REVIEWER'S REPORT

Manuscript No.: IJAR-55888

Title: Closing the Wealth Gap: How Robo-Advisors Could Reduce Financial Inequality

Recommendation:
Accept as it is …………………………………
Accept after minor revision   YES
Accept after major revision ………………
Do not accept (*Reasons below*)………

Rating	Excel.	Good	Fair	Poor
Originality	yes			
Techn. Quality		yes		
Clarity		yes		
Significance		yes		

Reviewer Name: Dr. Himanshu Gaur

Detailed Reviewer'sReport

This literature review examines the role of robo-advisors—automated investment platforms that use algorithms to provide financial advice and portfolio management—in reducing financial inequality. Robo-advisors have emerged as low-cost, accessible, and data-driven alternatives to traditional human advisors, who are often inaccessible to low-income households due to high fees, minimum balance requirements, and incentive misalignment. Existing research indicates that robo-advisors improve portfolio diversification, reduce volatility, and help mitigate behavioral biases such as the disposition effect and trend chasing, benefits that are especially significant for novice and under-diversified investors, many of whom belong to lower-income populations. However, most current robo-advisory platforms are not specifically designed for low-income users, as they prioritize long-term investing, assume surplus income, and offer limited personalization, failing to address income volatility, debt burdens, or short-term financial goals. The review highlights these structural and design limitations and suggests future research directions focused on inclusive algorithm design, deployment through public or nonprofit models, and regulatory frameworks that emphasize equity, consumer protection, and financial inclusion.