be doing before 2027?

The answers were not identical. But a pattern emerged.

The most valuable opportunities are rarely the most futuristic. They are usually problems the business already understands: missed demand, slow response, administrative work, inconsistent execution, fragmented information, overloaded employees, difficult technical information and managers struggling to understand what is actually happening across the operation.

The 2027 opportunity is therefore not to put AI everywhere.

THE 2027 OPPORTUNITY

IT IS TO IDENTIFY WHERE THE BUSINESS IS LOSING DEMAND, TIME, MARGIN, CONSISTENCY OR KNOWLEDGE, THEN APPLY AI WHERE IT CAN REMOVE THAT FRICTION WITHOUT REMOVING THE HUMAN JUDGMENT, ACCOUNTABILITY AND TRUST ON WHICH AUTOMOTIVE SERVICE DEPENDS.

THE SEVEN PRINCIPLES AT A GLANCE

- | | | |
|----|--|----------------|
| 01 | FIND THE CONSTRAINT BEFORE YOU ADD THE AI | PAGE 6 |
| 02 | CAPTURE THE DEMAND YOU ALREADY HAVE | PAGE 7 |
| 03 | REMOVE WORK FROM PEOPLE WHOSE TIME MATTERS | PAGE 8 |
| 04 | AUTOMATE FRICTION. DO NOT AUTOMATE AWAY TRUST. | PAGE 9 |
| 05 | MOVE FROM MORE DASHBOARDS TO BETTER DECISIONS | PAGE 10 |
| 06 | CONNECT THE CUSTOMER JOURNEY, NOT SIX DIFFERENT AIS | PAGE 11 |
| 07 | TEST SMALL. LEARN. ADJUST. THEN SCALE. | PAGE 12 |

01 FIND THE CONSTRAINT BEFORE YOU ADD THE AI

The first question should not be: “Where can we use AI?”

It should be: “Where is the operation actually leaking value?”

Jay Power’s discussion is the clearest quantitative foundation for that principle. OktoRocket’s report was built from data from more than 1,000 independent repair shops and organized performance around three connected chains: revenue, profitability and volume.

THREE CONNECTED CHAINS (OKTOROCKET)

REVENUE CHAIN	Converting more of the work technicians are already finding.
PROFITABILITY CHAIN	How much of that revenue the shop actually keeps.
VOLUME CHAIN	The amount of productive work flowing through the business.

A shop can be busy while struggling with profitability. Another can have good margins but insufficient volume. Another can identify plenty of work but fail to convert enough of it into approved repair orders.

Close ratio is a good example. Across the segments studied, median close ratios sat roughly in the low-40% to mid-50% range. In one model used in the report, improving close ratio by about six percentage points represented approximately \$24,500 in additional monthly revenue.

\$24,500

Additional monthly revenue modeled from a close-ratio gain of about six percentage points.

JAY POWER • OKTOROCKET

\$171 VS \$133

Gross profit per hour at a 24% vs a 28% parts-cost level, same effective labor rate.

The same logic applies to margin. One OktoRocket comparison showed shops operating at around a 24% parts-cost level generating approximately \$171 in gross profit per hour, compared with about \$133 per hour at a 28% parts-cost level, assuming the same effective labor rate.

That is a \$38-per-hour difference before it is multiplied across hundreds of billed hours.

Maria Treat’s experience arrives at the same principle from inside a five-location business. Her AI-supported dashboard was valuable not because it automatically ran the stores, but because it moved management conversations from “it feels like” to “here’s what the numbers show.”

When she examined call performance, the business appeared strong during operating hours: only about 3% of calls were being missed. But when after-hours calls were included, the missed-call figure moved closer to 8%.

3% → 8%

Missed calls once after-hours calls were counted.

MARIA TREAT • PRESTIGE AUTO TECH

That changed the diagnosis. The problem was not necessarily poor staff performance. Customers were calling when nobody was available.

That distinction captures the first principle of the playbook:

THE PRINCIPLE

AI SHOULD HELP OPERATORS IDENTIFY THE REAL PROBLEM BEFORE THEY AUTOMATE THE WRONG SOLUTION.



02 CAPTURE THE DEMAND YOU ALREADY HAVE

Before spending more money generating demand, measure how much existing demand fails to become revenue.

The OktoRocket data makes the phone impossible to dismiss as merely a customer-service channel. The median shop in the report handled approximately 823 inbound calls per month, and around one in five came from a first-time caller. Within comparable call-volume ranges, shops answering more than 85% of calls wrote approximately 50 to 80 more repair orders per month than shops answering less than 75%. Median phone conversion was about 30.5%, while stronger performers were around 37% and above.

823

Inbound calls per month at the median shop

OKTOROCKET

1 IN 5

Calls from a first-time caller

OKTOROCKET

+50-80

Repair orders per month when answering 85%+ of calls vs under 75%

OKTOROCKET

\$16,000+

Modeled monthly revenue behind 90 missed calls

OKTOROCKET

Using the report's industry medians, 90 missed calls in a month represented more than \$16,000 in modeled potential missed monthly revenue. That figure is not a universal loss estimate. Each operator should calculate it using its own ARO and conversion rate. But it makes the economics visible.

Arun Coumar provides a real operating example of what happens when response speed improves. At Driven Auto Care, he reported that Yelp conversion increased from roughly 3% to 12% after implementing an AI autoresponder. Return on Yelp advertising spend increased from approximately 150% to 400%.

3% → 12%

Yelp conversion after implementing an AI autoresponder

ARUN COUMAR • DRIVEN AUTO CARE

150% → 400%

Return on Yelp advertising spend

ARUN COUMAR • DRIVEN AUTO CARE

The AI was not performing an extraordinary sales process. Much of the improvement came from responding immediately, responding consistently and being available when the shop was closed. Marc Belanski reaches essentially the same conclusion: after-hours calls, unanswered messages and declined-work follow-up represent demand the business has already paid to acquire. The 2027 priority should therefore be clear:

THE 2027 PRIORITY

CAPTURE EXISTING DEMAND BEFORE AUTOMATICALLY BUYING MORE OF IT.

VOICES IN
THIS PRINCIPLE



Jay Power
OktoRocket



Arun Coumar
Driven Auto Care



Marc Belanski
HG AutoTech LLC

03 REMOVE WORK FROM PEOPLE WHOSE TIME MATTERS

AI does not have to replace a job to produce meaningful economic value. Often the more important opportunity is removing five minutes here, ten minutes there and thirty minutes somewhere else.

Arun describes technician notes as one example. A technician may record the correct technical information, but a service advisor still spends time rewriting it into language suitable for the customer. AI can help structure and translate that information without asking the advisor to manually perform the same transformation every time.

Lucas Underwood independently identifies technician write-ups and financial analysis as practical current applications.

Marc places the broader opportunity in the front counter and back office: estimates, booking, parts sourcing, declined-work follow-up, customer communication and administration.

And Rohit adds an important warning from the technology side. After observing more than 40 automotive service brands, his conclusion is that software can be logically perfect and still fail inside a workshop. Automotive service is not a clean sequence of digital events. It is a live operating environment involving customers, technicians, advisors, parts, interruptions, promises and exceptions happening simultaneously.

WHERE THE MINUTES ARE



Arun: technician notes rewritten for the customer.



Lucas: technician write-ups and financial analysis.



Marc: estimates, booking, parts sourcing, declined-work follow-up, customer communication and administration.

THE CLICK TAX

That creates what the conversation calls the click tax. A product team may add one ten-second interaction and consider it negligible. But a technician could process 15 or 20 vehicles, interact with multiple inspection points, take photos, add notes and continually move between the vehicle and a device.

Tiny interactions compound into real labor. Rohit's resulting principle is one worth carrying into every 2027 technology decision:

“

THE TECHNICIAN SHOULD NOT WORK FOR THE SOFTWARE. THE SOFTWARE SHOULD WORK AROUND THE TECHNICIAN.

— ROHIT BHATNAGAR, GIA BY GARAGEPLUG

Voice, images and video increasingly allow technology to capture information around the work instead of forcing technicians to reproduce digitally what they have already observed physically.

Which creates a simple test for any AI deployment:

THE PRODUCTION TEST

DID IT ACTUALLY REMOVE WORK?

If employees now spend additional time feeding information into AI, correcting it or working around it, the operation may have added technology without adding productivity.

Rohit explicitly identifies that as one of the most important production tests for automotive AI.



04 AUTOMATE FRICTION. DO NOT AUTOMATE AWAY TRUST.

This is where almost every contributor converges.

Lucas's concern is particularly relevant to independent repair. AI can help organize the customer's presentation, improve language and make technical findings easier to understand. But explaining what is wrong with a customer's vehicle, what must be fixed now, what can wait and why the repair costs what it does remains a trust-heavy interaction.

For his customer base, Lucas argues that AI is currently too inaccurate to own that conversation by itself. A person should still present the recommendation.

Maria draws almost exactly the same boundary from a multi-location operating perspective. Her human handoff list is straightforward:

MARIA'S HUMAN HANDOFF LIST

- 1 **An upset customer**
- 2 **A large repair estimate**
- 3 **Anything involving safety or trust**

In those situations AI should know when to stop rather than guess. Her formulation captures the division of labor particularly well:

“

THE TECHNOLOGY GIVES VISIBILITY. THE PERSON CREATES THE EXPERIENCE.

— MARIA TREAT, PRESTIGE AUTO TECH

WHERE AI HELPS

- Organizing the customer presentation and improving language
- Making technical findings easier to understand
- Navigating complex OEM information and identifying requirements earlier

Jake Rodenroth establishes the same boundary on the technical side. In collision repair, AI can make complex OEM information easier to navigate. It can help technicians and repair planners identify requirements earlier and work through increasingly vehicle-specific procedures.

But proper repair still rests on three elements:

JAKE'S THREE NON-NEGOTIABLES

- 1 **A trained technician**
- 2 **Approved vehicle-specific tooling**
- 3 **The OEM service manual**

Technology should help those components work together. It should not pretend to replace them.

Rohit makes the distinction explicit: AI assisting professional judgment and AI pretending to replace professional judgment are fundamentally different propositions.

That leads to the simplest human-AI rule in the playbook:

THE HUMAN-AI RULE

AI HANDLES REPETITION. HUMANS REMAIN ACCOUNTABLE FOR CONSEQUENCE.

WHERE PEOPLE STAY ACCOUNTABLE

- Presenting the repair recommendation
- Upset customers and large repair estimates
- Anything involving safety, trust or professional judgment

VOICES IN
THIS PRINCIPLE



Lucas Underwood
L&N Performance Auto
Repair



Maria Treat
Prestige Auto
Tech



Jake Rodenroth
Rodenroth Consulting
LLC



Rohit Bhatnagar
Gia by GaragePlug

05 MOVE FROM MORE DASHBOARDS TO BETTER DECISIONS

The industry's next problem may not be insufficient data.
It may be too much data without enough explanation.

THE DASHBOARD QUESTION

"WHAT WAS YESTERDAY'S ARO?"

Works when the manager already knows what to inspect.

Maria's dashboard illustrates the immediate version of this. It gives managers at five stores a shared view of the business while preserving benchmarks appropriate to each location. The objective is not simply more reporting. It is better decisions.

Rohit takes the idea further. A dashboard works well when the manager already knows what to inspect. But the real management question is often not "What was yesterday's ARO?" It is "Why was yesterday bad?"

That question may require connecting car count, ARO, technician utilization, parts availability, approvals, appointments and several other variables.

ONE QUESTION, MANY VARIABLES

Car count

ARO

Technician utilization

Parts availability

Approvals

Appointments

+ several others

THE MANAGEMENT QUESTION

"WHY WAS YESTERDAY BAD?"

Decision intelligence: start with the business question and investigate the chain underneath it.

But Rohit also makes the dependency clear. A language model understands language. It does not automatically understand the business.

Reliable decision intelligence requires clean identities, consistent statuses, complete information and connections across appointments, repair orders, technicians, parts, estimates and customer approvals.

Marc's recommendation therefore becomes foundational:

GET THE DATA HOUSE IN ORDER

- 1 Clean customer information
- 2 Consistent labor and parts data
- 3 Accurate inventory
- 4 Defined processes

Without that groundwork, impressive AI demonstrations can still produce disappointing operating results.

The future opportunity is therefore not just conversational reporting.

It is something closer to decision intelligence, where the manager begins with the business question and the system helps investigate the operational chain underneath it.



06 CONNECT THE CUSTOMER JOURNEY, NOT SIX DIFFERENT AIS

By 2027, a multi-location automotive service enterprise could easily have separate AI systems for calls, marketing, inspections, technicians, business intelligence and retention.

The customer does not experience those categories. They experience one business.

ONE CUSTOMER, ONE JOURNEY



They explain a symptom. Make an appointment. Arrive. Have the vehicle inspected. Decide what to approve. Receive updates. Collect the vehicle. Return later.

Rohit calls the missing capability context continuity.

If the customer explains the problem during the initial call but the advisor never receives that context, intelligence has been lost. If the technician finds something important but the next customer communication lacks the finding, intelligence has been lost. If follow-up happens later with only a fragment of the repair history, intelligence has been lost.

“

THEY CARE THAT THEY DID NOT HAVE TO REPEAT THEMSELVES THREE TIMES.

— ROHIT BHATNAGAR, GIA BY GARAGEPLUG

Every individual system can contain AI while the overall customer experience remains unintelligent. For multi-location enterprises, this same idea extends internally. Marc argues that AI can help identify what high-performing stores do better and make those behaviors repeatable.

Shop-management software itself can move from a system of record toward a system of action, drafting, preparing, communicating and flagging work while people supervise and approve.

The enterprise opportunity is therefore larger than isolated automation:

THE ENTERPRISE OPPORTUNITY

PRESERVE CONTEXT ACROSS THE CUSTOMER JOURNEY AND MAKE ORGANIZATIONAL KNOWLEDGE PORTABLE ACROSS LOCATIONS.

WHERE INTELLIGENCE GETS LOST

AT THE FIRST CALL

The customer explains the problem, but the advisor never receives that context.

INTELLIGENCE LOST

AFTER THE INSPECTION

The technician finds something important, but the next customer communication lacks the finding.

INTELLIGENCE LOST

AT FOLLOW-UP

Follow-up happens later with only a fragment of the repair history.

INTELLIGENCE LOST



07 TEST SMALL. LEARN. ADJUST. THEN SCALE.

Technology should not be rolled out simply because the demo looked good.

Maria's contribution makes this final implementation principle much stronger.

Her analogy is a rear-view mirror: the setting that works for one person may be wrong for another. Declaring that the mirror "doesn't work" without adjusting it first misses the point.

Technology also has to be configured to the business.

“

TECHNOLOGY IS THE SAME WAY. YOU HAVE TO CUSTOMIZE IT TO THE BUSINESS.

— MARIA TREAT, PRESTIGE AUTO TECH

Her recommended sequence is: start with one store or one task. Measure the result. Adjust it. Then decide whether it should expand.

Or, more simply:

TEST IT

LEARN
FROM IT

ADJUST IT

THEN
SCALE IT

“

SHOPS DON'T ADOPT TECHNOLOGY. THEY ADOPT OUTCOMES.

— MARC BELANSKI, HG AUTOTECH

Marc reaches the same conclusion from a software perspective: do not begin with the vague objective to "adopt AI." Pick one painful, measurable problem.

MARC'S ONE-PROBLEM STARTING POINTS

- 1 Capture missed calls
- 2 Improve approvals
- 3 Reduce administrative time

Produce one visible result before adding the next use case.

Lucas adds a further safeguard: inspect the output. Operators face two bad extremes. One is refusing to engage with AI. The other is trusting its output simply because it appears polished or arrives quickly.

THE WINNING OPERATOR

THE WINNING OPERATOR IN 2027 IS LIKELY TO SIT BETWEEN THOSE EXTREMES: CURIOUS ENOUGH TO EXPERIMENT, DISCIPLINED ENOUGH TO VERIFY.

TWO BAD EXTREMES

Refusing to engage with AI

**CURIOUS ENOUGH TO
EXPERIMENT, DISCIPLINED
ENOUGH TO VERIFY**

Trusting output because it
looks polished or arrives
quickly

VOICES IN
THIS PRINCIPLE



Maria Treat
Prestige Auto Tech



Marc Belanski
HG AutoTech LLC



Lucas Underwood
L&N Performance Auto Repair

THE END STATE

WHAT 2027 SUCCESS ACTUALLY LOOKS LIKE

Rohit's description of the end state may be the best closing for the entire playbook:

AI BECOMES BORING.

The operator should eventually care less about whether something is called Voice AI, Vision AI, AI analytics or AI recommendations.

They should care that a customer received a response when nobody was available. That a technician did not waste ten minutes manually documenting something. That the advisor already had the context needed for the conversation. That a manager understood why the business changed rather than simply seeing that a KPI moved.

Maria reaches essentially the same destination from the operator's seat.

AI did not solve her problems. It helped her see them clearly. The technology surfaced the pattern, helped frame the question and showed management where to look. People still fact-checked the answer, coached the employee, handled the difficult customer and made the decision.

That may be the most useful definition of mature AI adoption for the U.S. automotive service and repair sector.

- ✗ Not more AI for the sake of AI.
- ✗ Not replacing every human interaction.
- ✗ Not collecting another hundred KPIs.
- ✗ Not forcing technicians to adapt to another layer of software.

- INSTEAD:**
- 01 **FIND THE CONSTRAINT.**
 - 02 **CAPTURE THE DEMAND.**
 - 03 **REMOVE THE FRICTION.**
 - 04 **PROTECT TRUST.**
 - 05 **BETTER DECISIONS.**
 - 06 **CONNECT THE JOURNEY.**
 - 07 **TEST, THEN SCALE.**

THE STRATEGY FOR 2027 IS NOT AI.

The strategy is a better-run automotive service business, with AI applied where it genuinely helps produce one.



WHAT THE DATA SAYS ABOUT THE STATE OF THE US AUTO REPAIR INDUSTRY

AUTOPULSE TEAM IN CONVERSATION WITH JAY POWER



JAY POWER

CEO -
OktoRocket

“

Jay Power is the CEO of OktoRocket. In this conversation he takes the AutoPulse community behind OktoRocket's industry report, built on data from more than 1,000 independent repair shops, and explains what it reveals about conversion, profitability, phones, staffing and the constraints that hold shops back.

”



AutoPulse Team: Hi Jay, how are you doing? Thanks for taking the time to join us today.

Jay: I'm doing well, thank you. I'm glad to be here. We've spent a lot of time looking at the data behind this report, so I'm excited to talk about what we're actually seeing across the industry.

AutoPulse Team: Jay, let's start there. OktoRocket has put together a fairly extensive industry report using data from more than a thousand independent repair shops. When you stepped back and looked at all of that information together, what surprised you most?

Jay: What stood out to me was how interconnected everything is. Shop owners tend to look at individual metrics. They look at ARO, car count, gross profit, labor rate, close ratio, staffing, phones. And those are all important metrics. But the data tells a much better story when you stop looking at each number independently and start asking how they influence one another. That led us to organize a lot of what we found around three chains.

The first is the Revenue Chain, which is primarily about converting more of the work your technicians are already finding. The second is the Profitability Chain, which is about how much of that revenue you actually keep. And the third is the Volume Chain, which is about the amount of productive work flowing through the business. That framing became important because a shop can be busy and still have a profitability problem. Another shop can have strong margins but not enough volume. Another may have technicians finding plenty of work, but advisors are not converting enough of it.

So there really isn't one number that tells you whether a shop is healthy. You have to understand where the constraint is.



CONVERSION BEFORE MORE DEMAND

AutoPulse Team: Let's unpack the first one, because your report puts a lot of emphasis on close ratio. Why is that such a powerful metric?

Jay: Because the work has already been found. Your technicians inspect the vehicle. They identify the work. The shop has already invested the technician time to generate that opportunity. Then the advisor has to convert that identified work into approved work. That gap is close ratio. Across the segments we studied, median close ratios were only roughly in the low-40s to mid-50s. So there is still a significant amount of identified work that isn't being converted.

And the interesting thing is that you don't necessarily have to find another hundred customers to grow revenue. Sometimes the highest-leverage opportunity is sitting inside the vehicles already in your bays. Our modeling showed that moving close ratio by about six percentage points could represent roughly \$24,500 in additional monthly revenue in the example used in the report. That is why I think operators need to be careful about automatically diagnosing every growth problem as a marketing problem.



More leads are useful if you need more cars. But if your technicians are already finding the work and you aren't converting it, adding more leads doesn't fix the underlying issue. It may just send more opportunity through the same leak.

AutoPulse Team: That is a significant distinction. A lot of businesses naturally look outward when they want to grow, while the data may actually be telling them to look inside the operation first.

Jay: Exactly. Before asking, "How do I generate more demand?" ask, "What am I doing with the demand I already have?" And then go one step further. If the close ratio is low, don't just tell your advisors, "You need to sell more." That is not a diagnosis. Look at inspection quality. Look at how the work is being presented. Look at pricing. Look at whether your advisors have enough time to actually educate customers. Look at the type of work you are quoting. The metric tells you where to investigate. It doesn't automatically tell you why the problem exists. That is an important distinction throughout the report.



GROWTH VERSUS PROFITABLE GROWTH

AutoPulse Team: Your second chain is profitability, and one of the strongest findings in the report is around parts cost. What did the data show?

Jay: Parts cost percentage had one of the clearest relationships with gross margin across the segments. That sounds obvious at first. Lower costs should mean better margins. But what matters is how quickly relatively small differences compound. In the report, one comparison shows shops operating around a 24% parts-cost level producing approximately \$171 of gross profit per hour, compared with roughly \$133 per hour around a 28% parts-cost level at the same effective labor rate.

That is a \$38-per-hour difference. Now multiply that through hundreds of billed hours every month. Suddenly procurement discipline, parts matrix strategy, sourcing, and markup consistency are no longer back-office details. They become major profitability levers. I think there is sometimes a tendency to chase revenue because revenue is exciting. Everybody likes talking about how much the shop sold. But revenue doesn't tell you how much money you kept. You can grow sales and still build a financially weaker business if your cost structure moves in the wrong direction.

AutoPulse Team: So the report almost forces the operator to separate growth from profitable growth.

Jay: Yes. And that is also why we look at gross profit per hour. Every billed hour is a unit of production. So how much economic value are you actually generating from that hour?



Effective labor rate matters. Gross profit percentage matters. Parts cost matters. Technician productivity matters. The better operators start connecting those numbers instead of celebrating one metric in isolation.

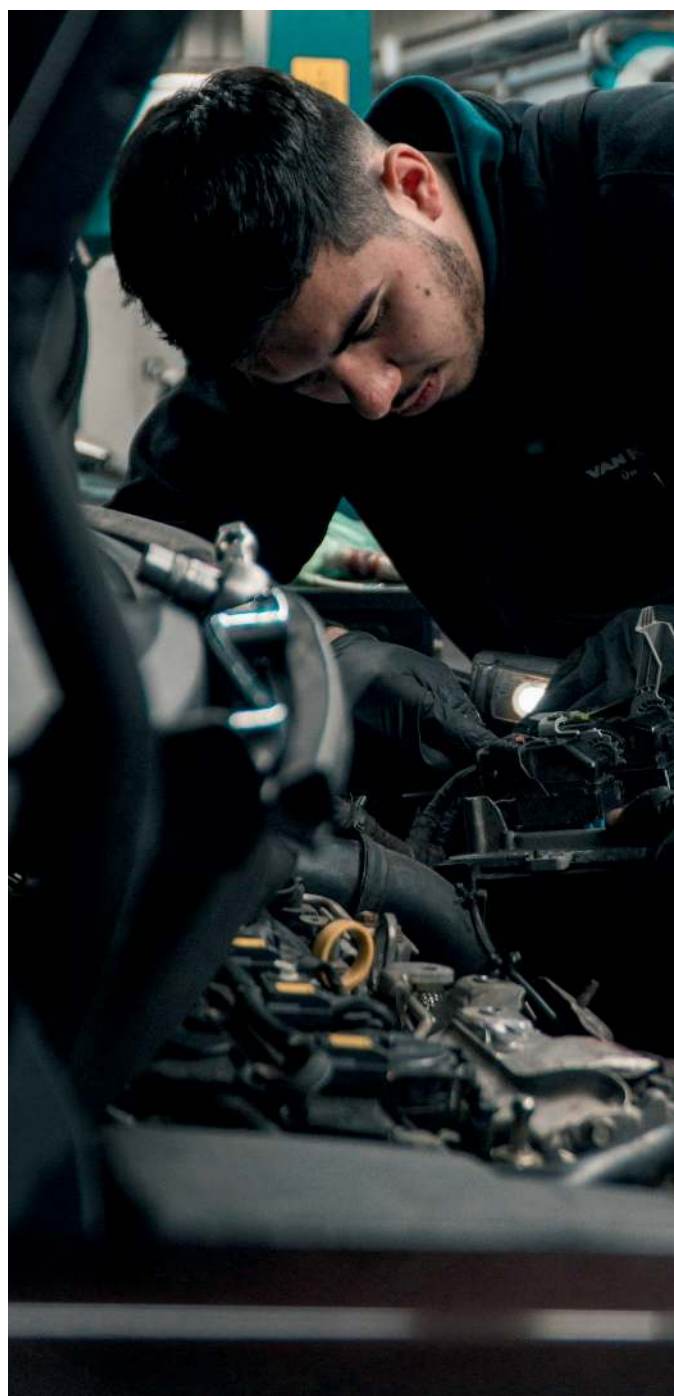
AutoPulse Team: The third chain is volume. One of the examples that immediately catches attention is the impact of just one additional car per day.

Jay: It compounds quickly. For the median American/Import shop in the dataset, our example showed that one additional vehicle per day, around 22 additional vehicles over a month, represented roughly \$13,262 in additional revenue and about \$7,490 in additional gross profit. But I think the more important lesson is that there are two legitimate ways to build a successful shop. One is a high-volume model. You process more vehicles, typically at a more moderate ARO, and generate performance through throughput.

The other is what we call a deep-engagement model. You may see fewer vehicles, but you perform more billed hours and generate more value per vehicle. Both models appear among successful shops in the data. That matters because sometimes businesses copy a benchmark without understanding the operating model behind it. If another shop has a higher car count, that doesn't automatically mean you should chase their car count. Their economics may be completely different. The better question is: What model are we intentionally trying to operate?

AutoPulse Team: That idea runs through the report quite strongly. There isn't really one "perfect shop."

Jay: Correct. That is also why we use medians and why we break the data down in different ways.



A two-technician shop doing \$800,000 is not operating in the same environment as a six-technician shop doing \$3 million. A European specialist isn't operating exactly like a general American/Import shop. A diesel operation can have a completely different ticket structure and customer journey. So benchmarks are useful, but only if you compare yourself to the right peer group. The benchmark should help you ask a better question, not blindly tell you what your number needs to be.



THE PHONE IS REVENUE INFRASTRUCTURE

AutoPulse Team: One of the most interesting parts of the report is that the phone emerges as a major operational metric, not just a customer-service metric.

Jay: That was one of the clearest patterns. Answered inbound call volume had the strongest and most consistent relationship with repair-order volume in the dataset. When answered calls went up, car count followed. The median shop in the report was handling around 823 inbound calls per month, and approximately one in five inbound calls came from a first-time caller. That first-time caller is especially important because it is a genuine new-revenue opportunity.

If you don't answer them, they may simply call the next shop. So the phone cannot be treated as something that just happens in the background of the business. It is part of your conversion system.

AutoPulse Team: And you quantified the impact of answer rate as well.

Jay: Yes. When we compared shops operating within similar call-volume ranges, shops with answer rates above 85% were writing approximately 50 to 80 more repair orders per month than shops below a 75% answer rate. That relationship held across different shop sizes. And the industry-median phone conversion rate was about 30.5%. So roughly three out of every ten answered inbound calls converted. Stronger-performing shops were around 37% and above.

That means every missed call has an economic value attached to it.

Using the industry medians in the report, 90 missed calls in a month, multiplied by the conversion rate and an estimated ARO, worked out to more than \$16,000 in potential missed monthly revenue. Obviously every individual shop needs to run that calculation using its own numbers. But once you quantify missed calls like that, the conversation changes. It stops being, "We should probably answer the phone better." It becomes a capacity and revenue conversation.





STAFFING IS AN ECONOMIC SYSTEM

AutoPulse Team: Which takes us directly into staffing, because your data suggests missed calls aren't necessarily a training problem.

Jay: Right. One of the lines I think operators should pay attention to is that you cannot train your way out of an overloaded front counter. As call volume per advisor rises, two things happen. More calls go unanswered, and the revenue generated from answered calls can also begin to suffer. In the data, as advisor count increased from one to four, phone conversion moved from 28.9% to 32.9%. The broader pattern was that advisors who weren't carrying extremely high monthly call loads had more capacity to focus on the customer interaction.

Sometimes owners see an advisor missing calls, struggling with follow-up, or not closing enough work and immediately conclude that the employee needs more training. Training may absolutely help. But first ask whether you are giving that person a physically achievable workload.

AutoPulse Team: The advisor-to-technician ratio becomes quite interesting in that context.

Jay: It does. Across the data, the national median was around three technicians per advisor. But again, the ratio by itself isn't a magic number. What matters is the workload behind it. A European specialist with very high-value tickets may experience advisor capacity differently from a lower-ARO operation.



In the European segment, for example, we saw a clear inflection around four technicians to one advisor. When a second advisor was introduced at that staffing level, estimated revenue increased while sales per advisor moved back toward a more sustainable range.

That is why staffing needs to be treated as an economic system. An additional advisor is a payroll cost. But an overloaded advisor is also a cost. The second one is simply harder to see on the P&L.

AutoPulse Team: Your year-over-year data also tells an interesting story. Shops appear to be charging more and generating more value per labor hour, but conversion hasn't necessarily moved in the same direction.

Jay: That is broadly what we saw. Across American/Import, European and Diesel shops, ARO increased from 2024 to 2025. Effective labor rates also increased, and gross profit per hour improved. So the industry is clearly getting more sophisticated about pricing and capturing value from labor. But close ratio was mixed and actually declined in some segments. That creates a really interesting challenge for operators. You can raise prices.

You can increase the size of the technician quote. But the customer still has to say yes. So pricing strategy and advisor capability have to evolve together. Otherwise you become better at identifying and pricing work without necessarily becoming better at converting it.





FIND THE CONSTRAINT FIRST

AutoPulse Team: If an operator reads the entire report and says, “Jay, this is a lot of data. Where should I actually start Monday morning?” what would you tell them?

Jay: I would keep it simple. First, identify the group of shops in the report that actually looks like your business. Then map your own metrics. Where are you above median? Where are you below? After that, look for connected gaps. If ARO is low, look at the technician quote and close ratio. If gross profit per hour is weak, look at ELR and parts cost. If total gross-profit dollars are weak, look at billed hours, car count, and hours per vehicle.

If your car count is weak, look at your phones and answer rate. If your advisors are underperforming, look at their workload before assuming you have a people problem. The mistake is trying to improve twenty things at once. Find the constraint with the largest financial impact and work on that first. Our report ultimately prioritizes close-ratio improvement as one of the most capital-efficient revenue opportunities, parts-cost management as a major margin lever, and volume growth as a powerful gross-profit lever when the business has the capacity to support it.

AutoPulse Team: So if there is one broader lesson from the data, it sounds like the best shop operators are going to become increasingly data-driven, but not necessarily data-obsessed.

Jay: I think that is exactly right. More dashboards aren't automatically the answer. The purpose of the data is to tell you where to look. A shop owner doesn't need another hundred metrics competing for attention.

They need to know: Where is the business leaking opportunity right now? Is it the phone? Is it conversion? Is it parts margin? Is it staffing? Is it technician capacity? Is it insufficient volume? Once you know that, the data becomes useful because it changes a decision.

That is really what we wanted this report to do. Not tell every shop to operate exactly the same way. But give owners enough context to understand their own operation better, have better conversations with their teams, and make decisions based on what is actually happening inside the business rather than intuition alone.

AutoPulse Team: Jay, I think that is a strong place to close. What I particularly like about the report is that it doesn't reduce performance to one benchmark. It shows how revenue, profitability, volume, communication, and staffing are connected, and why improving one metric without understanding the others can sometimes create the wrong conclusion. Thank you for taking us behind the data and sharing your perspective with the AutoPulse community.

Jay: Thank you so much for the opportunity. We put a lot into understanding what the data is telling us, and I hope it gives shop owners a useful way to look at their businesses and identify where their biggest opportunities really are.





KEY TAKEAWAYS

OktoRocket's report draws on data from more than 1,000 independent repair shops. These are the four ideas from our conversation with Jay Power that operators can act on first.



AutoPulse Highlights

Community Initiative by GaragePlus



Four takeaways from our conversation with Jay Power

THREE CHAINS, ONE OPERATING SYSTEM – Revenue, profitability and volume should be read together. No single metric can explain whether a shop is healthy.

CONVERSION BEFORE MORE DEMAND – The report models roughly \$24,500 in additional monthly revenue from about a six-point improvement in close ratio in its example.

THE PHONE IS REVENUE INFRASTRUCTURE – Answered calls tracked closely with repair-order volume. The report models more than \$16,000 in potential monthly missed revenue from 90 missed calls using industry medians.

FIND THE CONSTRAINT FIRST – Use data to identify the leak with the largest financial impact, then fix that before trying to improve twenty things at once.

Source: OktoRocket, 2025 Auto Repair Industry Report (released July 2026). Benchmark data from 1,000+ independent repair shops, comparing 2025 with 2024. oktorocket.com/industry-report



SPEED, CONSISTENCY AND SCALE: AN OPERATOR'S VIEW OF AI



AUTOPULSE TEAM IN CONVERSATION WITH ARUN COUMAR



ARUN COUMAR

CEO -
Driven Auto Care

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Arun Coumar is the CEO of Driven Auto Care, a five-location auto repair business. In this conversation he shares a practical operator's view of AI in automotive service: efficiency, lead conversion, human judgment, implementation discipline and scaling knowledge across locations.

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AutoPulse Team: Hi Arun, how are you doing? Thank you for taking the time to join us for this conversation.

Arun: I'm doing well, thank you. Glad to be here and happy to share some of what we've been learning at Driven Auto Care.

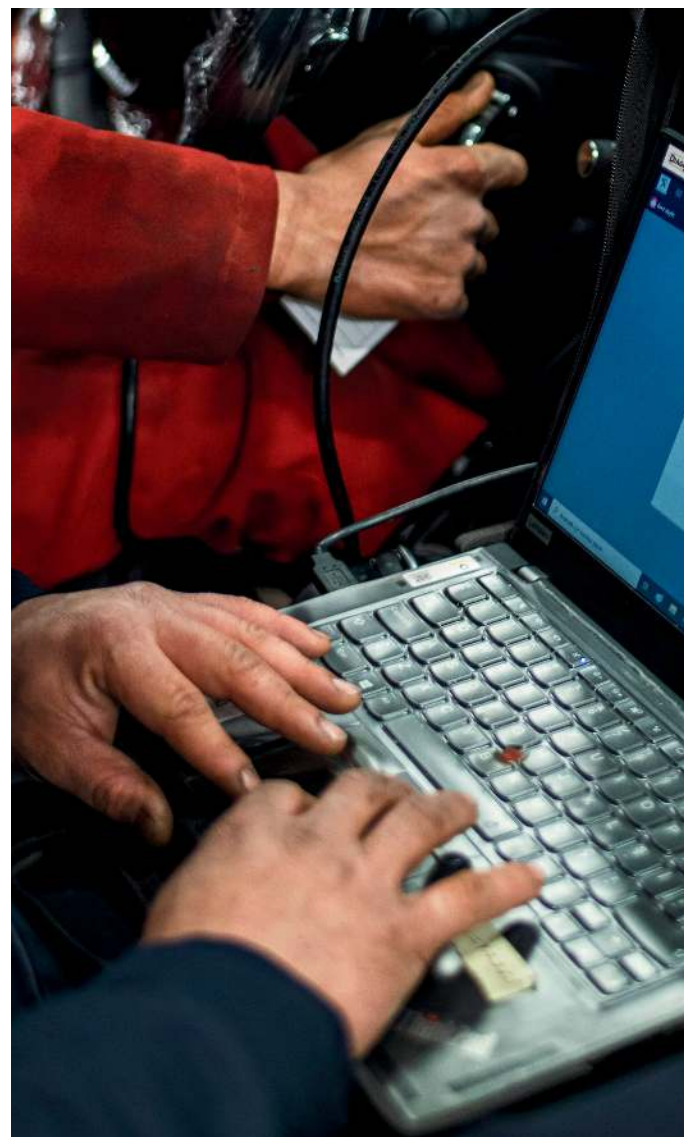
AutoPulse Team: Arun, when you look at automotive service businesses today, where do you think AI can create the biggest impact over the next two or three years?

Arun: I think the biggest immediate impact is efficiency. There are so many small things inside an auto repair business that take five minutes here, ten minutes there, thirty minutes somewhere else. Individually, none of them look like a major problem. But when you multiply that across people, locations, and thousands of repair orders, it becomes a lot of time. We are already seeing that at Driven Auto Care. One simple example is technician notes. A technician may write inspection notes that make complete sense to another technician, but they are not necessarily ready to present to a customer. Historically, a service advisor might spend five or ten minutes cleaning those notes up and making them customer-friendly.

AI can now do that automatically. That may seem like a small use case, but when you apply that across multiple technicians and multiple locations every day, it starts to create a meaningful efficiency gain. Another example is customer inquiries. We receive a lot of messages through Yelp, including a significant amount outside normal business hours. Previously, somebody had to manually work through those messages, and that could easily consume around thirty minutes every day. A lot of those leads would never convert anyway, but somebody still had to spend time looking at them and responding.

Today, AI handles that initial response for us. We are also experimenting with AI in diagnostics. On complicated vehicle problems, the diagnostic process can become inefficient if the technician starts going down paths that do not actually bring them closer to the answer. AI can help structure that thought process. Instead of testing everything that could possibly be wrong, it can help focus the technician on tests that actually eliminate possibilities and move the diagnosis forward.

For me, that is where the value becomes interesting. I don't immediately think about AI as replacing somebody's job. I think about taking unnecessary work away from good people so they can spend more time doing the things where they actually create value.





AutoPulse Team: That distinction is important. The conversation around AI often starts with replacement, but what you're describing is more about removing friction from the work that already exists. And once you start removing that friction, efficiency can very quickly become a revenue conversation as well. Have you already seen AI directly influence revenue?

Arun: Yes, and probably our clearest example is Yelp. Before we implemented our AI auto responder, our conversion rate from Yelp was around 3%. After implementing it, that went to approximately 12%. Our return on Yelp ad spend increased from somewhere around 150% to roughly 400%. That is a very tangible result. And the interesting part is that the AI isn't doing some sophisticated sales process. A lot of the value is simply that it responds instantaneously. It responds quickly, it responds consistently, and it can respond when the shop is closed, educating customers on our offerings and encouraging them to book an appointment. Speed matters a lot when a customer is looking for a repair shop. They may contact multiple businesses at the same time. If your response comes much later, there is a good chance that customer has already moved on. AI can solve that initial response problem very effectively. The way we operate also makes this easier. We aren't trying to sell the entire repair through that first conversation. Our objective is to get the customer through the door. We do an extensive complimentary inspection on every vehicle that comes into the shop. From there, once we actually understand the condition of the vehicle, our team can have a proper conversation with the customer and make recommendations. For basic lead conversion like that, I think AI is very capable today. It is by no means perfect, but it is an extremely worthwhile investment.

That is where I see a clear line between what AI can already do well and where the human service advisor becomes much more important.

AutoPulse Team: That is a strong example because the AI is not being asked to replace the advisor. It is being used at the stage where speed and consistency matter most, and then the human takes over once the conversation becomes more nuanced. So where do you draw that line? What should AI handle, and where should the human still be essential?

Arun: I think the education of the customer is where the human element remains incredibly important. Car repair is a very emotional purchase. You might be telling someone they need to spend several thousand dollars on a vehicle they depend on every day. Maybe they didn't expect the expense. Maybe they're already frustrated because the car broke down. Maybe they are deciding whether the car is even worth fixing. There can be a lot happening in that conversation beyond simply explaining a list of repairs.

You need empathy. You need context. You need to understand what matters to that particular customer. I don't think AI is ready to own that conversation. It can certainly support the service advisor, but the actual education and the nuanced sales conversation should remain human-led. Where I do think there is a huge opportunity is helping those humans become more consistent. Estimating is a good example. Across five locations, we have a tremendous amount of information.

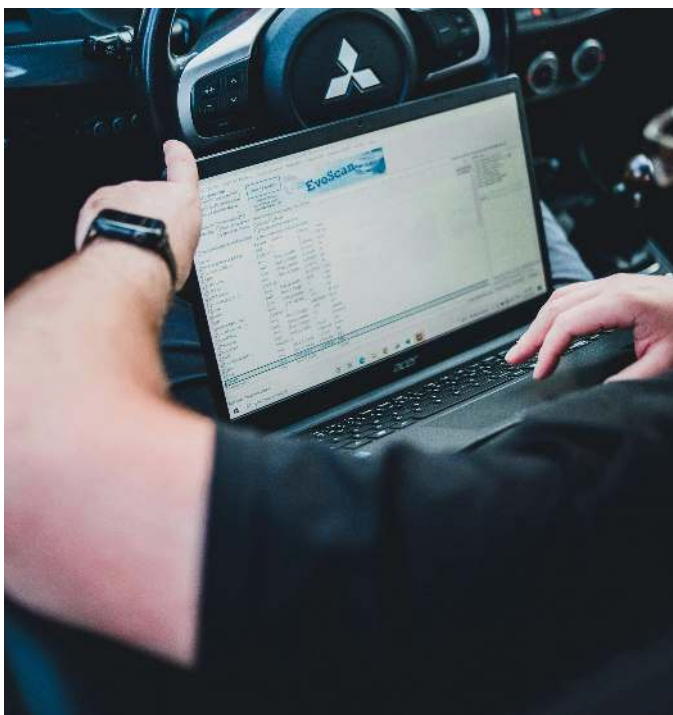
We've built thousands of estimates. We've often seen the same vehicles, repairs, and scenarios across different people and locations. In theory, everybody should benefit from all of that collective experience. But that's difficult for a human being. One advisor knows one thing. Another advisor has seen something else.



People remember differently. People build estimates differently. As a result, estimating can still be inconsistent across locations, and that inconsistency affects both customer experience and profitability.

The opportunity for AI is to sit on top of all that historical knowledge and help people build estimates more consistently. If the system could understand how we have typically handled a certain repair, what labor is involved, what parts are normally associated with it, and what people commonly overlook, that could be extremely valuable. A human can only process so much information from memory. AI should eventually be able to pull from far more data than any individual advisor could ever remember.

I have actually looked at a company trying to build this capability. I went through their demo because the concept made complete sense to me. The problem was that they couldn't access enough of the data inside our shop management system to make it useful for our application yet. So in some cases, I don't think the barrier is necessarily whether AI is intelligent enough. The barrier is whether the AI can actually access and integrate the right operational data across different technology stacks.



AutoPulse Team: That is probably one of the more practical realities that gets missed. The intelligence can exist, but if the AI cannot see the operational data it needs, it cannot create much value. And even when the data is available, implementation still becomes the bigger challenge. What do you think will cause AI adoption to fail inside automotive service businesses?

Arun: Treating it like a “set it and forget it” tool. That is probably one of the biggest mistakes you can make. AI still needs humans watching it. People sometimes think, “We implemented the AI, it's working, now we can move on.” But the real question is whether it is working the way you want it to work in practice. That is very different. We have seen this ourselves. Our Yelp AI responder once told a customer that we had called a tow truck for them.

We had not. The AI does not even have the ability to call a tow truck. Fortunately, one of our service advisors was monitoring the conversation and caught it before the customer sat there for an extended period waiting for a tow truck that was never coming. That example sounds small and it was certainly very embarrassing to make a customer wait for a non-existent tow truck for multiple hours, but imagine what happens if nobody catches it.

Now you have created a terrible customer experience. The customer loses trust. Your employee loses trust in the tool. And if that happens enough times, management starts saying, “See, AI doesn't work.” The technology may not actually be the problem. The implementation was the problem. You need somebody accountable for the output. You need to monitor what it is doing, correct it, establish boundaries, and keep refining the application.

AI is going to learn from what you allow it to do, so if it starts learning the wrong behavior and nobody catches it, it can create problems very quickly.



That is one of the risks I think operators need to understand. People hear “automation” and assume the objective is to remove human involvement. I think, at least today, good AI implementation often requires very active human involvement. The difference is that the human is supervising the system rather than manually performing every task themselves.

I think businesses that understand that will get a lot of value from AI. Businesses that expect to buy an AI product and walk away from it are much more likely to have a bad experience.

AutoPulse Team: That example says a lot. One incorrect promise can undo a lot of the trust the business has built, even if the technology is delivering value everywhere else. So the operating model becomes important. AI can handle more, but accountability still has to sit somewhere with a human. If you were advising another automotive service operator who wants to be ready for 2027, what would you tell them to start doing now?

Arun: The first thing I would do is start talking to your employees about AI. Don't wait until you've purchased something and then surprise everybody with it.

You're going to have people who are excited about it, and you're going to have people who are uncomfortable with it. Some employees aren't very tech-forward. Some people will naturally be resistant to a different way of working. You need to bring people along. If employees understand that the objective is to eliminate low-value work, make their jobs easier, and help them perform better, adoption becomes much easier.

You need people to buy into the idea that the technology is there to support the business. If your team is fighting the tool from day one, even very good technology will struggle to create value. The second thing is transparency with customers. At least today, if a customer is interacting with AI, I think you should be clear about that. You don't want somebody to believe they're talking to a person and then later discover they were talking to a bot.

Even if the interaction itself was fine, you've potentially introduced a trust issue for no reason. Trust is difficult to build and very easy to damage. Especially in automotive repair, where customers are already placing a lot of trust in the business, I think transparency matters. The third thing is regulation. AI regulation is going to continue evolving very quickly, and I expect 2027 to be a much more regulated environment.





Operators need to pay attention now. You don't want to build an entire process around AI and then discover later that the way you are using customer information, recording conversations, communicating, or making automated decisions creates a compliance problem. So for me it's communication, transparency, and regulation. The technology is going to improve anyway. The businesses that prepare the organization around the technology are probably the ones that will adopt it successfully.

SCALING KNOWLEDGE ACROSS LOCATIONS

AutoPulse Team: I like that framing because none of those three points are really about buying more technology. They are about preparing the business around the technology. That becomes even more important when the organization starts adding locations and complexity. Driven Auto Care has now grown to five locations. As you've scaled, where have you personally seen operational complexity increase the fastest?

Arun: Training. That has been one of the hardest parts of scaling. When the company was smaller, I could spend a lot more time directly with a new employee. If somebody didn't understand something, I could sit with them, explain it differently, answer their questions, watch them apply it, and correct it immediately. That is very difficult to reproduce as you grow. You start relying more on training videos, SOPs, written processes, and other systems.

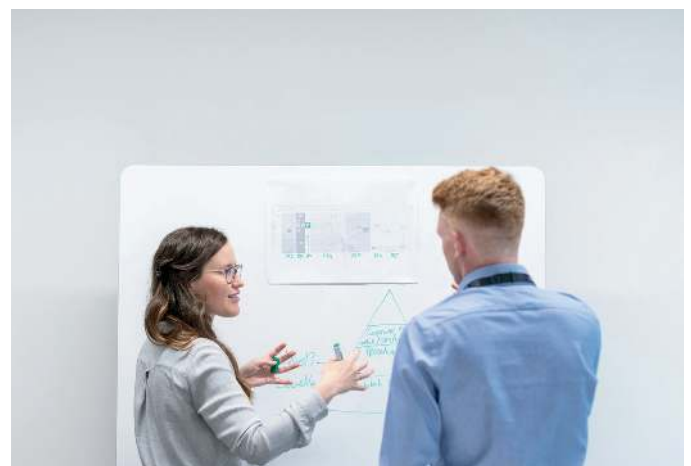
Those are necessary. You can't scale without them. But a video is still a video. If somebody doesn't understand the concept the first time, the video doesn't realize that. It doesn't stop and explain it differently. It doesn't understand where that person's knowledge gap is.

We've seen situations where something I could probably explain to somebody in one conversation may take them watching a training video four or five times before it really clicks.

That is a limitation of static training. And then you have another layer. You need to train leaders who can then train other people. That is much harder. The knowledge gap between someone who has been deeply involved in building the company and a newer leader can be massive. You can document the process, but you cannot transfer years of judgment and experience overnight. That has actually influenced the speed at which we grow.

We have five locations today, and I would rather make sure those five locations operate consistently before we aggressively continue expanding. Growth only works if the operating standard comes with it. If every new location creates more inconsistency, then eventually growth creates more problems than value. Our goal is to keep developing what I would call the "plug and playability" of the business. When somebody new joins Driven Auto Care, how quickly can they understand how we operate?

How quickly can they become competent? How dependent are they on having one particular experienced person standing next to them? Those are important questions for us. The more repeatable we can make the business, the easier it becomes to grow without losing quality. That training engine is something we are going to keep investing in.





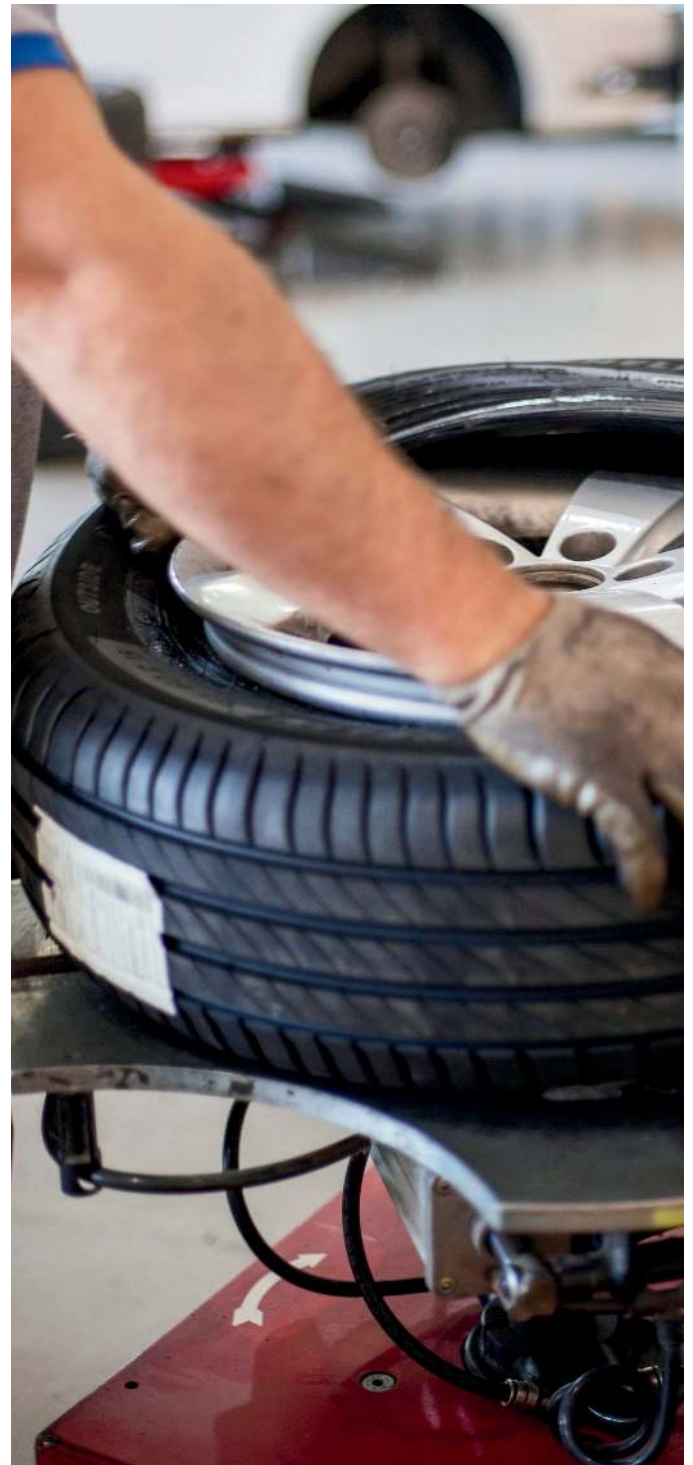
AutoPulse Team: That may actually be one of the most important scaling problems in the industry. It is relatively easy to document a process. It is much harder to transfer judgment, context, and experience. And it connects back to what you said earlier about estimating. A lot of the best knowledge inside a business still lives inside individual people. Do you see AI eventually becoming part of solving that training problem?

Arun: Absolutely. I think that is one of the more interesting long-term opportunities. Today, most training content is static. You have an SOP. You have a video. You have a checklist. But real learning doesn't happen in exactly the same way for everybody. One person watches a video once and understands everything. Another person may need to hear the same concept explained in a completely different way. That is what makes human training effective.

If AI can take all of the knowledge we already have across the company and allow an employee to interact with it, that becomes much more powerful. Instead of watching the same video four times, maybe somebody can ask, "I don't understand this part. Explain why we do it this way." Or a service advisor can ask about a particular situation while they are actually dealing with it. Or a newer employee can ask a question without needing the most experienced person in the company to stop what they are doing every time.

That is very different from simply storing more training content. To me, one of the biggest challenges of a multi-location business is that your best knowledge tends to live inside particular people. The founder knows something. Your strongest service advisor knows something. Your best technician knows something. One location figures out a better way of doing something, but the other four locations do not immediately benefit from it.

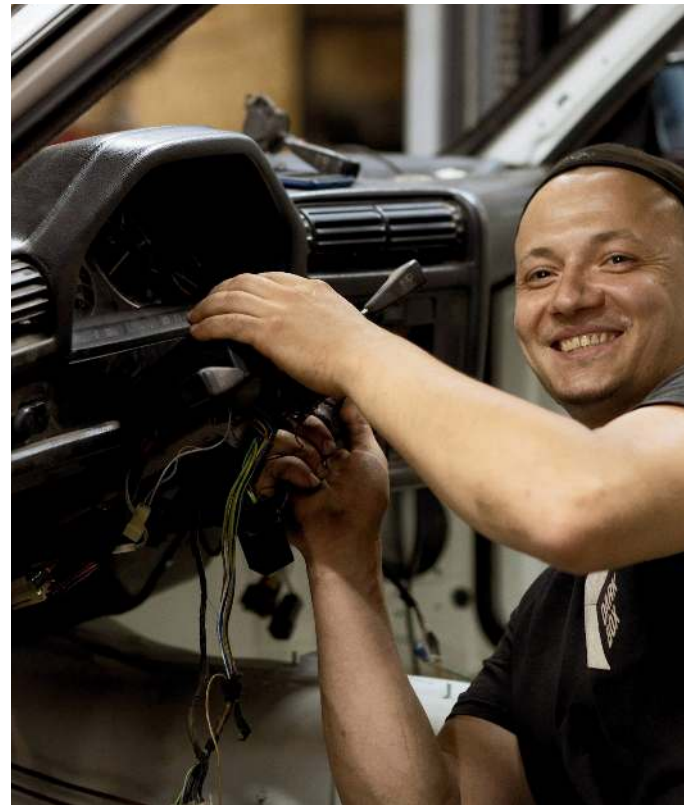
That creates a natural ceiling on how quickly you can scale. If AI eventually allows us to capture that knowledge, organize it, and make it available to everyone, then it becomes much more than an efficiency tool. It becomes a way of making the organization itself smarter. And for a growing multi-location business, that is probably where some of the biggest long-term value is.





AutoPulse Team: Arun, that is a strong place to close because it brings the entire conversation together. The immediate value of AI may be in saving time, responding faster, improving conversion, and supporting employees. But the larger opportunity appears to be taking the knowledge that already exists inside a strong organization and making it more consistent, more accessible, and ultimately more scalable. Thank you for sharing such a practical perspective and for being part of the AutoPulse US 20 Playbook.

Arun: Thank you so much for the opportunity. I appreciate being part of the conversation and hope some of what we are learning at Driven Auto Care is useful to other operators as they start thinking about AI in their own businesses.





KEY TAKEAWAYS

Driven Auto Care runs five locations and is already measuring what AI does in practice. These are the five ideas from our conversation with Arun Coumar that operators can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Arun Coumar

EFFICIENCY FIRST – The immediate AI opportunity is removing repetitive, low-value work so skilled people can spend more time where they create value.

A MEASURABLE CONVERSION LIFT – Driven Auto Care says Yelp conversion rose from about 3% to about 12%, while return on Yelp ad spend moved from roughly 150% to roughly 400% after an AI auto responder.

KEEP THE HUMAN WHERE EMPATHY MATTERS – AI can support speed and consistency, but customer education and nuanced repair conversations still need human context and empathy.

SET-IT-AND-FORGET-IT FAILS – AI requires monitoring, boundaries and human accountability. The operating model matters as much as the technology.

CAPTURE THE ORGANIZATION'S KNOWLEDGE – The long-term opportunity is interactive training that makes the best knowledge in the company available across every location.



AI WILL NOT REPLACE THE REPAIR PLAN



AUTOPULSE TEAM IN CONVERSATION WITH JAKE RODENROTH



JAKE RODENROTH

Collision Repair Consultant –
Rodenroth Consulting LLC
(ex-CRO, Quality Collision Group)

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Jake Rodenroth is a collision repair consultant with Rodenroth Consulting LLC and the former CRO of Quality Collision Group. He brings experience from Lucid Motors' North American approved body-shop network and multi-location collision leadership to a clear-eyed view of where AI helps the repair process.

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CUSTOMER INTERACTION COMES FIRST

AutoPulse Team: Where do you see AI creating the biggest practical impact in collision repair over the next two to three years?

Jake: Customer interaction. AI can play an important role in keeping customers informed throughout the repair process and in improving the initial customer-capture process. Customers increasingly expect immediate interaction from the businesses they deal with. Collision repair is no exception. That expectation becomes even more important as repairs themselves become more complicated. When the repair cycle involves additional diagnostics, calibrations, procedures and potential delays, communication cannot be inconsistent or reactive. Customers need to understand where the repair stands and what is happening next.

AI can help make that communication more proactive and consistent, which ultimately supports both customer satisfaction and retention.

AutoPulse Team: From your experience at Lucid and in multi-location collision repair, where do you see the biggest gap between OEM repair expectations and what shops can consistently execute today?

Jake: The biggest gap is definitely diagnostics and calibration. Shops often struggle to fully recognize the role diagnostics need to play throughout the repair process. There is also a challenge around identifying calibration requirements early enough. In some cases, those requirements are identified too late in the repair cycle. In others, they may not be identified at all.



AutoPulse Team: As collision groups scale, how can technology or AI help maintain consistent repair quality and customer experience across locations?

Jake: One important application is an AI-enabled CRM capable of tracking the tools and employee training required by each OEM. For a multi-location repair group, certification is not simply a badge. The organization needs visibility into whether each location has the correct equipment, whether technicians have the appropriate training and what will be required to remain compliant with individual OEM programs. Technology can also help groups plan future investment.

If leadership can see what tooling each facility currently has, what condition that equipment is in and what would be required to support an additional OEM certification, they can forecast CapEx much more effectively. Ultimately, proper vehicle repair comes down to three things: A trained technician. Approved vehicle-specific tooling. The OEM service manual. None of those three can do the job alone. Technology should help ensure those elements come together consistently across every repair and every location.



That becomes increasingly serious as software-defined vehicles and electric vehicles become more prevalent. These vehicles rely heavily on connectivity and can approach even fundamental vehicle functions such as braking, steering and HVAC differently from traditional vehicles. That means shops cannot treat diagnostics or calibration as secondary activities. They are part of the repair. The complexity is only going to increase from here.

TECHNICIANS NEED AN INTELLIGENT VIRTUAL ASSISTANT

AutoPulse Team: Modern vehicles require more diagnostics, calibrations and OEM procedures than ever. How do you see AI helping technicians and repair planners handle that complexity?

Jake: I think the industry needs something closer to a virtual assistant. Imagine a Siri- or Alexa-style application designed specifically for the repair process. A technician should be able to explain what they are trying to accomplish, have the system ask probing questions and then connect that task directly to the relevant OEM requirements. That would be extremely valuable because repair requirements are becoming increasingly vehicle specific.

ADAS calibration is a good example. Two major factors that drive calibration requirements are the point of impact and the vehicle's trim level. The details matter. Today, more shops and insurers are relying on calibration "scrubbers" to identify what calibrations may be required. I am not a fan of treating those systems as an easy button. They are not recognized by OEMs, and there should also be scrutiny around where those systems obtain the data used to make those determinations.

AI can help technicians access information faster. But the source of that information matters just as much as the speed at which it is delivered.

AutoPulse Team: Which AI use cases in collision repair do you think are genuinely useful today, and which ones are still overhyped?

Jake: AI is still relatively new in the repair sector. But if it is properly trained and managed with the right information, I think it can be extremely useful for navigating OEM repair procedures. Those procedures can be extensive. They may run across multiple pages, apply differently depending on model or trim level and frequently use engineering terminology that can be difficult to work through efficiently. AI has the potential to make that information easier for technicians and repair planners to access and act on.

That is a practical use case. Where I think the industry is getting ahead of itself is AI estimating, particularly systems being enforced by insurers. There are fundamental questions that still need to be answered. How can an AI system accurately write a repair estimate without access to the OEM service manual? How can it understand the tooling required? How does it measure or align suspension? How does it scan the vehicle? How does it accurately identify all of the damage?

At this point, it cannot. That does not mean those systems have no value. They can be useful as scheduling tools to help identify the likely size and complexity of a job. But that is very different from creating a complete repair plan. AI estimating should not currently be treated as a substitute for the full technical process required to determine how a vehicle should be repaired.



THINK BEYOND CLAIMS VOLUME

AutoPulse Team: If you were advising collision-repair leaders preparing for 2027, what should they start doing now?

Jake: Bring in new revenue streams. Claim counts are down, and I do not think the industry should assume they will simply return to previous levels. If a repair business has not started diversifying, now is the time. One area shops should think more seriously about is their relationship with local dealerships. Dealers may traditionally be viewed as competitors, but there is value in building strong relationships with them.

Repairers should also look closely at how much work they are currently subletting. If the percentage of sublet work is consistently in the double digits, that can be a strong signal that there may be a viable business case for bringing some of those capabilities in-house. The question is not only where technology is heading. It is also whether the business model is adapting to where repair demand, vehicle complexity and revenue opportunities are heading.

Conclusion: AI Should Help Technicians Reach the Right Answer Faster

The role of AI in collision repair should not be to bypass the technical discipline required to repair increasingly complex vehicles. Its most valuable role may be helping people navigate that complexity. Helping a technician reach the correct OEM procedure. Helping a planner identify requirements earlier. Helping a multi-location group understand which technicians, tools and certifications are available at each facility. Helping customers stay informed during an increasingly complicated repair cycle.

Those applications strengthen the repair process rather than attempting to replace it. Rodenroth's underlying principle is simple: a proper repair still requires the right technician, the right tooling and the right OEM information. AI becomes valuable when it helps bring those three together more consistently.



AutoPulse Highlights

A Community Initiative by GaragePlus

Diversify the Revenue Model

Claim counts are down, and repairers should not assume they will simply return. Look seriously at relationships with local dealerships, and at sublet work: if sublet is consistently in the double digits, there may be a viable business case for bringing that capability in-house. The question is not only where technology is heading, but whether the business model is adapting with it.



KEY TAKEAWAYS

Jake Rodenroth has seen collision repair from the OEM side at Lucid and from inside a multi-location repair group. These are the five ideas from our conversation that repairers can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Jake Rodenroth

CUSTOMER INTERACTION COMES FIRST – AI can keep customers informed through an increasingly complex repair cycle and improve the initial customer-capture process.

CLOSE THE DIAGNOSTICS AND CALIBRATION GAP – Calibration requirements are too often identified late in the repair, or not at all. Diagnostics belong throughout the repair process.

THE THREE NON-NEGOTIABLES – A proper repair still requires a trained technician, approved vehicle-specific tooling and the OEM service manual. None of the three can do the job alone.

A VIRTUAL ASSISTANT, NOT AN EASY BUTTON – AI should connect technicians to the right OEM requirements faster, but the source of that information matters as much as the speed.

AI ESTIMATING IS STILL OVERHYPED – Without the OEM manual, scanning and measuring, AI can help size and schedule a job but cannot produce a complete repair plan.



THE MONEY IS IN OPERATIONS: WHERE AI WILL REALLY CHANGE AUTOMOTIVE SERVICE

AUTOPULSE TEAM IN CONVERSATION WITH MARC BELANSKI



MARC BELANSKI

Managing Partner –
HG AutoTech LLC

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Marc Belanski has spent most of his career in the automotive aftermarket as a software engineer, product developer, operator and investor. Before becoming Managing Partner of Hoops and Gears, he was a Portfolio Manager at Fullsteam and Constellation Software, operating and growing dozens of automotive vertical-market software businesses.

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AutoPulse Team: Where do you think AI can create the biggest real-world impact in automotive service over the next two to three years?

Marc: The near-term wins are in the unglamorous middle of the shop, not necessarily in the flashy diagnostic applications everyone wants to talk about. Front-counter and back-office labor is where AI can pay off first. Writing estimates, checking parts availability and pricing across suppliers, answering calls, booking appointments, following up on declined work and reconciling the books all consume significant time. Most shops run lean. They often lose more money through missed calls, delayed follow-up and unfinished paperwork than through a bad diagnosis.

That is where AI can create an immediate impact. A voicemail that turns into a booked appointment, or inspection photos and technician notes that become a clear customer recommendation, can move the needle within months rather than years. The AI mechanic will eventually become real, but that is further out. Right now, the money is in operations.

AutoPulse Team: Where do you see the biggest opportunity for AI to directly influence revenue in tire and automotive service businesses?

Marc: I see two major areas. The first is capturing demand that already exists but leaks out of the business. After-hours calls, unanswered messages and declined-work follow-up are obvious examples. If a shop recovers even a fraction of appointments it currently fails to book, that may create a bigger lift than additional marketing spend. The second opportunity is raising the average repair order by improving how inspection findings and maintenance recommendations are communicated.

AI can turn a technician's photos and notes into a clear, prioritized explanation with visual proof. Customers approve work they understand and trust. On the tire side, there is also a significant opportunity around fitment and inventory positioning. Having the right tire available in the right location, potentially before the customer even arrives, will increasingly influence both margin and customer experience.





AutoPulse Team: From your experience with automotive software, what usually determines whether a new technology actually gets adopted by shops or gets ignored?

Marc: Whether it saves the shop time on day one without asking people to completely change how they work. Shops don't adopt technology. They adopt outcomes. A product that requires a training class, a new workflow and a leap of faith will struggle, regardless of how impressive the demo looks. The tools that stick are usually embedded into software the shop already uses and create a visible result quickly. That might be a booked appointment, an approved estimate or an hour of paperwork removed from someone's day.

Trust is the second major factor. Automotive service is a low-margin, high-liability business, and operators have seen plenty of software vendors overpromise. The better approach is to under-promise, prove value quickly and let the results earn the next use case.

AutoPulse Team: How do you think AI will change the role of shop-management and automotive software by 2027?

Marc: Shop-management software will move from being primarily a system of record to becoming a system of action. Today, the software waits for someone to enter information and tell it what happened. By 2027, more of the system will start doing the work itself. It can draft estimates, prepare parts orders, communicate with customers and flag follow-up tasks, while employees supervise and approve rather than manually keying every field.

The interface will also change. Instead of navigating through menus and screens for every task, users will increasingly interact conversationally and focus on exceptions that actually require human judgment. The winners will not necessarily be the vendors with the most AI features added to their existing software. They will be the vendors that redesign the daily workflow around AI so shops can accomplish more with the same people.

AutoPulse Team: As multi-location groups continue to grow, where do you think AI can help improve consistency across locations?

Marc: Consistency is really a data and coaching problem, which is exactly where AI can help. Every group has locations that perform better than others. The strongest store may write better estimates, inspect more consistently, price more effectively or follow up more rigorously. AI can help codify those patterns and make them repeatable across the group. That means a new advisor in a weaker location can receive guidance based on what the group's strongest advisors already do well.

AI can also make performance drift visible. If one store's approval rate, average repair order or inspection completion starts falling behind the rest of the network, leadership can see it earlier and coach based on data rather than instinct. For growing groups, the goal should be simple: Scale the practices of the best locations instead of scaling the problems of the weakest ones.





AutoPulse Team: If you were advising an automotive service group preparing for AI today, what are the three things you would tell them to get right first?

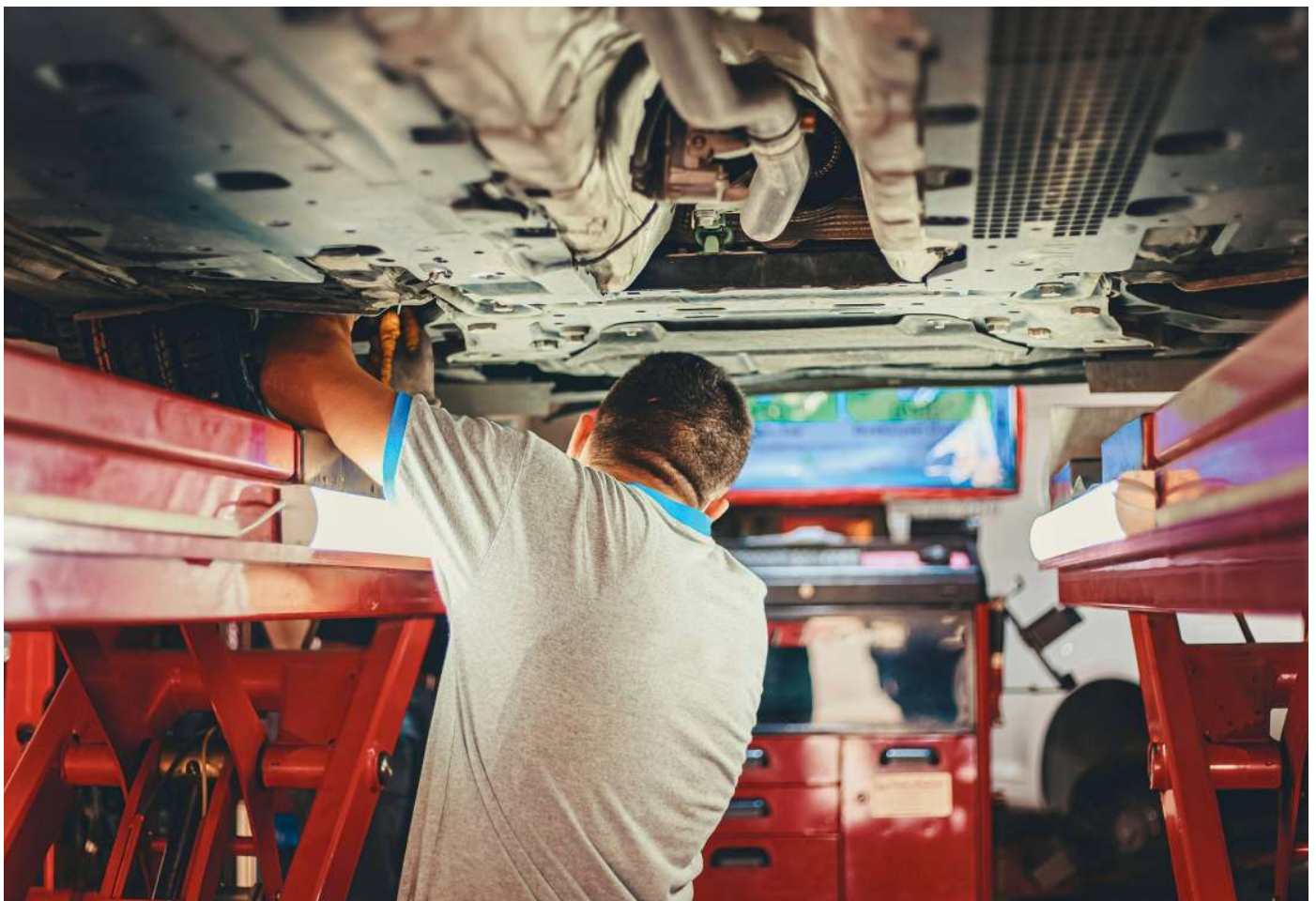
Marc: First, get the data house in order. AI is only as good as the operating data behind it. Clean customer records, consistent labor and parts data, and accurate inventory are foundational. Groups that skip this step may get impressive demonstrations but disappointing real-world results.

Second, pick one painful, measurable problem. Don't start with a broad goal like "adopt AI." Choose one specific issue. Capture missed calls. Improve inspection approval rates. Reduce month-end close time. Solve something the business can measure. One visible win builds credibility and creates appetite for the next use case.

Third, keep humans involved where judgment matters. AI should draft, recommend and automate repetitive work. But decisions involving diagnosis, estimates and other high-judgment areas should continue to involve people. The same applies to customer communication. Trust with employees and customers is difficult to build and easy to lose.

Conclusion: The Practical AI Opportunity

The most important AI opportunities in automotive service may not be the most futuristic ones. They are the operational problems shops already understand. Missed demand. Inconsistent follow-up. Administrative workload. Weak customer communication. Performance gaps across locations. That is where AI can create measurable value first. And Belanski's advice to operators is straightforward: fix the data, solve one measurable problem, and keep human judgment where it matters.





KEY TAKEAWAYS

Marc Belanski has built, run and invested in automotive vertical-market software for most of his career. These are the five ideas from our conversation that operators can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Marc Belanski

RIGHT NOW, THE MONEY IS IN OPERATIONS – The first AI wins sit at the front counter and in the back office: missed calls, estimates, parts lookups, follow-up and paperwork.

SHOPS ADOPT OUTCOMES, NOT TECHNOLOGY – Tools that stick save time on day one, live inside software the shop already uses and produce a visible result quickly.

FROM SYSTEM OF RECORD TO SYSTEM OF ACTION – By 2027, shop-management software will draft, prepare and communicate while people supervise and approve.

SCALE THE BEST LOCATION – AI can codify what the strongest stores do well and make performance drift visible across the group early.

START WITH ONE PAINFUL, MEASURABLE PROBLEM – Fix the data first, solve one problem the business can measure, and keep human judgment where it matters.



AI IS A TOOL. PASSION IS STILL THE DIFFERENTIATOR

AUTOPULSE TEAM IN CONVERSATION WITH LUCAS UNDERWOOD



LUCAS UNDERWOOD

Owner –

L&N Performance Auto Repair

Co-host, Changing the Industry

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Lucas Underwood owns and operates L&N Performance Auto Repair in Blowing Rock, where he's built his career diagnosing and repairing today's increasingly complex vehicles. He co-hosts Changing the Industry, a podcast network reaching shop owners and technicians across the country on the issues shaping the trade – from the skilled labor shortage to the rapid pace of technology in modern automotive service. Through the podcast and his content for technicians, he's become a recognizable voice for independent shops navigating an industry in transition. He also oversees Mystery Hill, the High Country attraction his family has owned since the 1950s.

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AutoPulse Team: AI is now everywhere in automotive service. Every week there seems to be another platform, another assistant, another product claiming it can transform the shop. From the conversations you are having with owners and industry leaders, where is AI genuinely useful today, and where has the industry started getting carried away?

Lucas: There is definitely real utility in it. I think most owners can find useful applications somewhere in the business, even if they are starting small. One simple example is technician write-ups. A technician may understand exactly what they found and what needs to be repaired, but the way they document it may not always be ready to present directly to a client. AI can help clean that up and turn technical information into something easier for the customer to understand.

Then you can go much deeper. Financial analysis is another area where the available tools can be very helpful. You can give AI business information and start asking questions about patterns, performance or things you may not have noticed yourself. So I am not negative on the technology at all. There is a lot of utility. Where the hype comes in is the sheer number of “new software” products being pushed into the market. There are thousands of products appearing, and many of them are substandard or simply do not function the way they are advertised.

Everyone is a software developer now. That is where owners have to be careful. Something having the word AI attached to it does not automatically make it useful.

AutoPulse Team: That is an important distinction because shops are being sold two things at the same time: genuinely useful AI tools and a huge amount of AI-labeled software. How should an owner tell the difference?

Lucas: You have to actually inspect the output. That sounds simple, but it is probably one of the most important things owners can do right now. Do not assume the software is correct because it looks polished. Do not assume the answer is good because it was generated quickly. Use the tool, test it and look closely at what comes back. That applies whether you are using AI for a technician write-up, financial analysis or something more complicated. The mistake is when people become impressed by the technology itself and stop checking whether the result is actually useful. AI can be extremely helpful, but it can also be wrong. The owner still has to think.

AutoPulse Highlights

Community initiative by GaragePlus

Inspect the output

Something having the word AI attached to it does not automatically make it useful. Test the tool and look closely at what comes back.





AutoPulse Team: Independent repair shops have historically built their businesses on relationships. Customers trust a person to explain what is wrong with the car, what needs to be fixed and what can wait. How much of that conversation should shops actually hand over to AI?

Lucas: Right now, I think AI is too inaccurate to handle that conversation on its own. And there is another side to it: customers can get frustrated when they are forced into an automated interaction, especially in the demographic that my shop primarily serves. We work with a lot of older, financially stable clients, and that customer base still values human communication. For me, AI is a very good tool for helping the shop prepare the presentation.

But I still believe a human needs to present the presentation. That is the distinction. AI can help organize the information. It can clean up the language. It can help make the explanation clearer. But when you are speaking to a customer about their vehicle, there is judgment involved. There is context. There is trust. The customer may have questions. They may be anxious about the cost. They may want to understand why something is necessary now and why something else can wait. That is still a human conversation.

AutoPulse Team: So if the industry goes too far toward automation, the danger is that shops become more efficient but less trusted.

Lucas: Exactly. The technology should support the relationship, not replace the relationship. A shop should use AI to make its people better prepared and more effective. That is very different from trying to remove the person from the conversation entirely. I think that balance matters a lot, especially in independent automotive repair, because relationships are one of the biggest advantages these businesses have. If your customer trusts you, that matters. You do not want to sacrifice that simply because a new technology can technically perform part of the interaction.

AutoPulse Team: Let us move into the shop itself. Beyond communication and write-ups, where do you see a real operational problem that AI could help solve over the next two or three years?

Lucas: Dispatch and workflow have real potential. I think video-based analysis products are especially interesting in that area. Chris at AutoFlow has developed a product in that realm that I think is very impressive.

There is a lot happening inside a shop at any given moment. Vehicles are moving through different stages of the process, technicians have different workloads and priorities are constantly changing. Anything that can help the business understand that workflow more clearly and make better dispatch decisions has real potential.

That is an area where I think AI can become much more useful because it is helping the shop understand what is happening operationally rather than simply generating content.





AutoPulse Team: You speak with a lot of people across the industry. Are you already seeing a gap between leading-edge operators and average shops in how they approach AI?

Lucas: Absolutely. The leading-edge operators are engaging with it. That does not mean they have completely transformed the business around AI. It simply means they are testing the tools that are available and finding some level where they can use them effectively. They are experimenting. They are learning. They are trying to understand what is useful and what is not. On the other side, a lot of average or problematic shops are basically on cruise control. They are not really attempting to stay current. That becomes dangerous because the technology is moving quickly. But there is another extreme that can be just as problematic: businesses becoming highly dependent on AI without actually inspecting the output. So you have two risks. One is ignoring it completely. The other is trusting it completely. Neither approach makes much sense.

AutoPulse Team: That is probably the more uncomfortable message. Some shops are not keeping up at all. Others are adopting aggressively but have stopped questioning what the software gives them.

Lucas: Yes, and that is why engagement matters more than enthusiasm. You do not need to become obsessed with every new tool. You need to be curious enough to try useful things and disciplined enough to check whether they actually work. That is the difference. AI should not become another reason to stop thinking. It should help you think better.

AutoPulse Highlights

Community initiative by GaragePlus

The two dangerous extremes

Ignoring AI completely, and trusting AI completely. Engagement matters more than enthusiasm.

AutoPulse Team: If an owner has barely started with AI, what is the first experiment you would actually give them? Something they could do without buying another platform.

Lucas: Take some of your own business data. Import a few CSV files. Give it your P&L. Give it your balance sheet. Then ask the AI tool of your choice to look for patterns that may be relevant to the business. That is a good first exercise because you are using your own information and asking the system to help you look at the business from another angle. You may see patterns you already knew were there. You may see something you had not considered. And even if the answer is not perfect, you start learning how to work with the technology. You start learning what kinds of questions produce useful answers and where you still need to apply your own judgment. That is a much better starting point than chasing some complicated AI transformation because everybody else is talking about it.





AutoPulse Team: And what would you tell them not to do?

Lucas: Do not use it for your marketing advice and graphics. Everybody knows it is AI. That is one of those areas where businesses can start looking exactly like everybody else very quickly. If the same tools are producing the same kinds of images, the same language and the same ideas for everyone, you lose personality. And personality matters. Your business should still look and sound like your business. AI can help, but I would be very careful about letting it define your marketing identity.

AutoPulse Team: That is interesting because marketing is probably one of the first places many small businesses experiment with AI. You are almost saying: use AI first where it helps you understand the business, not where it replaces the voice of the business.

Lucas: Yes, I think that is a better way to look at it. Use it where it gives you additional capability. Use it where it helps you analyze information. Use it where it makes a process better. But if you hand over everything that makes the company feel human, you have to ask yourself what you are actually gaining.

AutoPulse Team: Let us jump forward to 2027. If AI tools become cheaper, easier to access and more capable, what separates the shops that benefit from them from the shops that still struggle?

Lucas: Passion. That is what separates them. Passion to grow. Passion to learn. Passion for the industry. Passion for advocating for the client's needs. Technology cannot replace that. You can give two shop owners access to exactly the same AI tools and they can get completely different outcomes because one is curious, engaged and constantly trying to improve, while the other is just going through the motions. Without passion, this industry will eat your lunch. It is too difficult. There are too many things changing. Vehicles are changing. Technology is changing. Customers are changing. Business is changing. If you are not interested in learning and improving, AI is not going to save you.

AutoPulse Highlights

Community initiative by GaragePlus

Keep thinking

AI should not become another reason to stop thinking. It should help you think better.





AUTOPULSE HIGHLIGHT

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**WITHOUT PASSION,
THIS INDUSTRY WILL
EAT YOUR LUNCH.**

LUCAS UNDERWOOD

Owner, L&N Performance Auto Repair · Co-host, Changing the Industry



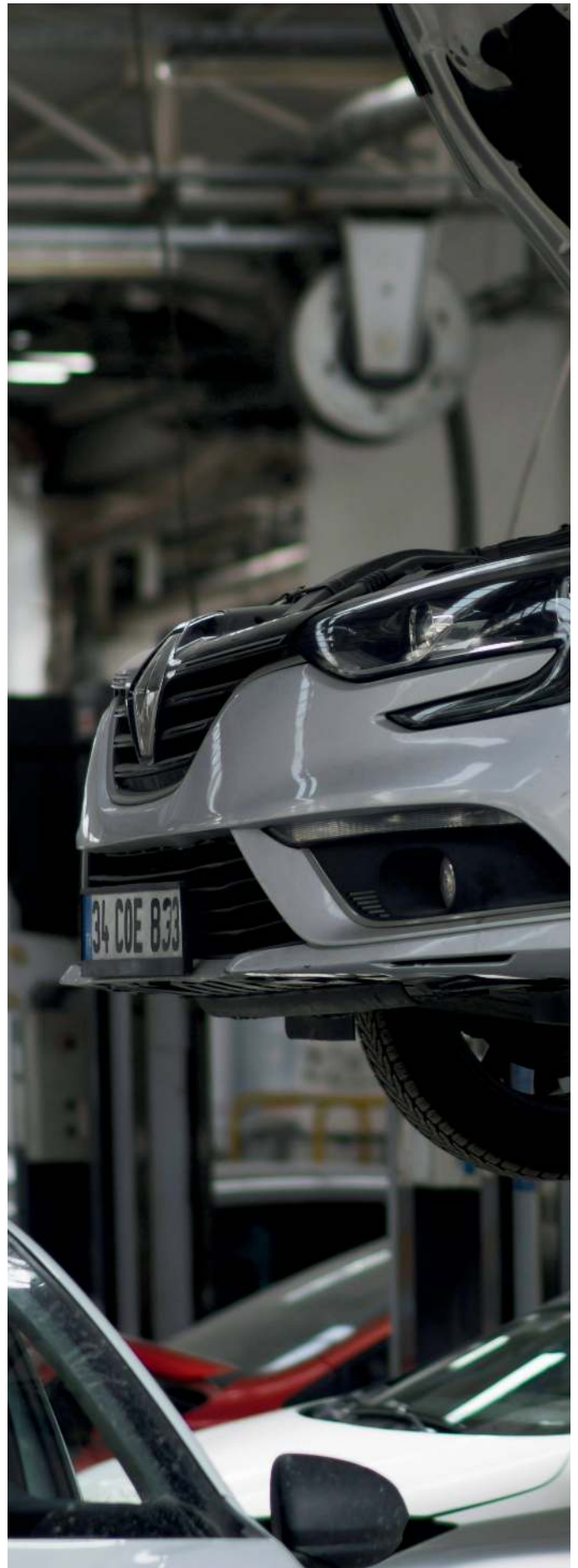
AutoPulse Team: So the advantage in 2027 may not actually belong to the shop with the most sophisticated AI. It may belong to the owner who is still curious enough to keep learning how to use it.

Lucas: Exactly. AI is a tool. A very powerful tool, but still a tool. The real advantage comes from what you bring to it. If you have passion and some inspiration, you can use AI to do things that were much harder before. You can understand information differently, improve processes and create new possibilities for the business. But the technology needs somebody behind it who actually cares about the outcome. That is why I keep coming back to passion. With a little passion and inspiration, you can use AI to change the world.

Conclusion: AI Should Strengthen Judgment, Not Replace It

Lucas Underwood's view of AI is neither rejection nor blind optimism. He sees clear utility already: cleaner technician write-ups, stronger financial analysis and emerging opportunities around workflow and dispatch. But he is equally skeptical of the wave of AI-branded products entering the market and of businesses that accept AI output without inspecting it. His dividing line is simple. AI should strengthen judgment, not replace it.

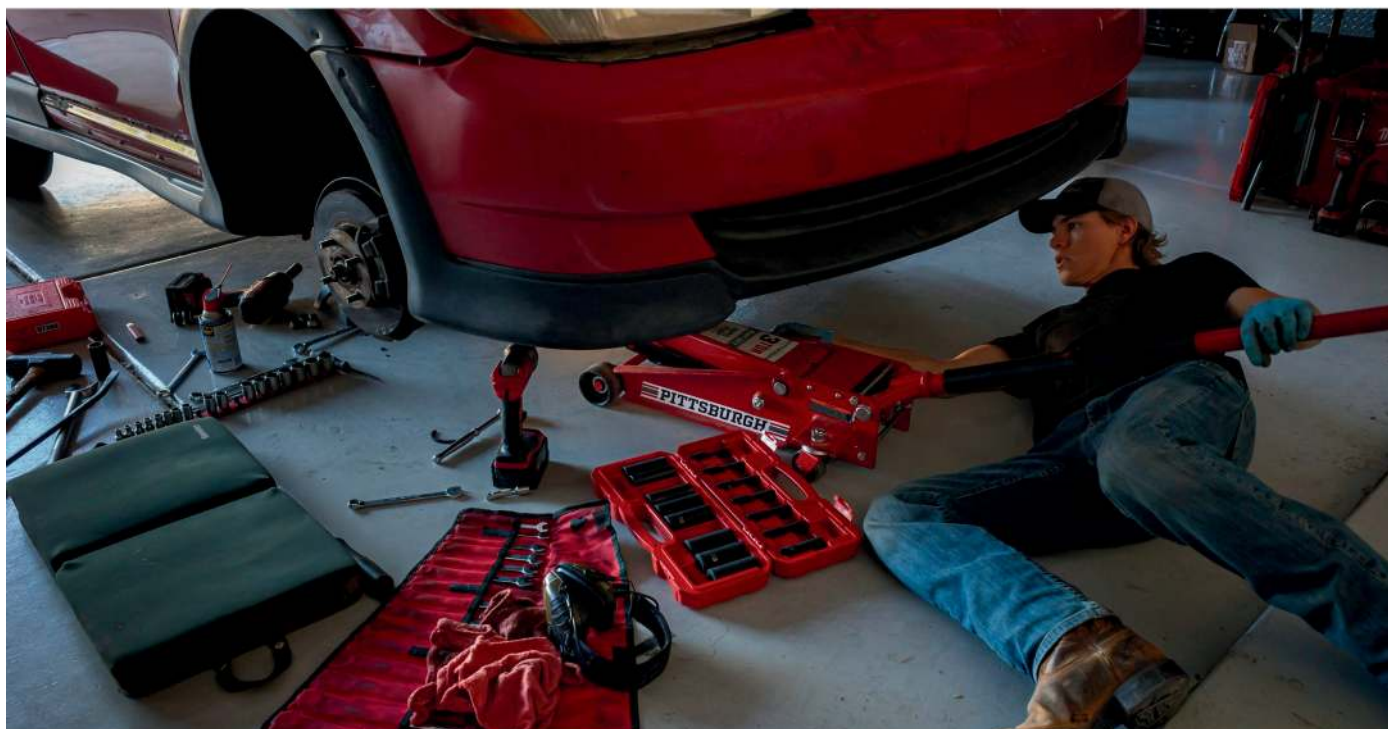
It can prepare the customer presentation, but a person still needs to present it. It can help identify patterns in the business, but the owner still needs to decide what those patterns mean. It can improve workflow, but management still needs to understand whether the process is actually working. That leaves automotive service with a useful paradox. The more capable AI becomes, the more valuable distinctly human qualities may become as well: judgment, trust, curiosity and the willingness to keep learning. By 2027, access to AI may be ordinary. Passion will not be.





KEY TAKEAWAYS

Lucas Underwood runs an independent shop in Blowing Rock and co-hosts Changing the Industry. These are the five ideas from our conversation that operators can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Lucas Underwood

USE AI WHERE IT ADDS CAPABILITY – Technician write-ups and financial analysis are practical starting points: AI can turn technical findings into language customers understand.

INSPECT THE OUTPUT – A polished answer is not automatically a correct one. Test every tool and check what comes back; the owner still has to think.

AI PREPARES, PEOPLE PRESENT – AI can organize and clarify the customer presentation, but a person should deliver it. Technology should support the relationship, not replace it.

START WITH YOUR OWN DATA – Import a few CSV files, your P&L and your balance sheet, and ask AI to look for patterns. Keep your marketing voice and graphics human.

PASSION IS THE DIFFERENTIATOR – With the same tools, curious and engaged owners get different outcomes. Without passion, this industry will eat your lunch.



AI HAS TO SURVIVE THE SHOP FLOOR

AUTOPULSE TEAM IN CONVERSATION WITH ROHIT BHATNAGAR



ROHIT BHATNAGAR

Chief AI Officer –
Gia by GaragePlug

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Rohit Bhatnagar is the Chief AI Officer at Gia by GaragePlug. Having personally benchmarked and audited service operations across more than 40 automotive brands, from the United States to the Philippines, he brings a view of automotive AI that is deeply technical but repeatedly tested against the realities of the workshop.

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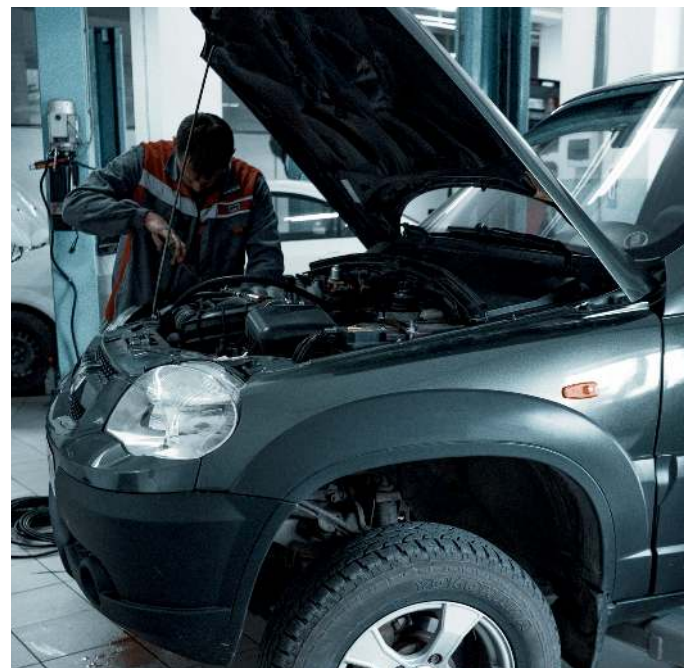
AutoPulse Team: You come into this conversation from the technology side rather than as somebody operating a repair shop. But over the last two years, through AutoPulse benchmarking and your work across the industry, you have personally observed more than 40 automotive service brands in different parts of the world. Has spending that much time on actual shop floors changed the kind of technologist you are?

Rohit: Completely. If you stay inside a technology organization, automotive service can look very structured. There is a customer, an appointment, a Repair Order, an inspection, parts, labor, an invoice and a follow-up. In software, you can represent all of those things very neatly. Then you spend time inside a workshop at 8:30 in the morning. A customer has arrived early, another one is waiting, a technician has found something nobody expected, a part has not arrived, somebody has promised a vehicle by 4 PM and the advisor is trying to deal with all of that while the phone is ringing.

That is when you understand that automotive service is not a clean sequence of software events. It is a living operating environment. A system can be logically perfect and still fail operationally. That has probably influenced my thinking more than anything else. If technology cannot survive the reality of the shop floor, it does not matter how impressive it looked in a demo.

AutoPulse Team: Across those 40-plus businesses, how different are the problems from market to market?

Rohit: The operating models can be very different. In some Southeast Asian operations, for example, you may see more people physically involved in moving work through the workshop. Coordination itself becomes a major challenge: where the vehicle is, what has been inspected, what is waiting, who needs to take the next action. In parts of the US, technician availability can be much tighter. There the economics of every minute of skilled technician time become much more visible. If somebody earning technician-level labor rates is spending ten or fifteen minutes doing administrative work that software could have removed, that matters. So the labor model changes. The customer expectation changes. The role of the advisor changes. But underneath those differences, I keep seeing the same technology problem: how do you remove friction without losing control of the operation? That is one reason global exposure matters. You become much less comfortable saying, "This is how automotive service works." There is no single operating model.



AutoPulse Highlights

Community initiative by GaragePulse

A living operating environment

Automotive service is not a clean sequence of software events. It is a living operating environment.



THE CLICK TAX NOBODY MEASURES

AutoPulse Team: One observation from your shop-floor work stands out: software teams dramatically underestimate the cost of an extra click. Why is that such a big deal?

Rohit: Because we tend to evaluate each interaction individually. A product team adds one field to an inspection form and thinks, “That takes ten seconds.” That sounds harmless. But a technician may be processing fifteen or twenty vehicles. There may be multiple inspection points. They are moving between the vehicle and the device, adding photos, choosing conditions, entering notes and then returning to the physical work. What looks like a tiny interaction in a product meeting can turn into significant cumulative friction across a working day. The software was supposed to increase productivity, but slowly it starts creating another category of work.

AutoPulse Team: I would almost call that a click tax. Every extra interaction seems free to the software team, but somebody on the shop floor eventually pays for it.

Rohit: That is a good way to describe it. And I think AI gives us an opportunity to rethink that interaction model. Voice, images and video are much closer to the way people naturally communicate information. If a technician is looking at a tire, why should the ideal workflow require them to stop what they are doing, navigate through multiple screens and manually reproduce everything they have already observed? Increasingly, the system should be able to understand what the technician is showing and saying, and help structure that information around the work.

The technician’s job is to inspect, diagnose and repair the vehicle. Our job on the technology side should be to capture the information around that activity with as little interruption as possible. The technician should not work for the software. The software should work around the technician.

AutoPulse
Community initiative by **GaragePulse**

Highlights



Software should work around people

The technician should not work for the software.
The software should work around the technician.

AutoPulse Team: This is also where AI hype can become dangerous. Looking at a tire through computer vision is one thing. Trusting software to make a safety-critical decision is something else.

Rohit: Absolutely. There is an important distinction between AI assisting professional judgment and AI pretending to replace professional judgment. Computer vision can already help identify patterns, organize observations, improve documentation and draw attention to things that deserve another look. Those are valuable applications. But automotive service has real safety implications. Being wrong about a marketing headline and being wrong about a vehicle condition are not equivalent errors.

So I see the near-term architecture as collaborative. Let AI act as another pair of eyes. Let it create consistency and reduce administrative work. But the professional still has a role in interpreting what matters. We should not confuse automation with eliminating expertise.



WHY ANOTHER DASHBOARD IS NOT ENOUGH

AutoPulse Team: You have also spent a lot of time working around automotive data. Most multi-location businesses already have dashboards everywhere. Why do managers still struggle to answer fairly basic questions about what happened yesterday?

Rohit: Because having data and understanding the business are two different things. Dashboards solved an important problem. If I already know I want to inspect technician productivity at a particular location, a dashboard is very effective. I open it, filter the location and period, and analyze the numbers. But that assumes I already know where to look. Management questions often begin somewhere else. A regional manager does not always ask, "Show me yesterday's average Repair Order." They ask, "Why was yesterday bad?" That question might involve car count, average RO, technician utilization, delayed authorizations, parts availability, appointment conversion or something else entirely. Today the manager often has to form a hypothesis first, then find the correct report to prove or disprove it. I think AI can eventually reverse that interaction. The manager starts with the question. The system helps investigate.

AutoPulse Team: What would that look like when it becomes mature?

Rohit: A truly intelligent system should eventually be able to connect the operational chain rather than simply repeat a KPI. Suppose the manager asks, "Why did this location underperform yesterday?" A useful answer should move beyond "Revenue was down 12 percent."

The system might eventually be able to explain that car count was normal, but average RO fell because several higher-value jobs moved into the next day, and then point the manager toward the underlying operational reason.

The important point is not that every automotive AI platform can do that today. We are talking about where conversational business intelligence can go as the underlying data and integrations become strong enough. And then the manager should be able to keep asking questions. "Is this unusual?" "Has this happened before?" "Are other locations seeing the same pattern?" That is much closer to investigation than reporting.

AutoPulse Team: Which sounds easy because consumers are now accustomed to asking an AI almost anything in natural language. Why is doing this inside an automotive business much harder?

Rohit: Because a language model understands language. It does not automatically understand your operation. To explain why a location underperformed, it may need information from appointments, Repair Orders, technician time, parts, estimates, customer approvals and several other systems. Then you encounter basic data problems. One platform may identify a customer one way and another platform differently. Two locations may use the same status field differently. Important information may be missing because one team completes a field and another does not.

The AI model is only one component. The difficult work is constructing the business context underneath it. That is why I think we are moving from traditional BI toward something closer to decision intelligence, but there is a lot of plumbing required before that experience becomes reliable.



AutoPulse Highlights

Community initiative by GaragePulse

From what happened to why

Businesses do not need another dashboard telling them what happened. They need a faster way to understand why it happened.

THE CUSTOMER DOES NOT EXPERIENCE SIX AIS

AutoPulse Team: One thing happening across the industry now is fragmentation. We hear about AI for marketing, AI for calls, AI for inspections, AI for technicians, AI for BI, AI for retention. Is that really the architecture of the future?

Rohit: I do not think customers care about those categories. From their perspective, there is one journey. They contact the business, explain what they need, make an appointment, arrive, have the vehicle inspected, decide what work to approve and eventually get the vehicle back. The problem begins when every piece of technology knows only its own portion of that journey. A customer may explain a symptom when they first call and then have to explain it again when they arrive because the context never followed them. The technician may discover something important, but the next customer communication may not have enough of that context. Then another system handles follow-up later with only a partial understanding of what happened. Every individual product can contain AI while the total customer experience remains unintelligent. That is why I think context continuity will become extremely important.

AutoPulse Team: So the competitive advantage may not be which AI model is smartest. It may be which technology stack can retain enough context across the journey.

Rohit: Yes. The models themselves are improving very quickly, and access to very capable intelligence is becoming cheaper. Domain context is harder. What information matters at each stage? Which system owns it? Who needs it next? How do you preserve that context without creating another data silo? Those are industry problems as much as AI problems. The customer does not care how many different AI engines were involved. They care that they did not have to repeat themselves three times.





WHAT TECHNOLOGY TEAMS LEARN ONLY BY LEAVING THE OFFICE

AutoPulse Team: After benchmarking more than 40 brands, what have you learned that you probably could not have learned from product meetings or requirement documents?

Rohit: How often the technically elegant answer is operationally wrong. That happens constantly. You can design what looks like a perfect workflow and then watch somebody use it in a real workshop and immediately realize the problem. Maybe the technician has to walk across the workshop three additional times because of where you placed one interaction. Maybe information reaches the advisor, but thirty seconds later than the moment it would actually have been useful.

Maybe your software assumes one person owns a process, but in that market the same responsibility is split across three people. Those things are very difficult to understand from a workflow diagram. You have to see them.

AutoPulse Team: So the value of seeing operations from the US to the Philippines is not that you come back with one global best practice. It is almost the opposite.

Rohit: Exactly. You stop assuming that your operating model is universal. Every market challenges another assumption. But after you observe enough businesses, patterns do begin to emerge. You get better at recognizing where technology genuinely reduces friction and where it is simply shifting the friction somewhere else. That is the point where technology teams become more useful to the industry. Not when we arrive saying, "Look what this model can do." When we can understand where intelligence actually belongs.

WHAT SEPARATES REAL AUTOMOTIVE AI FROM A DEMO

AutoPulse Team: AI demos have become incredibly easy to build. What separates something impressive on a laptop from something that can actually live inside an automotive operation?

Rohit: Production exposes everything. Can the system integrate with what is already there? Does it understand automotive terminology and operating context? What happens when two systems disagree? What happens when the customer behaves differently from the expected workflow? Does the technician trust the output? Does the advisor have to keep correcting it? Can management understand why it reached a conclusion? And perhaps most importantly: did it actually remove work?

That last question is one I think the industry needs to ask much more aggressively. If you introduce AI and now somebody has to spend additional time feeding information into the AI or correcting it all day, you have to question whether you really improved the operation. Building an impressive AI demo is becoming easy. Building AI that survives the shop floor is still hard.

AutoPulse Highlights

Community initiative by GaragePlus

Survive the shop floor

Building an impressive AI demo is becoming easy. Building AI that survives the shop floor is still hard.





WHEN AI BECOMES BORING

AutoPulse Team: What does success look like to you by 2027?

Rohit: AI becoming boring. I mean that positively. Today we label everything because AI itself is interesting. Voice AI. Vision AI. AI analytics. AI recommendations. Eventually the operator should not care. They should care that a customer got a response when nobody was available, that the technician did not waste ten minutes documenting something manually, that the advisor already had the context they needed and that a manager understood a business problem faster.

When those things simply become normal expectations from automotive technology, AI has matured. The strongest implementation may eventually be the one nobody talks about because it is just part of how the operation works.

AutoPulse Team: After everything you have seen, what is the one piece of advice you would give to technology teams trying to build the next generation of automotive software?

Rohit: Leave the office more often. Stand next to an advisor when several customers arrive at once. Watch a technician try to use the workflow you designed while they are actually working on a vehicle. Sit with a manager who is trying to understand five different locations. You learn very quickly which parts of your product assumptions survive contact with the real world. That feedback is difficult to reproduce inside a Jira ticket or a product meeting.

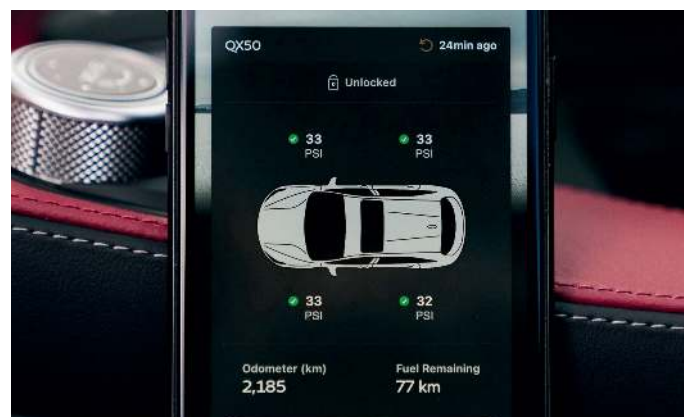
The future of automotive AI will not be shaped only by whoever has the strongest model. It will also be shaped by people who understand the operating environment deeply enough to know where that intelligence belongs.

Conclusion: Where Intelligence Actually Belongs

Rohit Bhatnagar's perspective places an unusual burden on the technology industry itself. Artificial intelligence is rapidly becoming easier to access. Building automotive technology that deserves to be used remains difficult. The workshop exposes everything that an AI demonstration can hide: the cumulative cost of five extra clicks, a technician interrupted by administrative work, customer context disappearing between systems, managers surrounded by dashboards but still searching for explanations, and technically elegant workflows that collapse when they meet the reality of the shop floor.

After benchmarking more than 40 automotive brands across different markets, Rohit's argument is not that every service business should deploy more AI. It is that the people building AI need to understand automotive service far more deeply. The next generation of useful systems will reduce the click tax on technicians, preserve context as work moves through the organization, turn business data into explanations rather than another collection of charts, and understand when professional judgment matters more than automation.

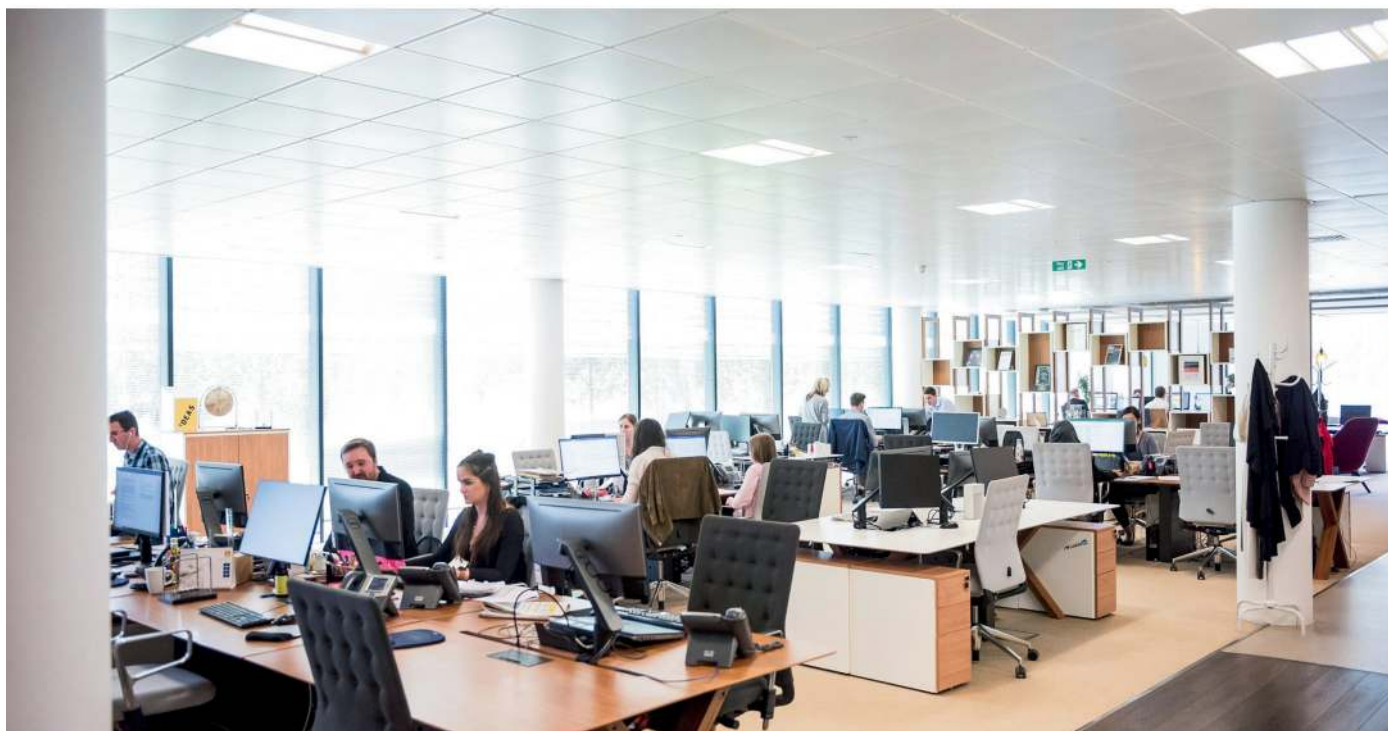
The AI itself may eventually become the least interesting part. When that happens, the technology will have matured. It will stop being something the automotive industry talks about. It will simply become part of how the industry works.





KEY TAKEAWAYS

Rohit Bhatnagar has benchmarked service operations across more than 40 automotive brands. These are the five ideas from our conversation that technology teams and operators can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Rohit Bhatnagar

AI HAS TO SURVIVE THE SHOP FLOOR – Automotive service is a living operating environment. A system can be logically perfect and still fail operationally.

MEASURE THE CLICK TAX – Small interactions add up across a technician's day. Voice, images and video can capture information with far less interruption.

ASSIST JUDGMENT, DON'T REPLACE IT – Let AI act as another pair of eyes on safety-critical work; the professional still interprets what matters.

FROM DASHBOARDS TO EXPLANATIONS – Managers need a faster way to understand why something happened, and that depends on connected business context, not another report.

CONTEXT CONTINUITY WINS – Customers experience one journey, not six AIs. The advantage goes to technology that carries context so nobody has to repeat themselves.



AI DIDN'T SOLVE MY PROBLEMS. IT HELPED ME SEE THEM CLEARLY.



AUTOPULSE TEAM IN CONVERSATION WITH MARIA TREAT



MARIA TREAT

COO and Head of Marketing –
Prestige Auto Tech

“

Maria is the COO and Head of Marketing at Prestige Auto Tech, a European auto repair business with five South Florida locations. With no coding background, she used AI to build a custom dashboard that gives her management team clear visibility into performance, calls and leads. She loves testing new technology and helping other shop owners see AI as approachable. Outside work, she enjoys cooking and spending time with her family and friends.

”



AutoPulse Team: A lot of the AI conversation in automotive service starts with big transformation ideas. Your experience seems to have started much smaller. Where did AI first become genuinely useful for you?

Maria: For us, it really did start small. We use AI in meetings for transcription so nobody has to sit there taking notes. We use it to help write texts to customers. It is not because we cannot write those messages ourselves. Sometimes you just need an extra hand. Where it started becoming more valuable for me personally was with reports. I can take financial information, marketing data or another report we already use and ask AI to look at it with me. Sometimes it shows me the same information from a completely different perspective.

I even use it to review our website for mistakes. It is almost like having another set of eyes that never gets tired of reading. But the biggest impact has probably come from the dashboard I built for our management team. We have five stores, and I wanted everybody looking at the same information instead of making decisions based on what they felt was happening.

AutoPulse Team: That sounds less like using AI to automate the business and more like using it to make the business visible.

Maria: Exactly. Every store is different. What is normal for one location may not be realistic for another, so I did not want one generic benchmark that treated every store the same. I wanted something built around our business. The dashboard brings all five stores into one place, but we can still set appropriate benchmarks for each location. Before we had it, a manager might call me and say, "It feels like calls are down today." Now the answer can be, "Let's look."

Maybe calls really are down. Maybe they are completely normal and it just feels slow. That shift from "it feels like" to "here's what the numbers show" has changed the way we make decisions.

AutoPulse Team: One of the clearest examples you found was around phone calls. What did the numbers actually tell you?

Maria: That one surprised me. Once we started tracking our calls properly, I could see that during business hours we miss only about 3% of calls. I had seen industry data showing that even top-performing shops average somewhere close to 10%, so initially that made me feel pretty good about what our team was doing. Then I included the after-hours calls. Suddenly our missed-call number was closer to 8%. That completely changed the problem.

The issue was not that our team was doing a bad job answering the phone while they were there. The problem was customers were calling when nobody was there to answer. Now we know where to focus. That is exactly why having the data matters. Without it, it is very easy to blame the wrong thing.



AutoPulse Highlights

Community Initiative by GaragePlus

From a feeling to the facts

That shift from 'it feels like' to 'here's what the numbers show' changed how we make decisions.





AutoPulse Team: Especially because you also lead marketing. Without that call data, I imagine the first conclusion could easily have been, “We are spending money and the marketing isn’t working.”

Maria: Exactly. If I see money going out and I do not see enough coming back in, my job is to understand why. Without the data, I could have looked at the results and thought we had a marketing problem. But the marketing was working. We were generating the calls. The problem was that some of those calls were happening after hours, and in some cases calls were being missed. You can spend all you want on marketing, but if the phone is not getting answered, that money is wasted.

That is a very different problem to solve. AI did not magically fix that problem for me. What it helped me do was see the problem clearly enough to make a better decision.

AutoPulse Team: That distinction feels important. AI is often sold as something that gives businesses answers. In your case, its value seems to be that it helped you ask better questions.

Maria: That is really how I think about it. The more information I give AI, the better it can help me work through something. I have used it to look at problems store by store. I have used it while creating our marketing plan. I can give it more context, explain what we have already tried, and then use it almost like another perspective on the problem. But I always have to know my business. I am not taking whatever AI gives me and assuming it is automatically correct. The answers were already somewhere inside our business. AI just helped me see them from another angle.

WHEN THE DATA GETS PERSONAL

AutoPulse Team: There is another side of the dashboard that is probably harder than tracking calls. You are also using the numbers to manage people. That can get uncomfortable very quickly.

Maria: It can, because people are emotional. We have all had employees who are kind, likable and great to be around, but they are just not producing, even after coaching. That is hard. It is easy to allow feelings to influence those decisions because you like the person. Having the dashboard gives everyone a clearer standard. It gives us something specific to coach from. It helps us recognize the people who are performing well. And if we eventually have to make a difficult decision, we know we are making it for the right reasons rather than because somebody had a bad day or because a manager had a feeling about them.

But the important part is this: The data does not decide for us. People do. That is where I think the human element still matters.





AutoPulse Team: That principle probably applies to customers too. Where do you think AI should stop and a person should take over?

Maria: Fact-checking is one part of it. A big reason customers get frustrated with AI is when it does not actually help them, or worse, when it gives them incorrect information. I always double-check what AI tells me against what I know about our business. Then there are certain customer touch points where I believe a person should absolutely be involved. An upset customer. A large repair estimate. Anything involving safety or trust.

AI should know when to hand those situations to a person instead of guessing. We use AI to track how quickly our CSR is responding to new leads, for example. That is valuable because it helps us see where leads are slipping through the cracks and whether we need more coverage. But it is still our CSR who picks up the phone and makes that person feel taken care of. The technology gives us visibility. The person creates the experience.

AutoPulse Team: You are also working with a developer on an AI agent for calls. If you are this cautious about human interaction, what are you looking for there?

Maria: The execution has to be right. AI can potentially do a lot, but it comes down to how well it actually does the job. For a front-office AI tool, that means how well it integrates with the shop management system, phones and CRM, and how accurately it pulls the information it needs.

If the shop already has a good process, AI can follow the process. But it has to extract the information correctly. Even details that sound small matter.

We have spent time thinking about the voice of the AI agent because that may be the first thing a customer hears when they contact the business. Those details affect the experience.

THE REAR-VIEW MIRROR PROBLEM

AutoPulse Team: You test a lot of technology. What do you think shops get wrong when they adopt a new product?

Maria: The testing and demo phase. I personally love testing new products and software. But I see people adopt something because they think the product is going to fix their problems, and then they do not spend enough time adjusting it to their business. The analogy I use is a rear-view mirror. The setting that works for me is going to be completely different from the setting that works for my husband because he is taller than me.

If I get into the car, never adjust the mirror and then say, "This mirror doesn't work," the mirror is not really the problem. Technology is the same way. You have to customize it to the business. That is one reason I ended up building something specifically for our team instead of forcing everybody to work around a tool that was not designed for us. My advice is to start small. Test it in one store or on one task. Look at the results. Adjust it. Then decide whether it makes sense to roll it out further.





AutoPulse Team: That is almost the opposite of the normal technology rollout. Instead of buying something for all five stores and hoping everyone adapts, you prove it somewhere small first.

Maria: Yes. You need to know whether it works for your business. Just because something looks good in a demo does not mean it is going to solve your problem exactly the way you need it to. Test it. Learn from it. Adjust it. Then scale it.

WHAT SHOPS SHOULD BE DOING BEFORE 2027

AutoPulse Team: If we look toward 2027, what should operators be doing now?

Maria: Be open to what presents itself. Test things. See whether they are a good fit for your business, and if they are, figure out how to adopt them. Being completely against AI is only going to put you further behind competitors who are willing to learn how to use it. There is also another change happening on the customer side. People are beginning to ask AI tools where they should take their car rather than searching in the old way.

That means businesses also need to think about whether AI systems understand who they are. I use AI to review our website and help us understand what we can improve so that when somebody is looking for European repair, those systems have enough information to understand our business. If AI does not know who you are, you can become invisible to a growing number of customers.

AutoPulse Team: Some shop owners will hear everything you have built and assume they need a developer or a technical background before they can even start.

Maria: I do not have coding experience. I built our dashboard by explaining the idea to Claude and working through it. It was not perfect the first time. I changed a lot as I learned what the team actually needed, and it took time to get everything working. But eventually I built something that fits our business without hiring a developer to build the whole thing for me. If somebody feels intimidated, I understand that. Start with something you already know.

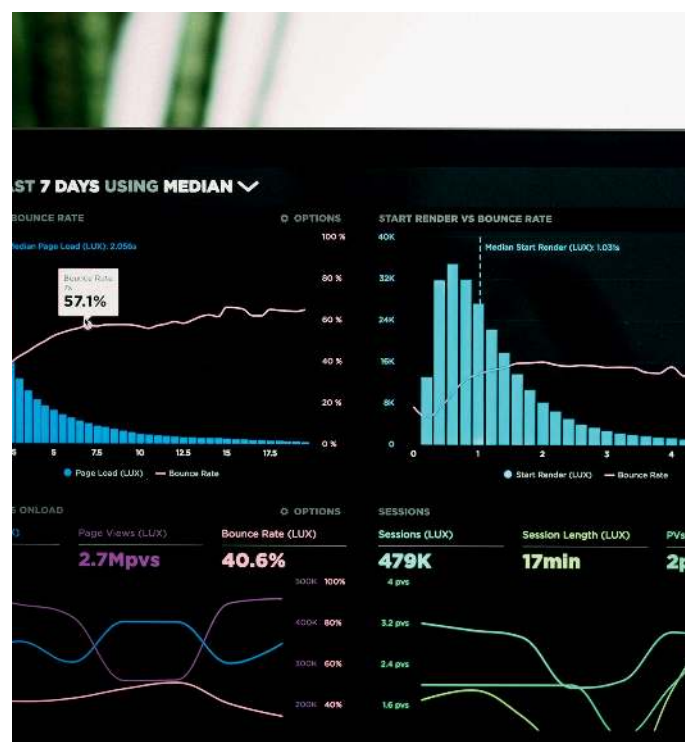
Take a report you look at every month. Give it to AI and ask, "What stands out?" Then give it context the same way you would give context to a new manager. Explain the store, the numbers and what you have already tried. You do not have to start by building an entire system. Just start asking better questions.

AutoPulse Highlights

Community initiative by GaragePlus

See the problem clearly

AI didn't solve my problems. It helped me see them clearly.



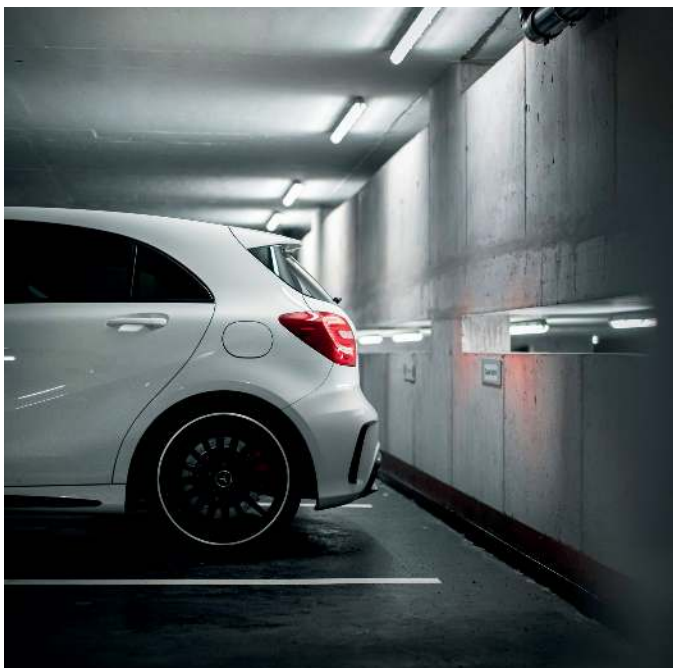


Conclusion: Another Set of Eyes

Maria Treat's experience offers a useful counterpoint to the idea that AI adoption begins with buying more software. Her biggest gains started with existing information. Meeting transcripts. Customer messages. Financial reports. Marketing data. Call records. Performance benchmarks across five locations. The breakthrough came from putting those pieces together well enough to see what was actually happening.

A marketing problem turned out to be a call-coverage problem. A manager's feeling about a slow day could be tested against the numbers. Employee conversations became easier to ground in consistent standards. And an operator with no coding background was able to build a management tool around the specific needs of her own business.

The lesson is not that AI should run the shop. Maria's own approach suggests the opposite. AI can surface the pattern. AI can help frame the question. AI can show you where to look. But people still fact-check the answer, coach the employee, speak to the upset customer and decide what happens next. The technology provides another set of eyes. The operator still has to know what they are looking for.





KEY TAKEAWAYS

Maria Treat runs operations and marketing across five European repair locations in South Florida. These are the five ideas from our conversation that operators can act on first.



AutoPulse Highlights

Five takeaways from our conversation with Maria Treat

START WITH WHAT YOU ALREADY HAVE – Meeting notes, customer texts, financial and marketing reports: AI's first real value came from information the business already had.

MAKE THE BUSINESS VISIBLE – One dashboard across five stores, with benchmarks set for each location, turns “it feels like” into “here’s what the numbers show.”

FIND THE REAL PROBLEM – Counting after-hours calls moved missed calls from about 3% to about 8%. The marketing was working; call coverage was the gap.

THE DATA DOESN'T DECIDE. PEOPLE DO. – Use AI for visibility, and keep people on upset customers, large estimates and anything involving safety or trust.

ADJUST THE MIRROR – Test in one store or on one task, adjust it to your business, then scale. Start by asking AI what stands out in a report you already use.

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