# **Which Is Better: Hardware VS Software Wallet?**

There's a handful of factors to consider when deciding which crypto wallet is best for a person's activities, from how much security is needed to how speedy things need to be, or if there's a desire for high convenience most of all, or even how simple things need to be versus the need to increase complexity for an added layer of security. These and more would be considered when dealing with confronting the decision of choosing to use a hardware wallet vs a software wallet.

## **Why use software wallets?**

Software wallets are now most popular as mobile wallets, where you simply download one of many cryptocurrency wallets from the App Store if you're on iOS, or on the Playstore if you're on Android, and after running the initial setup of backing up your seed words that hold access to all of your private keys in it, assuming that the wallet you're using is a non-custodial cryptocurrency wallet, you're all set to start sending and receiving supported cryptocurrencies within it.

Easy to install and simple to use, this is where software wallets excel at, but it comes at a cost, and that cost is lower security because of its online connectivity, which labels it as a hot wallet, which makes it vulnerable to theft via hacks/viruses, as well as physical theft through what's known as (jokingly but also a real threat) five-dollar wrench attack.

### **Examples of cryptocurrency software wallets**

* **Electrum** and **Blue Wallet**. If you're only interested in dealing with Bitcoin as your sole or main interaction with the cryptocurrency scene, then these two would be the most ideal options. Both of these can be used as a desktop or mobile wallets.
* **Guarda**, **Exodus**, **Trust Wallet**. If you're a multicurrency type that is interested in various cryptocurrencies, then we'd recommend the use of any of these three software wallets, as they have a simple user experience, with quick and easy initial setups. Aside from Trust Wallet, the other two can be used as mobile wallets and as software on your desktop.

## **Why use hardware wallets?**

Hardware wallets are generally more secure than any other wallet, as they protect your private key/s from online attempts of theft, and depending on the hardware wallet, from any theft type that involves a wireless connection like Bluetooth. Because of this air-gapped security, the term "cold storage" was applied to them.

The cost for this security is a longer setup time, more complications with its setup and usage, more steps to send transactions, as well as not that great of a user experience. The opposite of software wallets.

### **Examples of cryptocurrency hardware wallets**

**Trezor Model One/T**, and **Ledger Nano X/S**. Both of these hardware wallets are the most popular and in-demand wallets in the crypto scene, and they're one of the tops in terms of security.

## **Hardware wallet or software wallet?**

It all depends on those factors mentioned above, but generally speaking, it's advised to have both hardware and software wallets, where once you reach a point where you'd have enough crypto money that you'd basically cry if you lost it or got stolen, then that's when you'd invest to obtain a hardware wallet and keep most of your funds in cold storage, with the addition of a multisig setup for added security and safety if you'd like (assuming you have knowledge of how to use one), and a normal software wallet for general use for trading or spending and receiving.