At Bitcoin Market Journal, our analysts use this "scorecard" to evaluate new blockchain projects and tokens. By rigorously asking the same questions across several different categories, the blockchain investor or entrepreneur can have an "apples to apples" comparison of different business ideas.

For each question in the list, assign a score from 1 (lower potential) to 5 (higher potential). The score for each question is averaged at the end of each section, and the score for each section is averaged at the end.

	Higher potential (5)	Lower potential (1)	Score (1–5)
MARKET			
Problem that it solves *Is there a clear problem solved by this token?*	Identified	Unfocused	
Customers *Can you clearly identify who will use this token (job title, demographics, etc.)?*	Reachable and receptive	Unreachable or unlikely to adopt	
Value creation *If a user adopts this token, how much value will be added to his/her business or lifestyle?*	High and identified	None	
Market structure *What is the composition of the market this token will serve?*	Emerging or fragmented	Concentrated or mature	
Market size *Is the potential market too small, too large, or just right?*	$100 million+	<$10 million	
Regulatory risks *How likely are further regulations on this market, and tokens in general?*	Low	High or highly regulated	
AVERAGE MARKET SCORE *Average the six scores above*			
COMPETITIVE ADVANTAGE			
Technology/blockchain platform *Is the token built on a well-known standard blockchain, or it built from scratch?*	Existing blockchain	New blockchain	
Lead time advantage *Does the team have a head start on companies working on a similar idea?*	Strong	None	
Contacts and networks *What is the team's ability to access key players in this market?*	Well-developed	Limited	
AVERAGE COMPETITIVE ADVANTAGE SCORE *Average the three scores abovee*			

	Higher potential (5)	Lower potential (1)	Score (1–5)
MANAGEMENT TEAM			
Entrepreneurial team *Does the team have a demonstrated track record of success?*	All-star "supergroup"	Weak team or solopreneur	
Industry/technical experience *Does the team have "10,000 hours" of experience in this industry?*	Super track record	Newbies	
Integrity *Does the team demonstrate scrupulous honesty, and complete transparency?*	Highest standards	Questionable	
AVERAGE MANAGEMENT SCORE *Average the two scores above*			
TOKEN MECHANICS			
Token required *Does the problem truly require a token, or is it a "bolt-on blockchain"?*	Impossible without	Token unnecessary	
Value added *Does the token add a new type of value, or is it "another one of those"?*	Highly differentiated	Copycat token	
Decentralized *Is it truly decentralized (like a mesh network), or is it run by the company (like a cell tower)?*	Users do the work	Company does the work	
Token supply *Is there a known quantity of tokens, or can more be issued in the future, diluting the value?*	Fixed, predictable	Uncertain, inflatable	
Public exchange *On which digital exchanges will the token be listed?*	Known, reputable	Unknown or disreputable	
MVP *Is there an existing product, or a Minimum Viable Product?*	Functioning product	White paper only	
AVERAGE TOKEN SCORE *Average the six scores above*			
USER ADOPTION			
Technical difficulty *Will a non-technical person be able to understand this idea?*	Non-technical	Highly technical	
Halo Effect *Is the token strongly associated with well-regarded brands or institutions?*	Strong halo effect	Weak or no halo	
Buzz *Are people talking about it? How many followers do they have on social media?*	High social buzz	Low social buzz	
AVERAGE USER ADOPTION SCORE *Average the three scores above*			
OVERALL SCORE *Weighted average of the five section scores above.*			

For blockchain investors, the Scorecard should be viewed as a tool for identifying promising opportunities. For tokens that score highly, the investor will want to do a deeper competitive analysis.

For blockchain companies, the Scorecard can be used as a tool for strengthening the idea. Better still, a company like Media Shower (www.mediashower.com) can be hired to fill it out more objectively. For more information, see our peer-reviewed paper: https://ssrn.com/abstract=3146191 and our YouTube instructional video: https://youtu.be/NkCMVyf8OOI