

Voice Biometrics 2010: A Transformative Year for Voice-Based Authentication

With over 5 million registered voice prints supporting user authentication around the globe, it appears that voice biometric-based solutions are poised to assume the pivotal role of user authentication to support higher levels of trust among users of mobile apps, remote monitoring, distance learning, e-medicine, e-government and a host of other social activities or transactions.

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Key Findings:

As the IT and e-commerce worlds emerged from a year-long deep-freeze in spending, it became evident that the community of voice biometric-based solutions providers had made progress along many fronts.

- **“Over 5 Million Served”** – (With a “tip of the hat” to McDonalds) In Canada, registered customers for Bell’s caller identification exceed 2 million; Centrelink (Social Security in Australia) is ramping up to serve millions. Plus there are millions of registered users of Password Reset (PWR) applications. This starts to spell “critical mass” for voice biometrics-based solutions.
- **Core technology showing constant improvement** – With millions of enrolled voiceprints, it is more broadly recognized that voice biometrics deliver “accuracy rates” on a par with rival authentication schemes without requiring ancillary hardware (other than a phone).
- **Global “use cases” expanding** – Early hopes were pinned on strong, multi-factor authentication in banks and financial institutions. New opportunities grow in mobile commerce, distance learning, “voice signatures” and e-government, in addition to banks.
- **User experience and “trust” gain importance** – Trials focused on cost-savings (from shortened authentication times) and security. New use cases address customer satisfaction and trust.
- **Revenues suffered in 2009**– Global spending for licenses, professional services reached roughly \$120 million globally in 2009 (flat, when compared to 2008).
- **Activity-based revenue models will fuel growth** – License revenue had been based on IVR “ports.” New implementations introduce “activity based” revenues where solution providers can charge “per-transaction” or “per authentication.”
- **2010 is the “Transformative Year” for Voice Biometrics** – Voice biometrics technologies are finding their way into a growing set of vertical industries and horizontal use cases. The challenges ahead for voice biometric-based solutions providers primarily involve packaging, partnerships and promotions (i.e. marketing).
- **Promotion must focus on voice biometrics’ unique advantages** – Among the most interesting is support of anonymous authentication for a wide range of social networking and e-services.

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