**Paystack vs Flutterwave: Which is better?**

Updated on January 3, 2022 by [Editorial staff](https://www.makemoney.ng/author/make-money/)

Thanks to rapid advancement in technology development in recent times, financial transactions have gone beyond physical buying and selling, and have become easier, Transacting business is now very easy, that all you need to buy or sell is your mobile phone or computer system while sitting comfortably in your room.

With the advent of e-commerce, numerous businesses, entrepreneurs, large corporations, freelancers etc. are turning to E-platforms to enhance their business transactions. The most important, though, is selecting reliable and efficient payment gateways for ease in transactions.

[Paystack](https://paystack.com/) and [Flutterwave](https://dashboard.flutterwave.com/signup?referrals=RV200094) are online payment platforms that provide a quick, safe and seamless digital payment interface, to individuals, banks and businesses around the globe. Paystack and Flutterwave payment gateways are among the trusted and popular go-to when it comes to choosing an online payment method for e-commerce by businesses, corporations and entrepreneurs in Nigeria.

In this article, a careful analysis of the notable features and benefits derived from the two popular payments, platforms will be carried out to facilitate potential customers selection of the most beneficial of the platforms.

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**Paystack vs Flutterwave comparison**

| **Features** | **Paystack** | **Flutterwave** |
| --- | --- | --- |
| **Security:** | Payment Card Industry Data Security Standard (PCI DSS) certified. | Payment Card Industry Data Security Standard (PCI DSS) certified. |
| **Transaction fee:** | Local: 1.5% + NGN 100 per transaction International transactions: 3.9% + NGN 100 per transaction. | Local: 1.4% per transaction. International transaction: 3.8% per transaction |
| **Other Charges:** | International Transactions – USD Settlement 3.9%. Below NGN 5,000 and below – NGN 10 per transfer. NGN 5,001 to NGN 50,000 – NGN 25 per transfer. Above NGN 50,000 – NGN 50 per Transfer. Rectify BVN API -NGN 10 per API call Matching BVN API – NGN 15 per API call. | Rectify BVN API -NGN 50 per API call |
| **Transaction Tool:** | Paystack supports Card, Bank Account, Bank Transfer, USSD, Visa QR, and Mobile Money transfer. | Flutterwave supports POS (Point Of Sale), Debit and Credit Cards, Bank Account, Mobile Money Wallets, American Express, M-Pesa, Visa QR, Bank Transfer and USSD. |

**What Is Paystack?**

Paystack is a tech company that provides a platform which enables vendors, [banks](https://www.makemoney.ng/list-of-banks-in-nigeria-with-their-details/), companies etc. and their customers process payments online through debit and credit cards, money transfers and mobile money apps. Paystack allows businesses to easily secure payments from various local and global payment systems.

**How does Paystack work?**

Paystack offers a well documented API suite which allows merchants to integrate and customize any payment method they desire in their online platform. It can be built to offer a one-time or recurring payments service on the e-commerce app or website, verify the identity of customers or used to make instant transfers. Paystack also allows retrieval of customer data and transaction information.

**Is Paystack Secure?**

Yes. Paystack provides a system of automatic and manual security systems against fraudulent transactions. It is authorized with a Payment Card Industry Data Security Standard (PCI DSS) badge. The online platform has been reviewed and certified by the top payment business systems like Mastercard, Visa and Verve’s regulatory bodies. Moreover, communication is completed over secure HTTPS using Transport Layer Security (TLS) 1.2. A token system is also put in place to generate keys for further security of every payment transaction that occurs via its platform.

**Paystack transaction Fee**

On every local transaction made, Paystack deducts 1.5% + NGN 100, but the NGN 100 fee is waived on transactions under ₦2500. However, the highest transaction fee it charges is NGN 2000.

As for international transactions, an amount of 3.9% + NGN 100 is charged on every transaction.

**Other charges (Paystack)**

Paystack deducts the following on other services:

* International Transactions – USD Settlement 3.9%.
* On each transfer of NGN 5,000 and below – a sum of NGN 10 is deducted.
* For each transfer in the range of NGN 5,001 to NGN 50,000 – you are billed NGN 25 per transfer.
* Transferring above NGN 50,000 – NGN 50 per Transfer is charged.
* NGN 10 per API call is charged to rectify BVN API.
* For matching BVN API – NGN 15 is billed per API call.

**Transaction tools (Paystack)**

Paystack allows merchants to integrate the following means of payment on their online platform: Card, Bank Account, Bank Transfer, USSD, Visa QR, and Mobile Money transfer. This gives customers a chance to select from various payment options.

**Paystack Coverage**

Paystack allows businesses and entrepreneurs to create payment links and invoices for their international Clients. International pay-outs are settled in the merchant’s local currency with the customer’s bank responsible for converting and sending the money in the local currency.

However, Paystack allows merchants in Nigeria to withdraw US dollars to their domiciliary accounts following deduction of a service fee, though this service is not available in Ghana and South Africa currently.

**What Is Flutterwave?**

Flutterwave online payment service provides a platform to process digital payments between merchants, banks and their customers. These transactions can be via mobile money, debit and credit cards, money transfers and POS. Flutterwave allows easy and secure payments process to businesses around the world.

**How does Flutterwave work?**

Flutterwave caters for both businesses and individuals. It provides the option of ‘Flutterwave for Business’ for businesses and entrepreneurs to accept money from clients while monitoring and growing their businesses.

The other option is a mobile app – Barter by Flutterwave designed for people who want virtual cards for their shopping. It allows sending and receiving money as well as a convenient way to pay bills.

**Is Flutterwave secure?**

Yes it is. Beside being PCI DSS compliant, it is also certified by PADSS and the ISO, thus possessing a highly satisfactory security audit. Additionally, Flutterwave launched the Payments Protection Promise to assure customers who pay using the platform that they will get the value for their money spent.

**Flutterwave service Fee**

Flutterwave charges at a rate of 1.4% on every local transaction made. The peak transaction fee deducted is a total of NGN 2000.

It’s international transaction processing fee is fixed at a rate of 3.8% of the transaction amount.

**Other charges (Flutterwave)**

Flutterwave charges a flat rate of NGN 50 BVN API calls, per call to resolve BVN issues.

**Transaction tools (Flutterwave)**

Flutterwave provides a wide range of payment options to vendors on their e-commerce platform including POS (Point Of Sale), Debit and Credit Cards, Bank Account, Mobile Money Wallets, American Express, M-Pesa, Visa QR, Bank Transfer and USSD.

**Flutterwave Coverage**

Flutterwave presents business owners in over 40 African Countries the opportunity to accept payments in 150 currencies such as GBP, EUR, and USD. Vendors easily create accounts, payment links, and send out professional invoices to customers.

Flutterwave provides merchants with the option to retain and receive foreign currency like the USD and EUR.

**Paystack vs Flutterwave**

Paystack vs Flutterwave, which should you go for? Businesses and entrepreneurs aim to provide swift, reliable and easy service to ensure that their customers have an enjoyable experience while transacting online.

Though Paystack and Flutterwave provide similar functions to their customers, their services have some noticeable differences, both payment platforms provide secure payment services. However, Flutterwave provides a slightly cheaper service fee than Paystack. This can eventually make a huge difference, in the long run, to businesses and entrepreneurs.

Besides, Flutterwave has a wider reach in Africa than Paystack. Also, Merchants are able to keep and receive foreign currency in their foreign accounts.

Business owners often worry about the best payment platforms to offer their customers a seamless and comfortable service. This article can help to choose the best plan to achieve this goal while minimizing their running cost.