



CASE STUDY

# Riskalyze Demystifies Investment Conversations for Clients With Clear Illustrations

*How Acorn Wealth Advisors Uses Detailed Portfolio Stats in Riskalyze to Simplify Complex Concepts*

## *A Quick Look at Acorn Wealth Advisors*

### TECH STACK

Riskalyze

*for risk and portfolio analytics*

MoneyGuidePro

*for financial planning*

eMoney

*for account aggregation*

Redtail CRM

*for relationships & connections*

Morningstar Office

*for reporting, fees, and portfolio management*

### CUSTODIANS

Charles Schwab

TD Ameritrade

### BACKGROUND

Some financial advisors come to the profession late, others arrive early. Todd Tarantino, CFP®, caught the finance bug while still an undergraduate at Western Michigan. Todd played defensive line on the football team under legendary coaches like Greg Mattison, John Harbaugh, and Jack Harbaugh, but it was another role model at the university who ultimately had the most impact on his future career. A professor who was also an independent financial advisor hired Todd after he took his personal financial planning class. From there, Todd started his career in full at Ameriprise Financial before he co-founded Acorn Wealth Advisors alongside Steven Bliss.

### WHY RISKALYZE

“Winning by not losing.” That’s the approach to risk and portfolio management the Acorn team has always taken. But as Todd and Steve surveyed their firm, they saw an opportunity to strengthen client relationships by doing more to clearly and efficiently explain that core philosophy. So, they began to look for a solution that would help them do that.

Traditionally, the Acorn team had subscribed to a service which presented a risk-return scatter chart and could illustrate client returns against a benchmark. While those capabilities were helpful, they also didn’t keep the conversation focused tightly enough on illustrating how a client’s risk would impact the return they could also expect.

“Riskalyze helps our clients understand and conceptualize risk in the best way I’ve ever seen,” says Todd Tarantino, Co-Founder of Acorn Wealth Advisors.

## ENTER RISKALYZE

Like most advisors, the team at Acorn Wealth immediately saw a benefit by using Riskalyze to compare a prospective client's current portfolio against an alternative portfolio based on one of their own models. In short order, they could show how their model could get an investor into a better risk adjusted position.

But beyond that, Todd found something that could truly set his advice apart: the data analytics provided by Detailed Portfolio Stats ("Stats," for short) in Riskalyze.

### **The Art of Visual Investing**

When a client comes to the Acorn office for a meeting, Todd has a client-facing monitor set up so they can see everything he's working on for them in real-time.

Todd uses Riskalyze Stats to show clients' the performance return information of their portfolio compared to a model, such as a benchmark, or even a similar portfolio.

While Stats helps Todd illustrate what's happening in the current market, it also helps him create a picture of how a portfolio might perform in less than ideal circumstances.

"We like to include a look at bad markets, like the fourth quarter of 2018, to overlay on top of a client's portfolio," said Todd. "It gives us a simple way for clients to visually see how they would outperform a drop. I can say, 'Look, this is why we have the level of risk we do. If this happens again, you'll only lose 10% instead of 20%.'"

### **A New Level of Understanding**

Since starting with Riskalyze, Todd sees his clients understanding their portfolio, why they are invested the way they are, and the reasoning behind their investment strategy at a higher level than at any point in his career.

"There's an old adage that says if every investment in your portfolio is making money, you aren't diversified. Instead of the old square box matrix, I can show clients an interactive chord diagram that demonstrates how their assets intersect."



*Interactive Correlation Chord Diagram  
in Detailed Portfolio Stats*

"Most people are visual. The charts in Riskalyze simplify complex concepts by illustrating them instead of relying on me to explain them."

## LET'S SEE THE RESULTS

The results have been plain to see. The team at Acorn Wealth has always tried to educate clients so they understand the why, not just the what, and since implementing Riskalyze Todd hears a constant stream of positive comments from clients about how easy it is to understand what's happening in a meeting.

But the benefits don't stop with a more educated client base.

"As a whole, I think Riskalyze is not only a great software platform, it's also a great tool for advisors to understand how much risk they're putting in a portfolio when they build one for a client."

"Riskalyze had a much cleaner output than any of the other risk analytics platforms we reviewed. The Riskalyze client reports are easy to follow, and the charts and graphics simply look better," says Todd Tarantino.

Want to see how other wealth management firms are using Riskalyze to simplify complex concepts and help their clients invest fearlessly?

Sign up for a demo at [riskalyze.com/advisors](https://riskalyze.com/advisors) to get your clients invested right.

Riskalyze is the company that invented the Risk Number<sup>®</sup>, which powers the world's first Risk Alignment Platform and was built on top of a Nobel Prize-winning academic framework. Advisors, broker-dealers, RIAs and asset managers use the Riskalyze platform to create alignment between clients and portfolios, leverage sophisticated analytics to increase the quality of their advice, automate trading and client account management, and access world-class models and research in the Riskalyze Partner Store — all with the mission of empowering the world to invest fearlessly. To learn more, visit [riskalyze.com](https://riskalyze.com). Special thanks to Michael Prior and the whole team at Priority Financial Group for their time, candor, and commitment to empowering the world to invest fearlessly.