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# The Advisor Complaints Study

*What 1,400 comments reveal about how people really experience financial advisors.*

| 117 | 61 | 5 | ~2,300 |
|---|---|---|---|
| USES OF "SCAM" | USES OF "COMMISSION" | USES OF "AUM" | TOP COMMENT UPVOTES |


By Paul Powell

*20 years an institutional investment advisor · ~$2B managed · Clients $25M–$500M*

THE SHORT VERSION

# Everyday investors don’t experience this industry in the language of finance. They experience it in the language of betrayal.

In roughly 800 analyzed comments, the word “scam” appeared 117 times. “Commission” appeared 61 times. “Salesman” appeared 54 times. “AUM” — the industry’s own core term — appeared 5 times. The complaints that dominate public forums are not about performance. They are about discovering, too late, what the person across the table was actually paid to do.

This report presents six findings from a structured reading of roughly 1,400 public comments about financial advisors, with the strongest defenses of advisors reported alongside the complaints.

HOW WE DID IT

## Method — and its limits, stated up front

In July 2026 we collected and read 20 high-engagement Reddit threads about financial advisors from r/personalfinance and r/FinancialPlanning (approximately 1,400 comments, retrieved via public archives), 13 complete discussion threads from the Bogleheads.org forum, and a supplementary sweep of public advice columns, Quora, and retirement forums. We coded recurring complaint themes, counted vocabulary in an ~800-comment subset, and recorded what triggered each post, what kept people stuck, and what defenses of advisors survived scrutiny.

Limitations, honestly: this is a study of people who chose to post — angry, worried, or burned people are overrepresented, and satisfied clients mostly don’t write forum posts. Upvote counts are archive snapshots. This measures the shape and language of consumer complaints; it does not measure what fraction of all advisor relationships go wrong. We hold ourselves to the same standard we ask of the industry, so those caveats stay attached to every finding in this report.

Quotes throughout are short verbatim excerpts from public forum posts, lightly trimmed and anonymized.

**FINDING 01**

# The master complaint: “You met a salesman.”

One theme dominated everything else, appearing in nearly half the Reddit threads and most of the Bogleheads threads: the discovery — always made too late — that the person hired as an advisor was economically a salesperson. Every other complaint in the corpus (hidden fees, annuities in IRAs, pressure tactics, lock-in products) is downstream of this one.

> *“You didn’t meet with a financial advisor, you met with an insurance salesman calling themselves one.”*
>
> — r/personalfinance, ~198 upvotes

> *“He sold you a product and earned a commission. It’s that simple.”*
>
> — r/personalfinance, ~256 upvotes

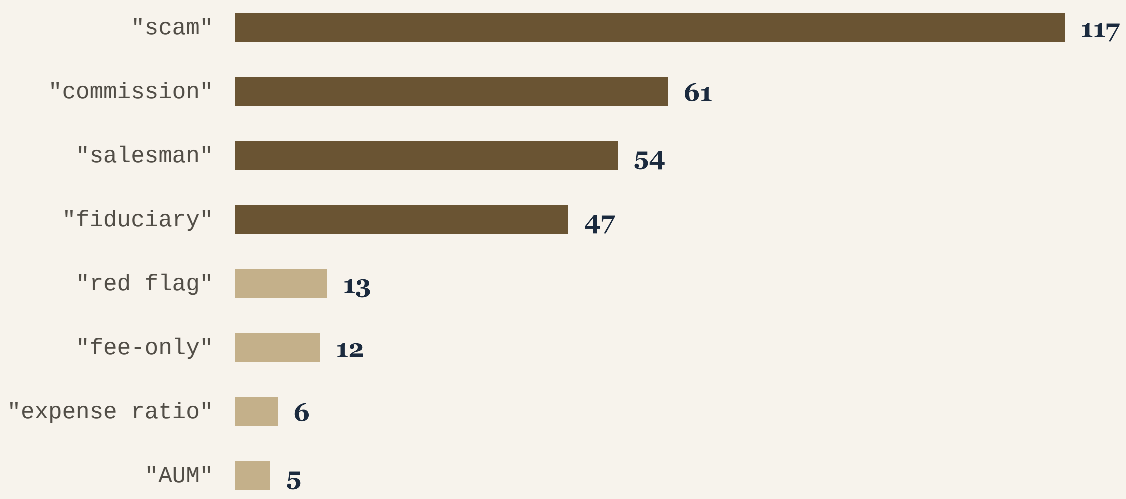
> *“You either have a financial advisor or you have an insurance salesperson. You can’t have both.”*
>
> — r/personalfinance

What the study adds to the familiar mechanics — the fee shaped like a commission, the products that get sold rather than bought, the two-hats problem — is the human sequencing: people find out after the sale, from strangers on the internet, almost never from the industry itself.

**FINDING 02**

# The vocabulary gap — measured

Word frequency in the ~800-comment analysis subset:




Two details worth sitting with. First, the betrayal words (“scam,” “salesman”) outnumber the finance words (“AUM,” “expense ratio”) by an order of magnitude — consumers process advisor problems as trust events, not financial ones. Second, “fiduciary” was overwhelmingly used by commenters wielding it as advice; the people asking for help routinely asked what it means (“For us uneducated, what is a fiduciary?”). The industry’s single most consumer-protective word hasn’t reached the consumers it protects.

**FINDING 03**

## Nobody wakes up from a percentage

Across both communities, the moment people finally acted on fees was almost never the fee disclosure itself. It was a translation — someone converting the percentage into an object or a lifestyle:

> *“A 1% expense ratio on a fund with an expected return of 7% is actually a 14% fee. People (including me!) see ‘1%’ and don’t realize.”*
>
> — Bogleheads forum

> *“The fees have been high enough to buy the broker two Mercedes. Did you realize that?”*
>
> — Bogleheads forum

> *“They were basically buying him an economy car every year.”*
>
> — Bogleheads forum

**FINDING 04**

## The trap door: why people stay years after they know

The corpus is full of people who knew — sometimes for years — and stayed. The recorded reasons, in order of frequency: relationship guilt (“she felt bad for leaving the adviser”), sunk-cost reasoning about loads already paid, fear of taxes on the way out, fear of managing money alone, and — remarkably often — simply not knowing that leaving was possible. One adult child reported the full arc: “It took 5 years of explaining and examples to get their parents out.”

The industry doesn’t need to defend bad relationships. Inertia, guilt, and product design defend them automatically.

**FINDING 05**

## The aging-parent problem

The single highest-scored comment in the entire corpus — roughly 2,300 upvotes — came from a thread about an elderly parent being courted by an advisor promising outsized returns:

> *"Anyone who promises returns well in excess of market returns is lying through his teeth."*
>
> — r/personalfinance, ~2,336 upvotes

> *"8% of a million is worth a weekend going to church with a prospective mark."*
>
> — r/personalfinance

A striking share of posts weren't written by clients at all — they were written by adult children trying to protect a parent, and losing to the advisor's decade of charm. It was the most emotionally charged pattern in the study and the least served by existing resources.

**FINDING 06**

## What survives: the honest case for advisors

A fair study reports the other side, and it showed up consistently: the defenses of advisors that survived community scrutiny. The strongest, by a wide margin: behavioral protection — "if you tend to panic sell every time there is a hiccup in the market, an advisor is worth every penny." Close behind: protection of the vulnerable from worse actors, genuine complexity (tax, estate, equity compensation), and flat-fee planning engagements priced as work.

Notably, we found no comments in the corpus defending commission-based compensation itself — every surviving defense was of behavioral value or of transparent, flat-fee planning.

USE THIS RESEARCH

## Citing this study

Journalists, researchers, and writers are welcome to cite this study with attribution and a link:

> *"The Advisor Complaints Study," Educated Investors, July 2026 — educatedinvestors.com/advisor-complaints-study.html*

For our thread list, coding notes, or comment on advisor-industry stories:
hello@educatedinvestors.com

ABOUT THE AUTHOR

Paul Powell spent 20 years as an institutional investment advisor — roughly $2 billion managed for clients with $25M–$500M portfolios. He was named one of 401kWire's 300 Most Influential DC Advisors (2010) and was a finalist for its Top Advisor of 2009 Award. He watched how institutions hire advisors, and built Educated Investors because nobody shows that process to individuals. He is not currently a licensed advisor — which means he has nothing to sell you.

THE RESPONSE TO ALL SIX FINDINGS

## The complaints are the diagnosis. The Method is the treatment.

Every pattern in this study — the salesman discovery, the fee that never got translated, the exit that never happened — is preventable with the right process run before the signature. The Evidence-Based Hiring Method is that process: the six steps institutions use to hire advisors, adapted for individuals. Free, at:

**educatedinvestors.com/get-the-method.html**