



Lido is a liquid staking protocol that allows users to stake proof-of-stake tokens like ETH in exchange for receipt tokens that can be traded, used in DeFi, or redeemed for their staked tokens. It is governed by Lido DAO, whose members include its LDO token holders.

| MARKET | Score (1-5) |
|---|-------------|
| Problem that it solves? Lido was launched to solve two main problems associated with staking. The first is to lower the economic barrier to entry by allowing users to stake any amount, and the second is to solve liquidity problems. Staking usually means locking up your tokens, but Lido allows users to receive receipt tokens which represent their staked tokens, and these can be traded or used in DeFi. | ★★★★★ |
| Customers Lido's customers mainly comprise users seeking passive income opportunities in staking. | ★★★★☆ |
| Value creation Lido users enjoy the benefit of being able to stake any amount and unlock the liquidity of their staked assets, opening up other passive income opportunities in DeFi. | ★★★★☆ |
| Market structure The liquid staking market is still emerging, with Lido currently positioning itself as the clear leader. | ★★★★☆ |
| Market size Lido's potential market is significant, considering how rapidly liquid staking protocols have grown in just a few years. This indicates that more users are choosing to stake their assets to participate in the networks' security via these protocols. | ★★★★☆ |
| Regulatory risks As the largest protocol on Ethereum, Lido may be highly susceptible to regulatory scrutiny. | ★☆☆☆☆ |
| AVERAGE MARKET SCORE Average the six scores above | 3.58 |

| COMPETITIVE ADVANTAGE | Score (1-5) |
|---|-------------|
| Technology/blockchain platform LDO is an ERC-20 token that operates on the Ethereum blockchain. | ★★★★★ |
| Lead time advantage Lido enjoys a first-mover advantage in the liquid staking solutions space. Although its lead time has evaporated, it still maintains a significant market share over its competitors. | ★★★★★ |
| Contacts and networks Lido's contacts appear to be well-developed, as evidenced by its partnerships with other popular projects in the industry such as Aave, MakerDAO, and Compound. | ★★★★☆ |
| AVERAGE COMPETITIVE ADVANTAGE SCORE Average the three scores above | 4.50 |

The **Blockchain Investor Scorecard** is the industry-leading framework to compare different blockchain assets side-by-side. The Scorecard is [free to download](#), as a public good. Our thanks to Jeffry Timmons, Stephen Spinelli, and Rob Adams for the [Timmons Model of Entrepreneurship](#), upon which the scorecard is based. For more information, see our [peer-reviewed paper](#) and our [instructional video](#).

| MANAGEMENT TEAM | Score (1-5) |
|---|-------------|
| Entrepreneurial team Lido was created by Jordan Fish , Vasiliy Shapovalov , and Konstantin Lomashuk , who have varied experiences in tech, including blockchain technology with Lido being their most successful project to date. | ★★★★☆ |
| Industry/technical experience Lido's team members have been in the industry for over 5 years, with at least 3 years dedicated to Lido. During this time, they created the largest liquid staking protocol in the market. It's safe to say that they have the required experience in the industry. | ★★★★☆ |
| Integrity The team has avoided significant controversy and maintained a clean slate. | ★★★★☆ |
| AVERAGE MANAGEMENT SCORE Average the three scores above | 3.33 |

| TOKEN MECHANICS | Score (1-5) |
|--|-------------|
| Token required LDO is essential to Lido as it decentralizes its governance structure. | ★★★★☆ |
| Value added LDO functions similarly to other liquid staking tokens on the market. | ★★★☆☆ |
| Decentralized Lido is governed by the Lido DAO, which allows LDO holders to propose and vote on decisions affecting the project. | ★★★★☆ |
| Token supply LDO has a maximum supply of 1 billion tokens. | ★★★★☆ |
| Public exchange LDO is listed on major exchanges, including Binance, Coinbase, and KuCoin. | ★★★★★ |
| MVP Lido has been operational since its launch in 2020. | ★★★★★ |
| AVERAGE TOKEN SCORE Average the six scores above | 4.00 |

| USER ADOPTION | Score (1-5) |
|--|-------------|
| Technical Difficulty Lido has been attracting users by consistently providing reliable liquid staking services since its inception, thus building its reputation, and it has also been expanding to other chains beyond Ethereum to broaden its user base. | ★★★★☆ |
| Halo Effect Lido is backed by notable investors such as Andreessen Horowitz, Dragonfly, and Paradigm, who collectively raised over \$167 million for the project. | ★★★★☆ |
| Buzz Lido generates a significant amount of buzz on social media. However, considering its size and popularity, its social media numbers are relatively average, with 201k followers on Twitter and 23k members on its Discord server. | ★★★★☆ |
| AVERAGE USER ADOPTION SCORE Average the three scores above | 3.50 |

| | |
|----------------------|-------------|
| OVERALL SCORE | 3.78 |
|----------------------|-------------|