

MOR/SOR

Digital River makes it easier to do business globally

Merchant and Seller of Record

Digital River's commerce, payment, and marketing solutions paired with innovative technology are what make our Commerce Business Infrastructure (CBI) a unique Commerce-as-a-Service offering. The CBI offerings start with Digital River acting as Merchant of Record (MOR) and Seller of Record (SOR) alongside the expertise we bring to help generate online business in 243 countries and territories throughout the world. We assume responsibility for compliance of local laws and regulations, local banking relationships, handling of taxes, managing fraud, and more.

What does Digital River do as Merchant of Record?

The Merchant of Record is the organization that is held financially liable by the acquiring bank. When Digital River assumes responsibility as Merchant of Record, we are held liable by the financial institution that processes the end consumer's credit and debit card payments. This includes all full and partial returns to the consumer's card as well as any chargebacks initiated by the consumer. We also take on tax and compliance risk to ensure your digital transactions are handled with precision and full compliance with local laws.

When Digital River takes on the role of Merchant of Record, your company no longer needs to create its own local entity. Details unique to different global online markets such as buying options, consumer protection disclosures, available payment options, exportation restrictions, and applicable regulatory fees are all sorted out by Digital River. Additionally, we handle card association regulations, payment processing fees, Denied Persons List (DPL) screenings, PCI compliance, multiple currencies, and we reconcile all cash collected on a global basis. This results in an offload of complexity and risk to your company as well as access to a team of experts who know the culture, laws, and regulations of the country in which your company is doing online business.



Total cost of ownership

Maintaining an agile ecommerce system that is easy to implement, run, and support, while meeting customer, regulatory, and fiduciary requirements involves highly complex expertise and significant operational costs—operations that increase your total cost of business:

- Technology platform
- Website integration
- Marketing solutions
- Payment processing
- Order management
- Complex business infrastructure

What does Digital River do as Seller of Record?

The Seller of Record indicates which legal entity or person is identified as selling a specific product to the end consumer. The Seller of Record also often assumes responsibility of accounting for transaction tax on that particular transaction.

We successfully act as the Seller of Record due to our ability to coordinate the key financial elements of an online sale provided by our commerce and payment solutions. In order to smoothly handle all product transactions, Digital River accounts for local sales tax and maintains and establishes the return policies and terms and conditions for an online sale. Additionally, we standardize financial set-up processes and work with local entities to enable localized transaction methods, fulfillment, and customer service solutions.

When Digital River is the Seller of Record, clients (or their fulfillment partners) sell their products to us for resale. By doing this, we assume the responsibility of accounting for sales tax on the sale to the end customer as well as greatly simplify our client's sales tax accounting burdens.

Digital River as Seller of Record is responsible for complying with ever-changing card association regulations, paying payment processing fees, handling customer service events such as refunds and chargebacks, KYC, Denied Party List screening, PCI Compliance, multiple currencies, and reconciling all cash collected on a global basis.

As a Commerce-as-a-Service business, Digital River takes on the responsibilities as Seller of Record and Merchant of Record. By doing this, we take on both the primary relationship with the consumer and the banks. By taking these positions, we can help protect your company from revenue loss and risk when selling online around the world.

Third-party Merchants of Record are key partners for expanding companies

Sixty-one percent of global ecommerce firms use a third party as their Merchant of Record for at least some countries. And satisfaction is high:

- 42% said that they were "very satisfied"
- 34% "satisfied"
- 20% "somewhat satisfied"

Not a single respondent expressed dissatisfaction (the remaining 4% were "don't know" responses).¹

1 "Accelerate Global Growth While Reducing Risk," a commissioned study by Forrester Research Consulting on behalf of Digital River, February 2015.

About Digital River

Digital River, the revenue growth experts in global cloud commerce, helps companies of all sizes build and manage their online businesses, maximize online revenue, reduce costs and minimize risk. Founded in 1994, the company is headquartered in Minneapolis, with offices across the United States, Asia and Europe.

Unlock the value of Digital River to grow your business.

E: info@digitalriver.com
US: +1 800 598 7450
UK: +44 (0) 845 603 5070
TW: +886 2 8173 1711
W: digitalriver.com/contact-us