ASIC Regtech Voice Analytics & Voice to Text **Findings**

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ASIC's verdict on the trial

Better at detecting some examples of misconduct than others

Expect **rapid improvement** in results

Great potential for both ASIC and Industry

The challenges and how they affected results

Call quality

Sample size

Subject Matter Expertise

Transcription quality/word detection

Ability to apply more complex logic

Ability to use voice signals

Implications for identifying poor conduct

A	B	C
'Simpler' Misconduct (word/phrase + simple logic)	**More Complex Scenarios** (+ more complex logic)	**Highly Complex Scenarios** (+ voice signals)
Mandatory disclosures/ warnings absent	Downgrading	Lack of understanding
Explanation of exclusions absent	Selling on cooling off/deferred payment	Vulnerability
Emotional language	Bundling	Poor financial literacy
Closing sale before explaining cover	Dominating the customer	Gratuitous concurrence

Conclusions – Voice Analytics & Voice to Text

Can bring scale and efficiency
➤ For industry and for ASIC

Is harder to apply to legacy calls

Can't replace humans yet

Requires investment
➤ Upfront and ongoing

Where to from here?

- ASIC: explore role in **regulatory toolkit**

- For industry:

  - **Trial and test now**- don't wait!

  - **Improve call quality**: lossless compression, dual channel recordings, background noise

  - **Invest** subject matter expertise

  - **Chose vendor** carefully

Questions?

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