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Standards Reminders for Merchant Name / Descriptor Field

Global | Acquirers, Issuers, Processors

Visa Network



Overview: Visa is reminding acquirers of the importance of accurately and consistently populating the Merchant Name / Descriptor field, as well as the policy and framework, best practices and additional resources for further information.

Correct usage of the Merchant Name / Descriptor field increases customer recognition of transactions and reduces disputes and cardholder inquiries. This has benefits across the entire payment ecosystem, including the following:

- Merchants benefit from lower dispute costs related to cardholders' improved ability to recognize transactions. Correct usage of the field also has the potential to improve data tracking for the purpose of loyalty programs, volume tracking and other network services that rely on the field.
- Issuers may field fewer customer service calls and incur lower operational costs. Many issuer and cardholder services also rely on the Merchant Name / Descriptor field to accurately identify transactions, including notification / alerts messages and Stop Payment Services. Issuers will often recommend that cardholders speak to the merchant, which requires a correct merchant name / descriptor to avoid unnecessary disputes.
- All parties in the ecosystem leverage the Merchant Name / Descriptor field in assessing, monitoring and tracking risky transactions, meaning correct details can lead to improved authorization approval rates.

Visa is reminding acquirers and their merchants of best practices for this field and the applicable Visa Rules requirements.

Determining a Merchant Name

The merchant name must be the name most prominently displayed by the merchant and by which the cardholders recognize the merchant (while also reflecting the merchant's "doing business as" [DBA] name). The merchant's legal / company registration should **not** be used if it is not also the name presented to and recognized by the cardholder in-store or online.

Merchants sometimes use names that are clear when viewed at the merchant premises, but may confuse the cardholder if viewed out of context on a cardholder statement. An example would be a merchant whose name is inconsistent with its merchant category code. When this happens, the merchant name must contain extra information that identifies the type of merchant to the cardholder. Further, a merchant with multiple merchant outlets may add the city, store number or other unique identifier to distinguish the specific merchant outlet.

Policy and Framework: Merchants / Acquirers / Processors

The Visa Rules (ID#: 0027816) requires that the merchant name used to identify a merchant must be all of the following:

- The name it primarily uses to identify itself to its customers
- Displayed at each merchant outlet or on an e-commerce merchant's website and/or application
- Used consistently, including spelling, in every place that it is used, including but not limited to the:
 - Transaction receipt provided to the cardholder
 - Authorization request
 - Clearing record
 - Dispute, dispute response and acquirer-initiated pre-arbitration records

The merchant name must remain consistent; it must not be modified or periodically changed, for example, to mask its identity from any compliance programs.

In addition to the Visa Rules, please refer to [Visa Merchant Data Standards Manual](#) for detailed criteria and in-depth examples to help determine the merchant name, as well as specific details on use of supplementary information and formatting.

Identifying Specific Entities: Visa requires specific acceptance entities to be uniquely identified in the Merchant Name / Descriptor field using an asterisk (*) to separate the entity and the underlying seller, biller or sponsored merchant. This policy applies transactions involving payment facilitators, staged digital wallets and bill payment aggregators. The *Visa Merchant Data Standards Manual* also includes specific details for each entity.

Prohibited Content: Other acceptance entities are not permitted to be included in the Merchant Name / Descriptor field; these include pass-through digital wallets, third party agents, gateways, processors, independent sales organizations, merchant services, software platforms or any other entity not listed above. Further, the Merchant Name / Descriptor field must not include information that is not directly related to the transaction, e.g., marketing or advertising statements.

Policy and Framework: Issuers

Issuers are reminded to ensure that they pass through the data in the merchant name field without truncating or otherwise altering the information, which may negatively impact customers' ability to recognize and reconcile transactions.

The Visa Rules (ID#: 0004080) requires issuers to include on the cardholder billing statement the data transmitted in the clearing record that both:

- Identifies one of the following, as applicable:
 - The merchant
 - The sponsored merchant and its payment facilitator
 - The digital wallet operator and retailer
- Enables the cardholder to contact the merchant

For More Information

Merchants and third party agents should contact their acquirer.

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