

# LUXXWAY Payment System Research and Implementation Plan

## Project Defense: Payment System for LUXXWAY

LUXXWAY is a multi-service platform offering luxury rides, hotels/apartments, and events. A robust and secure payment system is crucial to ensure reliable prepayments, escrow handling, provider payouts, and dispute resolution. This expanded document details the payment workflow, explains how payment providers like Flutterwave, Korapay, and Paystack support these operations, and includes a layman-friendly flow diagram for clarity. Insights from leading apps like Bolt, Indrive, and Booking.com are applied.

### 1. Detailed Payment Process

Step-by-step Payment Workflow:

1. Customer selects service (ride, hotel/apartment, or event).
2. Customer pays upfront via LUXXWAY using card, bank transfer, USSD, or mobile wallet.
3. Payment is processed through a gateway (Flutterwave, Korapay, Paystack) and held in a platform-controlled escrow account.
4. Platform verifies booking details and schedules the service.
5. Service completion triggers payout logic:
  - Rides: Provider paid after ride completion + 24-48 hr buffer.
  - Short stays (<7 nights): After check-out + 24-72 hr buffer.
  - Long stays (8+ nights): Partial weekly payouts starting 24 hrs after check-in, final payout after check-out.
  - Events: After event completion + complaint/cancellation buffer.
6. Complaints, cancellations, or damages temporarily hold payouts for disputed amounts.
7. Platform resolves disputes using evidence (photos, logs, messages) before releasing funds.

### 2. Payment Provider Services and Capabilities

LUXXWAY integrates multiple payment providers to ensure seamless payment processing and provider payouts:

#### 1. Flutterwave:

- Supports card payments, bank transfers, USSD, and mobile money.
- Provides automated payouts to multiple providers via API.
- Enables escrow-style holding of funds until service completion.
- Supports multi-currency and cross-border payments.

#### 2. Korapay:

- Developer-friendly APIs for collecting and disbursing payments.
- Supports virtual accounts for each provider for tracking and escrow.
- Allows scheduled, partial, or milestone-based payouts.
- Supports international payments and multi-currency handling.

#### 3. Paystack:

- Widely adopted for local and international cards.

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- Provides split payments, escrow, and vendor payout APIs.
- Offers webhook notifications for real-time status updates.
- Supports recurring and pre-authorized payments for bookings or deposits.

These providers together enable LUXXWAY to handle upfront payments, escrow holding, partial and scheduled payouts, refunds, and dispute resolution efficiently.

## 3. Service-Specific Payment Implementation

Luxury Rides:

- Payment upfront.
- Escrow holds funds until ride completion.
- Provider paid after ride completion plus 24-48 hr buffer.

Hotels / Apartments:

- Payment upfront or deposit for future bookings.
- Short stays (<7 nights): Full payout after check-out plus buffer.
- Long stays (8+ nights): Partial payouts weekly plus final payout after check-out.
- Damage deposits handled separately via preauthorization.

Events:

- Payment upfront.
- Payout after event completion plus complaint/cancellation buffer.
- Early bookings: Partial payout may release after cancellation window if safe.

Complaints and Refunds:

- Disputed amounts are held until resolution.
- Resolution determines final payout (full, partial, or refund).

## 4. Observations from Market Leaders

1. Bolt / Indrive (Rides):

- Hold payments until ride completion.
- Early bookings have dynamic cancellation policies.
- Lessons: Buffer payouts reduce disputes and protect driver and rider.

2. Booking.com (Hotels / Apartments):

- Collect full payment upfront, hold in escrow.
- Short stays: pay after check-out; long stays: partial payouts during stay.
- Early bookings pay partial at cancellation window.
- Lessons: Escrow and partial payouts improve provider trust.

3. Eventbrite / Luxury Event Apps:

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- Collect payments upfront, release after event completion.
- Complaints hold payouts temporarily.
- Lessons: Buffer periods and clear T&Cs protect all parties.

## 5. Payment Flow Diagram (Layman-Friendly)

[Guest selects service]



[Pays upfront via Flutterwave / Korapay / Paystack]



[Funds held in LUXXWAY escrow account]



[Service scheduled & completed]



[Check for complaints or damages]



[Yes] [No]



[Hold funds] [Release payout per schedule]



[Partial / Final payouts to providers]

## 6. Conclusion

LUXXWAY's payment system leverages Flutterwave, Korapay, and Paystack to handle:

- Secure upfront collections
- Escrow and balance holding
- Scheduled, partial, and milestone payouts
- Complaint and refund handling

The expanded workflow, combined with insights from Bolt, Indrive, and Booking.com, ensures provider trust, customer satisfaction, and regulatory compliance, making LUXXWAY ready for launch in Nigeria's luxury service market.