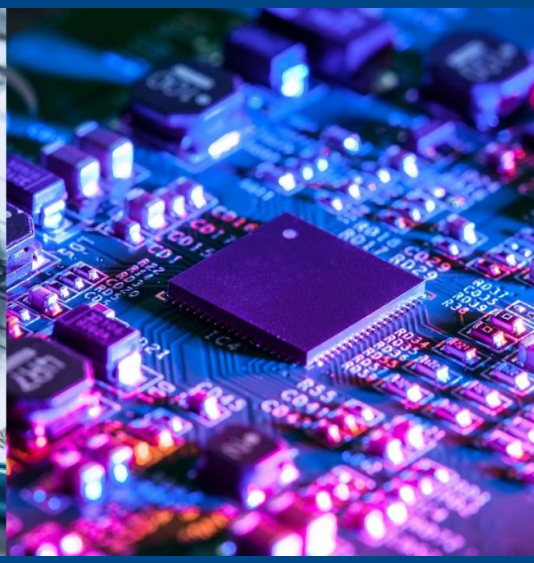
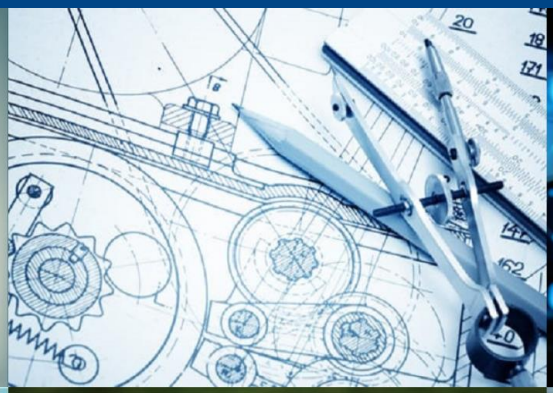
ISSN: 2582-7219

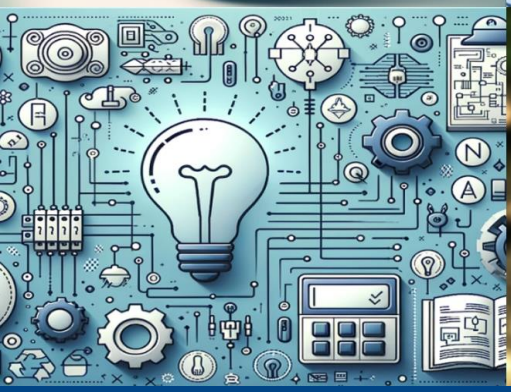




International Journal of Multidisciplinary Research in Science, Engineering and Technology

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)



Impact Factor: 8.206 **Volume 9, Issue 3, March 2026**

© 2026 IJMRSET | Volume 9, Issue 3, March 2026| DOI:10.15680/IJMRSET.2026.0903041

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

An Analytical Study on the Role of Robo-Advisors and Wealthtech in Transforming the Financial Advisory Sector

Ms. Janaranjani.M[1], Ms. Lakshmi.Ns.M[2]

Assistant Professor, Sri Krishna Arts and Science College, Coimbatore, India[1]

Student, Sri Krishna Arts and Science College, Coimbatore, India [2]

ABSTRACT: This research is aimed at bringing into focus the increasing importance of Robo-Advisors and Wealth Tech in the financial advisory domain. This research is aimed at assessing the cost efficiency, accessibility, and investment performance of Robo-Advisors and the perception of investors regarding the same in order to ascertain whether Robo-Advisors are replacing or complementing financial advisors.

This research is based on primary and secondary data. Primary data is based on structured questionnaires filled in by investors and users of financial technologies. Secondary data is based on research articles, financial reports, publications, and financial technologies data.

The research results indicate the benefits of Robo-Advisors, which are cost-efficient, transparent, and easily accessible. However, the research results also indicate the need for financial advisors. The research results indicate that Robo-Advisors are not replacing financial advisors but are complementing them in the financial domain.

KEYWORDS: Robo-Advisors, Wealth Tech, Financial Advisory, FinTech, Investment Management, Digital Wealth Platforms.

I. INTRODUCTION

The financial advisory industry has undergone considerable change in the recent past due to the significant influence of technological developments in the industry. Robo-Advisors and Wealth Tech are new concepts in the financial industry, and these concepts have introduced innovative solutions in the industry in the form of financial advisory services. The financial advisory industry has undergone considerable change in the recent past due to the rapid technological developments that have been witnessed in the industry. Robo-Advisors and Wealth Tech have become prominent concepts in the financial industry, and these concepts have introduced innovative solutions in the industry in the form of financial advisory services. The main purpose of this study is to examine the influence of Robo-Advisors in wealth management practices and to find out whether financial advisory systems are replacing financial advisors or not. (Davenport & Harris, 2007; Sironi, 2016).

The digital platforms have provided an alternative to the conventional financial advisory services. The investors are opting for digital platforms with the increase in digital literacy. The purpose of this study is to evaluate the impact of Robo-Advisors on wealth management practices and assess whether Robo-Advisors have replaced human financial advisors.

The financial advisory business is changing at a rapid rate due to the evolution of technology and digital innovations. The Robo-Advisors and Wealth Tech platforms have introduced the concept of automated investment services with the use of data analytics tools. The platforms offer cost-effective and transparent services as an alternative to traditional human financial advisors. (Philippon, 2016).

With the rise of digital awareness among investors, the technology-based advisory services have started gaining traction. The current study aims at assessing the impact of Robo-Advisors on wealth management and analysing whether the services have replaced the traditional financial advisors.

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

II. OBJECTIVES

- To analyse the adoption and growth of Robo-Advisors and Wealth Tech solutions.
- To evaluate the cost efficiency of automated financial advisory systems.
- To evaluate the performance of automated financial advisory systems.

III. SCOPE OF THE STUDY

The research is pertinent to the concept of Robo-Advisors and Wealth Tech platforms that relate to investment and wealth management services. The research includes various features like portfolio management, cost structure, and investor perception. The research is based on secondary research as well as primary research conducted for a specified time period. The research primarily focuses on the cost efficiency and performance of the platforms. The research on emotional intelligence and relationship-based trust is considered conceptually.

IV. STATEMENT OF THE PROBLEM

Generally, conventional financial advisory services have been regarded as costly and inaccessible. Despite the fact that Robo-Advisors have made it possible to provide low-cost and technologically advanced investment services, certain concerns have been raised regarding the efficiency, accuracy, and capability of Robo-Advisors. There is a need to examine the capability of automated financial advisory systems

V. RESEARCH METHODOLOGY

5.1Data Source

The study will be conducted using secondary data collected from published research articles, Fintech Industry Reports, company annual reports, financial statements, and regulatory publications pertaining to Robo-Advisors and Wealth Tech platforms for the selected study period. These sources will be considered reliable and standardized to assess the performance, growth, and operational efficiency of automated financial advisory platforms. (Bryman & Bell, 2015).

Additional secondary data has been collected from reliable sources such as official company disclosures, stock exchange filings, financial databases, and academic publications to ensure the accuracy and consistency of the study. If required, supportive primary data has been collected using structured questionnaires from investors and users to assess the perception regarding the adoption of robo-advisory services. (Saunders, Lewis, & Thornhill, 2019).

5.2Tools Used

The Trend Analysis tool was used to analyse the trends in revenue growth, profitability, adoption rates, and operational efficiencies of Robo-Advisors over time. (Penman, 2013).

The Profitability, Liquidity, and Solvency Analysis tools were used as a framework to assess the financial viability and sustainability of the Wealth Tech platforms that were selected as a part of this study. (Palepu, Healy, & Bernard, 2013).

5.3Techniques

Ratio Analysis was used to analyse the profitability, liquidity, and solvency ratios calculated on the basis of financial information and reports. This method was used to determine the financial performance and stability. Trend Percentage Analysis was used to analyse the financial and operating performance of the company over a period of time, i.e., over a number of years, to determine the trends of expansion and growth in Robo Advisory Services. Comparative Analysis was used to compare the financial performance of the company over the years and determine the changes in various financial variables to assess the relative performance of the automated advisory platforms. (Kothari, 2004).
Ratio Analysis was used to evaluate profitability, liquidity, and solvency indicators derived from financial statements and company reports. This method helped measure financial efficiency and operational performance. (Saunders, Lewis, & Thornhill, 2019).

© 2026 IJMRSET | Volume 9, Issue 3, March 2026| DOI:10.15680/IJMRSET.2026.0903041

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

5.4PROFITABILITY RATIO

Profitability Ratios can be defined as measures of finance that are used to assess the profitability of a company in comparison to its revenue, assets, equity, and expenditures on a particular basis of time. This helps to assess the efficiency of a company and its performance in terms of profitability. Profitability Ratios include Net Profit Margin, Return on Assets (ROA), and Return on Equity (ROE).

TABLE 1.1

YEAR	REVENUE	NET PEROFIT	NET PROFIT MARGIN (%)
2021	61935	10868	17.60%
2022	79312	12243	15.40%
2023	90488	11367	12.60%
2024	89760	11112	12.40%
2025	89088	13218	14.80%

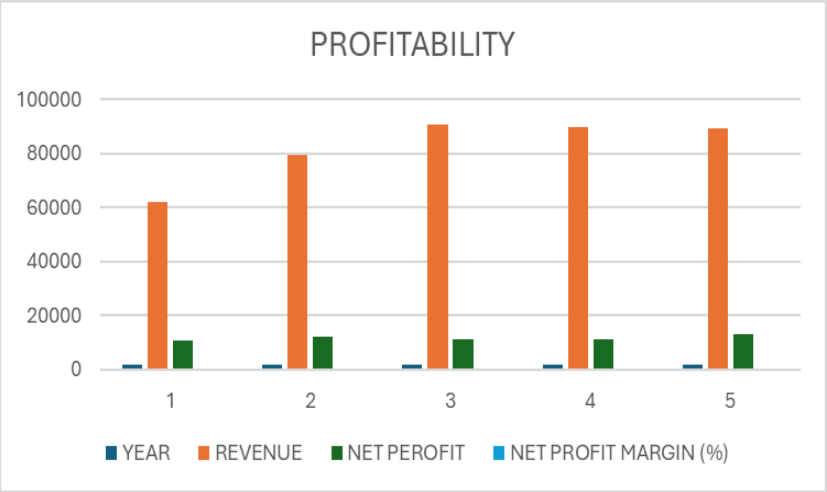


CHART1.1 FOR PROFITABILITY RATIO

5.5Analysis and Interpretation

The profitability performance of the company is analysed based on revenue, net profit, and net profit margin over the five-year period from 2021 to 2025. While analysing the profit or loss earned by the company over the five-year period, multi-year trend analysis is used to understand the patterns or fluctuations in the profits earned or losses incurred by the company. By using the chart and table, it becomes easy to understand how the profitability performance is consistent over the years. The revenue earned by the company over the five-year period shows a steady increase in revenue with minor fluctuations in the last few years. The net profit earned by the company over a period of five years suggests minor fluctuations in profits earned during the last few years. The net profit margin suggests a decline in profit margin during the middle years and improvement during the last year. Overall, it suggests a clear understanding of the earning capacity of the company.

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

VI. FINDINGS

- Lower management costs and entry costs for investments distinguish Robo-Advisors from traditional financial advisors.
- Adoption of Robo-Advisors is higher in the younger segment of investors with higher technology adoption.
- Overall performance of the investments made matches the market indices with the adoption of passive investment strategies.
- Investors prefer transparency, simplicity, and the benefits of features like automation.
- Financial advisors play an important role in the overall financial planning process for investors.
- There has been an attempt to create a hybrid model.

VII. SUGGESTIONS

- The financial institutions need to adopt the hybrid model of technology and human expertise.
- The Robo-Advisors need to enhance the facilities of personalization and customer engagement.
- The investors need to be made aware of digital investment facilities and risk management.
- The regulatory authorities need to ensure that proper guidelines are provided regarding transparency and data security.
- The technological innovations need to be encouraged.

VIII. CONCLUSION

This study concludes that the financial advisory services industry is being significantly impacted due to the introduction of Robo-Advisors and Wealth Tech platforms. Although this technology is contributing greatly to the development of cost-efficient, accessible, and operationally effective financial advisory services, it is not possible to replace financial advisors with the help of technology. Therefore, it can be said that the future of financial advisory services will be based on a combination of technology and financial advisors. It is expected that the combination of financial advisory services with technology will impact the sustainable growth of the financial advisory services sector.

REFERENCES

1. Phoon, K. F., & Koh, C. C. F. (2018). Robo-advisors and wealth management. Journal of Alternative Investments, 20(3), 79–94.
2. Onabowale, O. (2024). The rise of artificial intelligence and robo-advisors in financial services. International Journal of Financial Technology and Innovation, 6(2), 45–58
3. Coffi, J., & George, B. (2022). FinTech revolution and the changing role of financial advisors. Journal of Financial Services Research, 61(1), 101– 118.
4. Jung, D., Glaser, F., & Köpplin, W. (2018). Robo-advisory: Opportunities and risks for the future of financial advisory. In Advances in Consulting Research (pp. 405–427). Springer.
5. Kaur, P. (2022). AI-driven wealth management. In AI-Driven Finance in the VUCA World. Springer.
6. Luu, L., Petratos, P. N., Nguyen, T., & Le, V. (2021). Financial technology (FinTech): Innovations and applications. A Practical Guide to Financial Services, Taylor & Francis.
7. Panda, A. C., Patnaik, A., Pawar, A., & Birari, A. (2023). Adoption of fintech towards asset and wealth management in India. Proceedings of the Indian Academy of Management (INDAM), Mumbai.
8. Krzyżewski, K., & Warchlewska, A. (2020). Robo-advice as a result of the digitalisation of personal finance. Financial Internet Quarterly, 16(3), 45– 56.
9. Eckert, V. (2022). FinTech disruptions in wealth management: Customer trust and digital transformation. Journal of Wealth Management, 25(2), 34– 48.
10. Amici, M. (2021). Impact of WealthTech on asset and wealth management. Journal of Digital Banking, 5(4), 289–302.
11. Tomić, I., Jovanović, B., & Ivić, S. (2024). Artificial intelligence in wealth management and WealthTech. Journal of Financial Innovation, 10(1), 1– 15.
12. Nel, P. R. (2023). The adoption of FinTech applications in wealth banking. University of the Free State, South Africa.

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

13. Wexler, M. N., & Oberlander, J. (2021). Robo-advisors: The programmed self-service market for professional advice. Journal of Service Theory and Practice, 31(3), 351–365.
14. Kakkar, A., Krishan, B., & Kumar, S. (2025). Wealth management: Harnessing artificial intelligence for success. In AI-Driven Finance in the VUCA World (pp. 69–85). Springer.
15. Chhabhaiya, N., & Dhoot, P. (2024). Beyond traditional boundaries: Investigating consumer attitudes and preferences towards robo-advisors in digital wealth management. Future Proofing Business, 141–152.
16. Jung, D., Glaser, F., & Köpplin, W. (2018). Robo-advisory: Opportunities and risks for the future of financial advisory. In Advances in Consulting Research (pp. 405–427). Springer.
17. Huang, Z. (2022). Robo-advisors and the digitization of wealth management in China. In The Digital Financial Revolution in China (pp. 157–182). Springer.
18. Beltramini, E. (2018). Human vulnerability and robo-advisory: An application of Coeckelbergh's vulnerability to the machine–human interface. Baltic Journal of Management, 13(2), 250–263.
19. Khan, A., Arun, T., Murinde, V., Kostov, P., Markose, S. M., Goel, V., Sethi, R., & McGarrell, R. (2020). Wealth management and FinTech innovation in the UK and India. University of Central Lancashire Working Paper.
20. Panda, A. C., Patnaik, A., Pawar, A., & Birari, A. (2023). Adoption of fintech towards asset and wealth management: Understanding the recent scenario in India. Proceedings of the 8th Indian Academy of Management Conference (INDAM 2023), Mumbai, pp. 357–367.
21. Zgurskyy, M., Vasilu, A., Morita, E., Baek, S., & Truong, K. (2021). FinTech and WealthTech: The road to easy. Sapere Aude Consortium.
22. Xuan, L., Hong, L. W., Yee, S. P., & Joey, T. (2020). Tech-savvy investors: Adoption of WealthTech for wealth management in Malaysia. Universiti Tunku Abdul Rahman.
23. Kaur, P. (2025). AI-driven wealth management. In AI-Driven Finance in the VUCA World (pp. 301–315). Springer.
24. Luu, L., Petratos, P. N., Nguyen, T., & Le, V. (2021). Financial technology (FinTech). In A Practical Guide to Financial Services (pp. 143–171). Taylor & Francis.

INTERNATIONAL STANDARD SERIAL NUMBER INDIA

INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | ijmrset@gmail.com |

www.ijmrset.com