



CASE STUDY

\$150M AUM Firm, Amwell Ridge Wealth Management, Saves Thousands By Consolidating Technology Spend With Riskalyze

How Riskalyze Elite allowed David to sunset his outdated analytics technology and to make risk conversations accessible and meaningful for the everyday client.

MEET DAVID JOHNSTON

- 24 years as a financial advisor
- Managing Partner of Amwell Ridge Wealth Management
- \$150 million AUM
- Broker-Dealer: Cetera Financial Group



A CONVERSATION SHROUDED IN MYSTERY

In his career serving high-net-worth clients with portfolios ranging between \$1 and \$5 million, David Johnston discovered a common thread: In spite of their wealth, they didn't have the tools or the knowledge to fully understand and quantify their level of investment risk

During discussions about investments and portfolio expectations, he often noticed a disconnect and confusion while speaking with investors about risk tolerance and what it meant for their long-term goals.

"I often found myself in a box with some of our industry jargon," he says. While he did his best to gather insights about each client's risk tolerance through questionnaires, the resources he had just weren't enough to get through to the everyday client.

"Oftentimes advisors have 10 questions in a risk tolerance questionnaire and they can be obtuse. Before I discovered Riskalyze, I sometimes just had to resort to, 'Hey, on a scale of 1 to 10, how aggressive are you?' Which is not very scientific, candidly."

CLEARING AWAY THE CLOUD

As his frustration with his existing risk tolerance questionnaire and process, David knew he had to do something to clear up risk for his clients and make his conversations easier. He found what he was looking for in Riskalyze and quickly discovered how much untapped potential was waiting for his firm's relationships with clients.

Since implementing Riskalyze, David has found a way to communicate and build new relationships like never before.

“The biggest result I’ve gotten is being able to have the conversations around time horizon, and risk tolerance, and be quicker in ascertaining exactly what the client is looking to accomplish,” he says.

Riskalyze gave him the common language he needed to turn confusing conversations into impactful ones.

ACCESSIBLE FEATURES FOR EVERYONE

The easier it is for clients to know where they stand in terms of risk and reward, the better financial advisors like David can do their job effectively. With Riskalyze, David could help clients understand not just what was happening in the moment, but also what was at stake in the future for their portfolio.

“I think telling someone that they may lose 10% is not as meaningful as saying ‘you might lose a hundred thousand dollars.’ Then, being able to link real dollar amounts to a corresponding Risk Number is extremely impactful.”

PUTTING CLIENTS AT EASE

The addition of Riskalyze also helped the team at Amwell bring a much needed calming presence amidst the unprecedented market volatility from COVID-19. When portfolios dropped significantly during the initial days of the pandemic, David harnessed the power of Riskalyze’s reports to put clients’ minds at ease.

“Being able to show clients a Riskalyze report that looks at a six month period and clearly shows that we’re still within their expected range of returns, even if things don’t feel great at the current moment, was incredibly helpful in managing expectations and emotions,” says David.

JAW-DROPPING ANALYTICS

One of the most pivotal benefits that David stressed about Riskalyze was its unmatched analytics and in-depth portfolio statistics.

“Riskalyze is, quite simply, prettier and easier on the eyes than other tools I’ve used in the past,” he says. “It’s user friendly and still has all the analytics that we need.”

Whether a client wants to dive deep into detailed stats on securities and portfolios, or just get a simple overview, Riskalyze offers him the best of both worlds.

Whether he needs a dynamic conversation about Risk Numbers with one client, or wants to get into the weeds, he can go in either direction at a moment’s notice.

DITCHING THE OLD TECHNOLOGY

In addition to the ways it has demystified conversations about risk with clients, adding Riskalyze has also impacted David’s bottom line. With its expansive feature set, he’s been able to reduce his need to pay for other financial technology, and integrating Riskalyze into the software that he has retained has resulted in productivity increases across the board.

“Most of us in this industry kind of grew up with the same investment analytics and reporting technology, and Riskalyze’s latest features are just what I needed to finally cancel it. Riskalyze has everything my legacy system has, but it’s better presented and clients actually understand it.”

Even with the money and time savings, David still comes back to his clients when he considers how Riskalyze has impacted his business the most.

"I think being able to have meaningful conversations with clients in a manner that they easily understand and then hearing them adopt my exact phrases into their vocabulary, candidly, might be **priceless.**"

THE IMPACT

Riskalyze Has Positively Impacted Amwell Ridge in These 3 Ways:



TECHNOLOGY CONSOLIDATION



SOPHISTICATED ANALYTICS




CLIENT SATISFACTION

Want to see how other wealth management firms like Amwell Ridge are using Riskalyze to empower fearless investing?

Sign up for a product demo at riskalyze.com/advisors to see the power of risk alignment for yourself.

Riskalyze is the company that invented the Risk Number®, 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.

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