

NAPEO Market Research: **2025 Communications Audit of PEOs**

November 2025

povaddo
inspiring insights



Objectives

This year, NAPEO commissioned Povaddo to conduct a multi-part research initiative to inform and enhance NAPEO’s three-year strategic planning efforts and pillars of value for its members.

NAPEO’s first pillar in its strategic plan for the next three years is ‘Define and Drive Compelling Industry Narrative.’

NAPEO plans to do this by completing several objectives, the first and third of which we focused on when conducting this research.

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STRATEGIC PILLAR
Define and Drive Compelling Industry Narrative

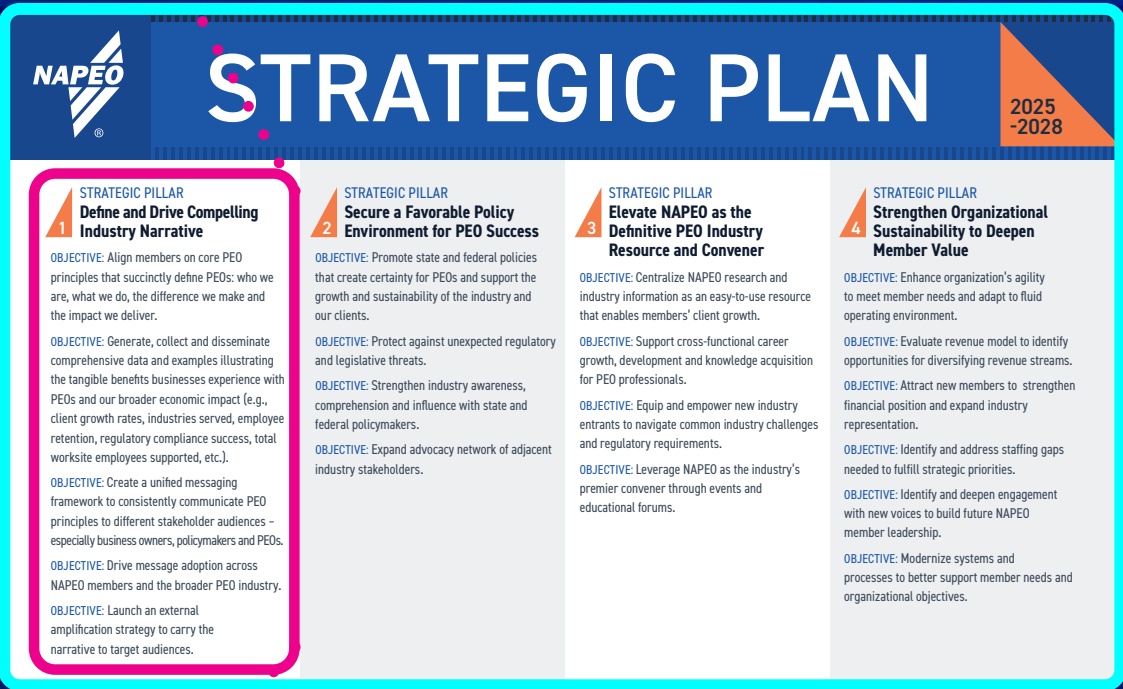
OBJECTIVE: Align members on core PEO principles that succinctly define PEOs: who we are, what we do, the difference we make and the impact we deliver.

OBJECTIVE: Generate, collect and disseminate comprehensive data and examples illustrating the tangible benefits businesses experience with PEOs and our broader economic impact (e.g., client growth rates, industries served, employee retention, regulatory compliance success, total worksite employees supported, etc.).

OBJECTIVE: Create a unified messaging framework to consistently communicate PEO principles to different stakeholder audiences – especially business owners, policymakers and PEOs.

OBJECTIVE: Drive message adoption across NAPEO members and the broader PEO industry.

OBJECTIVE: Launch an external amplification strategy to carry the narrative to target audiences.



Objectives

Provide NAPEO and its members with insights into the degree of message alignment across the industry

Industry Audit

- Assess and categorize themes in narrative and messaging content across the industry
- Understand how PEO companies are communicating messaging around their offerings externally

Quantitative survey

- Assess what platforms, channels, and other mechanisms are being used for marketing
- Understand how those in the industry would rate the message alignment of the PEO industry overall

About this study

Audit

Method: Review of several Small, Medium, and Large PEOs' websites, social media posts, and additional marketing and communications materials submitted by members

Sampling: 25 NAPEO member companies
11 Small, 7 Medium, 7 Large

Survey

Method: Online

Sampling: n=47 NAPEO member companies

Field dates: Aug 13 – Sept 12, 2025

Key Findings

- 1. Usage of the term “PEO” is not as prevalent on social media compared to websites, despite social media being utilized as an essential channel for marketing communications.** “PEO” is a commonly used term across websites; however, its presence in social media content is inconsistent, often limited to visual content or hashtags rather than post copy. This is notable given that social media is utilized as an essential channel for PEOs to build visibility and engagement.
- 2. PEO industry messaging is reasonably aligned (especially on websites) and PEOs do a good job communicating their value proposition as individual companies.** However, PEOs don’t always identify themselves as a PEO – just under half of PEOs surveyed use “PEO” in branding, while a significant portion prefer alternative descriptors. Audit findings reveal PEO companies’ messaging consistently highlights services like cost savings, risk management, compliance, payroll, and employee benefits.
- 3. The value proposition of PEOs is often described in relation to other less encompassing HR solutions to highlight differentiation.** Moreover, service offerings are often described in the context of overall value delivered to employers. While key themes are consistent across the industry, messaging often focuses on the value to employers, specifically in how having a PEO allows them to focus on running and growing their business by taking HR and employee-related tasks off of their plate. Often these comparisons attempt to differentiate PEOs from other types of payroll and HR service providers.
- 4. Usage of paid media is not ubiquitous across the industry at this time.** In our survey, nearly all PEOs (96%) report actively using social media, primarily LinkedIn and Facebook, to drive awareness and consideration. Additionally, every PEO reviewed in our audit maintained at least one up-to-date social media account. However, only 62% of PEOs surveyed report using paid social media posts.
- 5. While awareness of PEOs has increased over the past decade, understanding of PEOs needs to increase over the next decade.** Despite two-thirds of those surveyed reporting they believe industry messaging is generally consistent, respondents generally believe that most business decision makers and policymakers don’t understand what a PEO is and does.

Survey Findings

About this study

Sample: n=47 NAPEO member companies

Data Collection Method: Online

Field Dates: Aug 13 – Sep 12, 2025

PEO Size (Total PEO wage)

Small - Up to \$249mn	53%
Medium - \$250 – \$999mn	32%
Large - \$1 – \$18bn	13%
Very large - Over \$19bn	2%

Have dedicated in-house marketing/communication staff

Yes – one person	30%
Yes – a team of people	36%
No	34%

Work with outside agency/freelancer for marketing and communications

Yes	72%
No	28%

Worksite employees

0 – 500	6%
501 – 1,500	17%
1,501 – 5,000	38%
5,001 – 20,000	21%
More than 20,000	17%

Region

West	23%
Midwest	30%
Northeast	17%
South	26%
National	28%

Size of in-house marketing/communications team

2 – 3	41%
4 – 6	18%
7 – 10	29%
More than 10	12%

Estimated annual marketing/communication budget

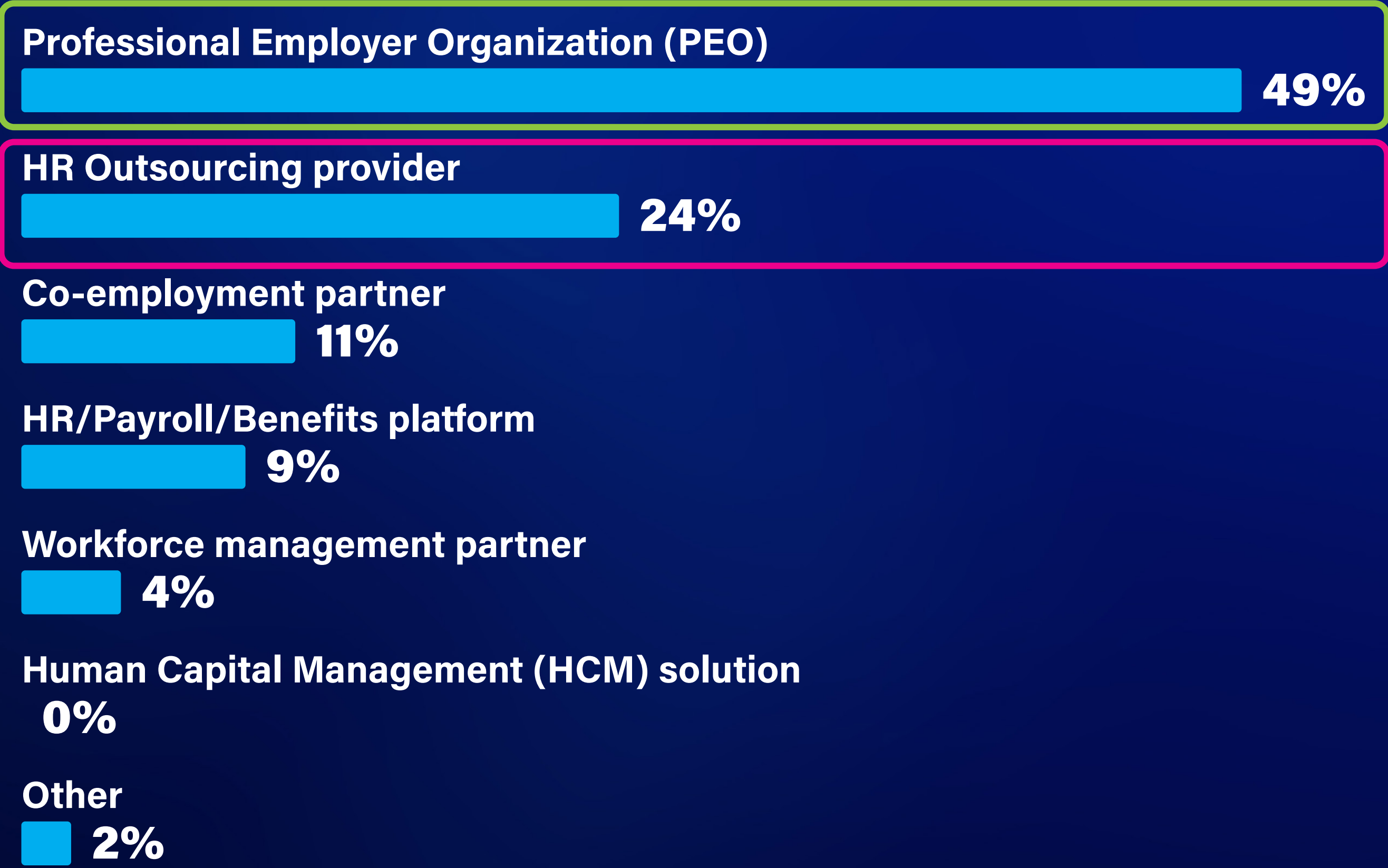
Under \$9,999	11%
\$10,000 – \$24,999	30%
\$25,000 – \$49,999	15%
\$50,000 – \$99,999	6%
\$100,000 – \$249,999	23%
\$250,000 – \$499,999	11%
\$500,000 or more	4%

*Percentages may not add up to 100% due to rounding.

Only half (49%) of respondents report that the term PEO best describes how their company refers to itself in marketing and branding materials.

- In turn, about half of respondents (51%) say that their company refers to itself using a term other than PEO in marketing materials.
- The most used term other than PEO is HR outsourcing provider, which one-quarter (24%) of respondents say their company uses.
- Only a small minority (11%) of respondents report that co-employment partner is the best way to refer themselves, followed by HR/Payroll/Benefits platform (9%) and Workforce management partner (4%).

Q: What phrase best describes how your company refers to itself (in regard to the PEO services offered) in marketing and branding materials?

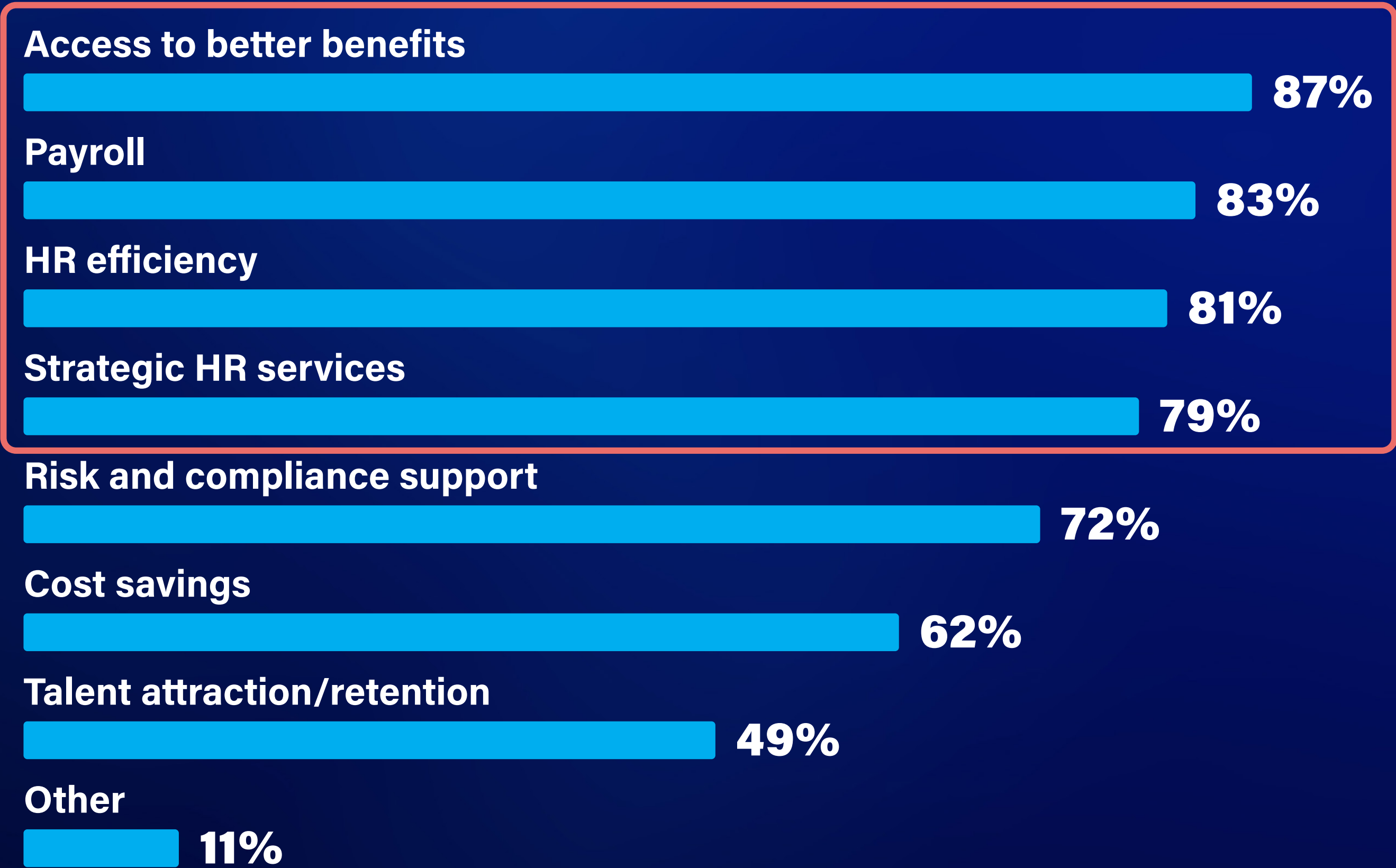


Base: Total Sample, n= 45

A majority of respondents highlight PEO benefits for their messaging including: access to better benefits (87%), payroll (83%), HR efficiency (81%), and strategic HR services (79%).

- While benefits, payroll and HR services are major messaging points, risk and compliance support (72%) and cost savings (62%) are also reported by over half of respondents.
- Additionally, talent attraction and retention are reported by just under half (49%) of respondents as central to their messaging.

Q: Which of the following PEO benefits are central to your company's messaging?



Base: Total Sample, n= 47

Social media is the most reported marketing channel used, with almost all PEOs (96%) reportedly using social media for mass marketing; however, far fewer (62%) report paying for marketing on social media.

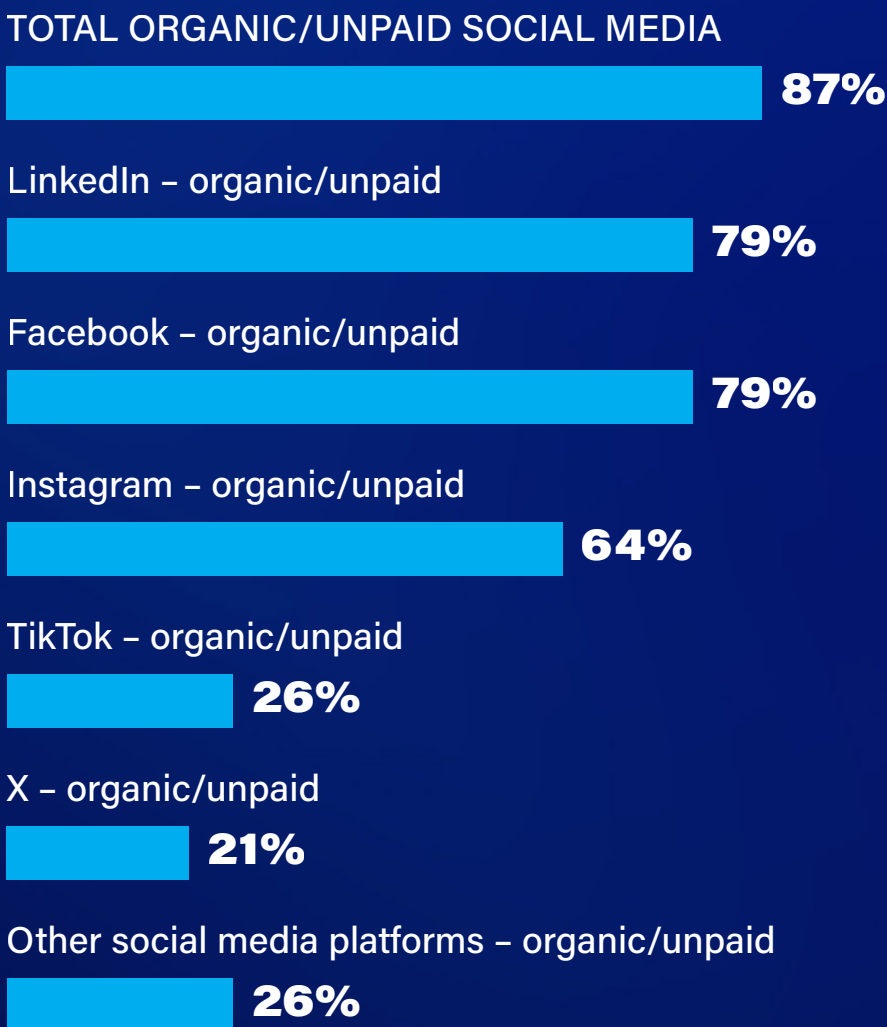
- While almost all respondents (96%) report using social media for marketing, three-quarters report utilizing email marketing (74%) and six-in-ten report utilizing in-person events (62%) generally and trade shows / conferences (62%) specifically. Sponsorships are also reportedly utilized by six-in-ten (62%).
- When it comes to social media, LinkedIn is used most often across both unpaid and paid channels (Unpaid: 79%, Paid: 62%) and is most reported for paid usage compared to other social media channels.
- Facebook is second most used for unpaid (79%) but usage decreases significantly when it comes to reported paid usage (21%). These are followed by Instagram (Unpaid: 64%, Paid 17%) which follows a similar pattern as Facebook.

Q: Which of the following mass marketing channels does your company currently use?

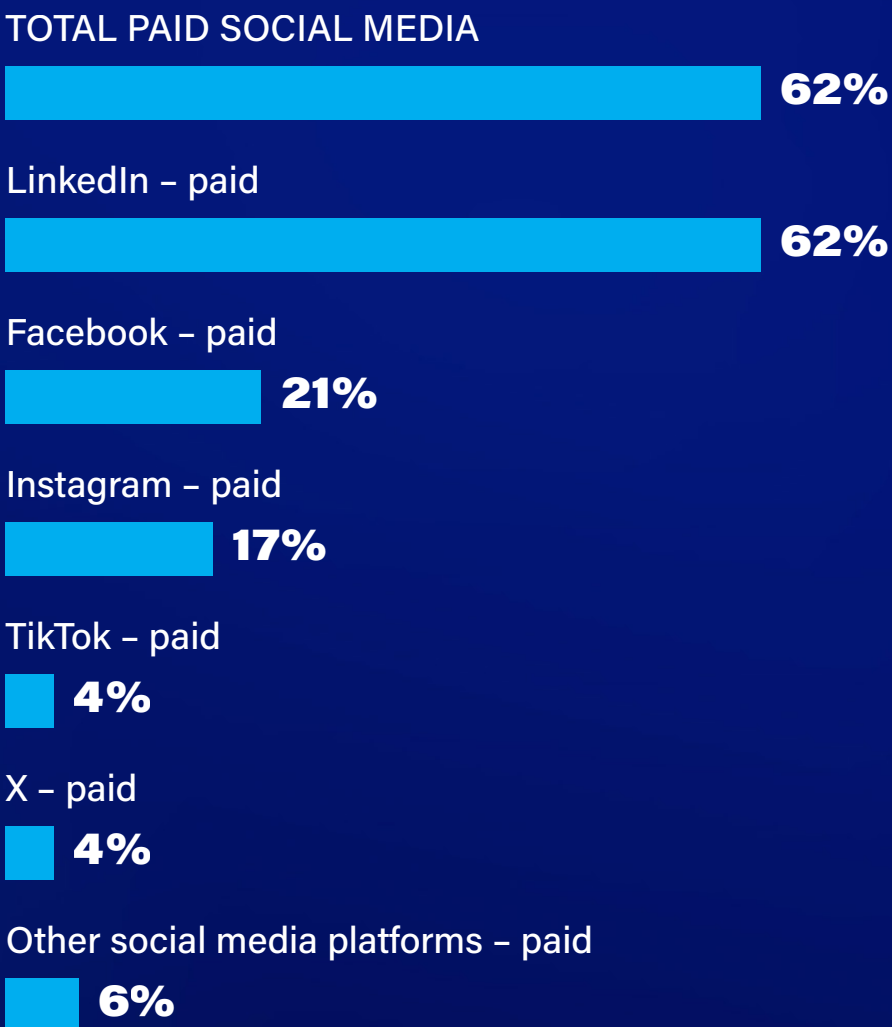
Total Marketing Channel Usage



Organic / Unpaid Social Media Usage



Paid Social Media Usage



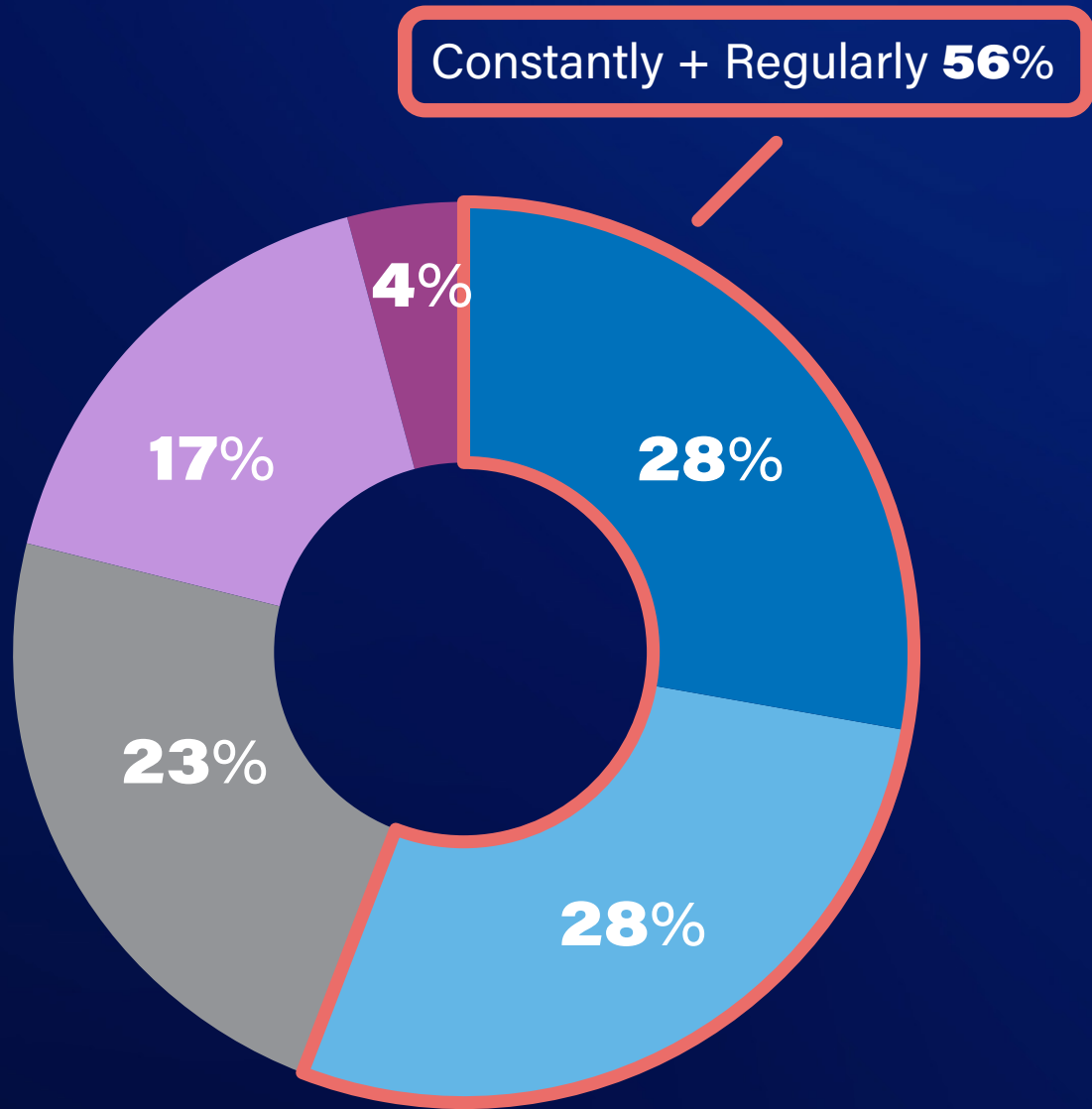
Base: Total Sample, n= 47

Over half of NAPEO members surveyed (56%) report they either constantly or regularly run mass marketing campaigns, and three-fourths (73%) review or revise core brand messaging every 1-3 years.

- The majority of respondents run campaigns constantly or regularly (56%), with over a quarter (28%) constantly running mass marketing communications and/or campaigns.
 - About one-quarter (23%) report running mass marketing campaigns sporadically and one-in-five (21%) report running campaigns rarely or never.
- Almost three-quarters (73%) of NAPEO members surveyed say they review or revise their core brand messaging at least every 3 years, while just over one-quarter (28%) report doing so less frequently or never.

Q: During the course of this year, would you say your company is running mass marketing communications and/or campaigns...

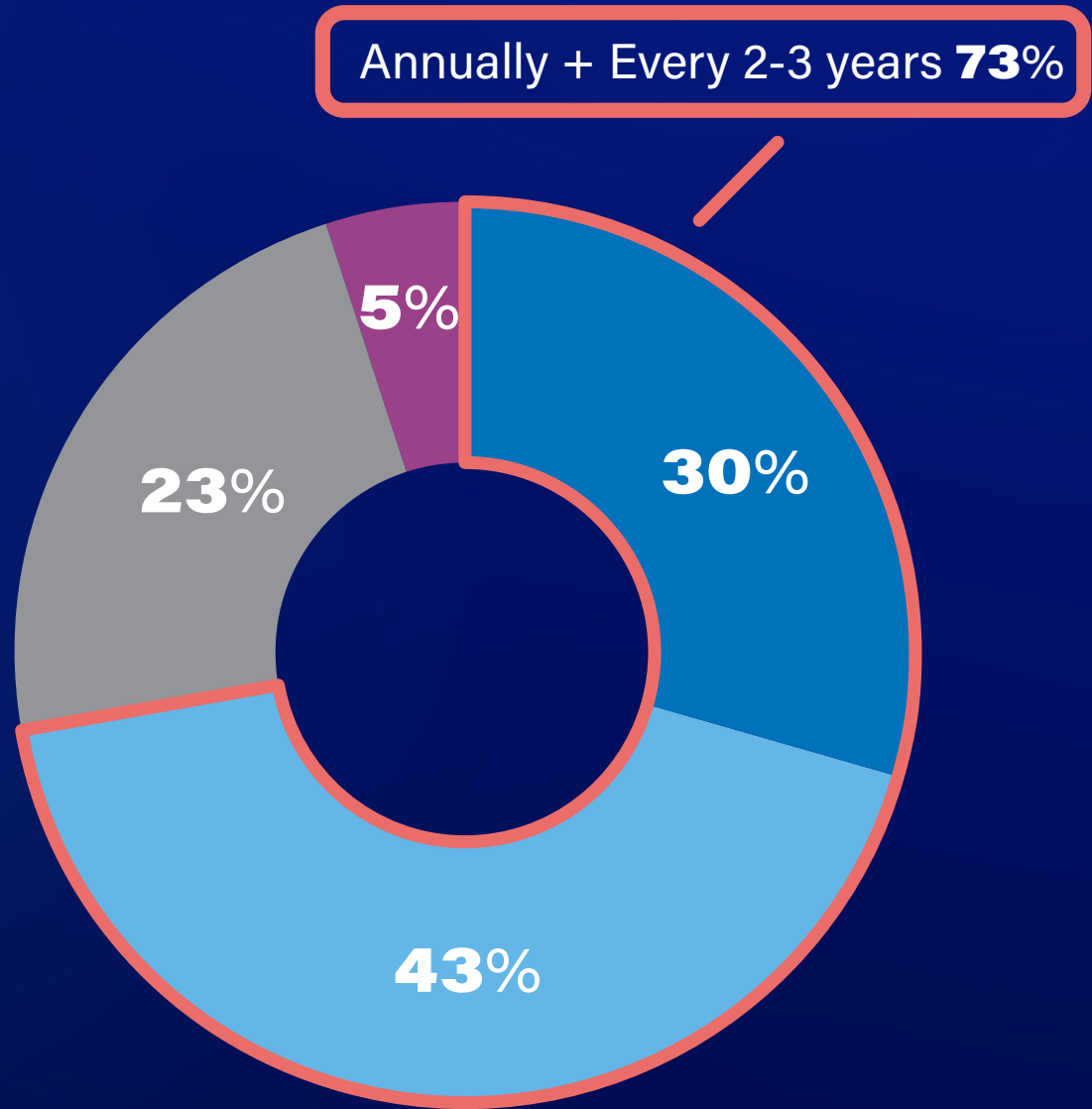
- Contantly
- Regularly
- Sporadically
- Rarely
- Never



Base: Total Sample, n= 47

Q: How often does your organization review or revise its core brand messaging?

- Annually
- Every 2-3 years
- Less frequently
- Never



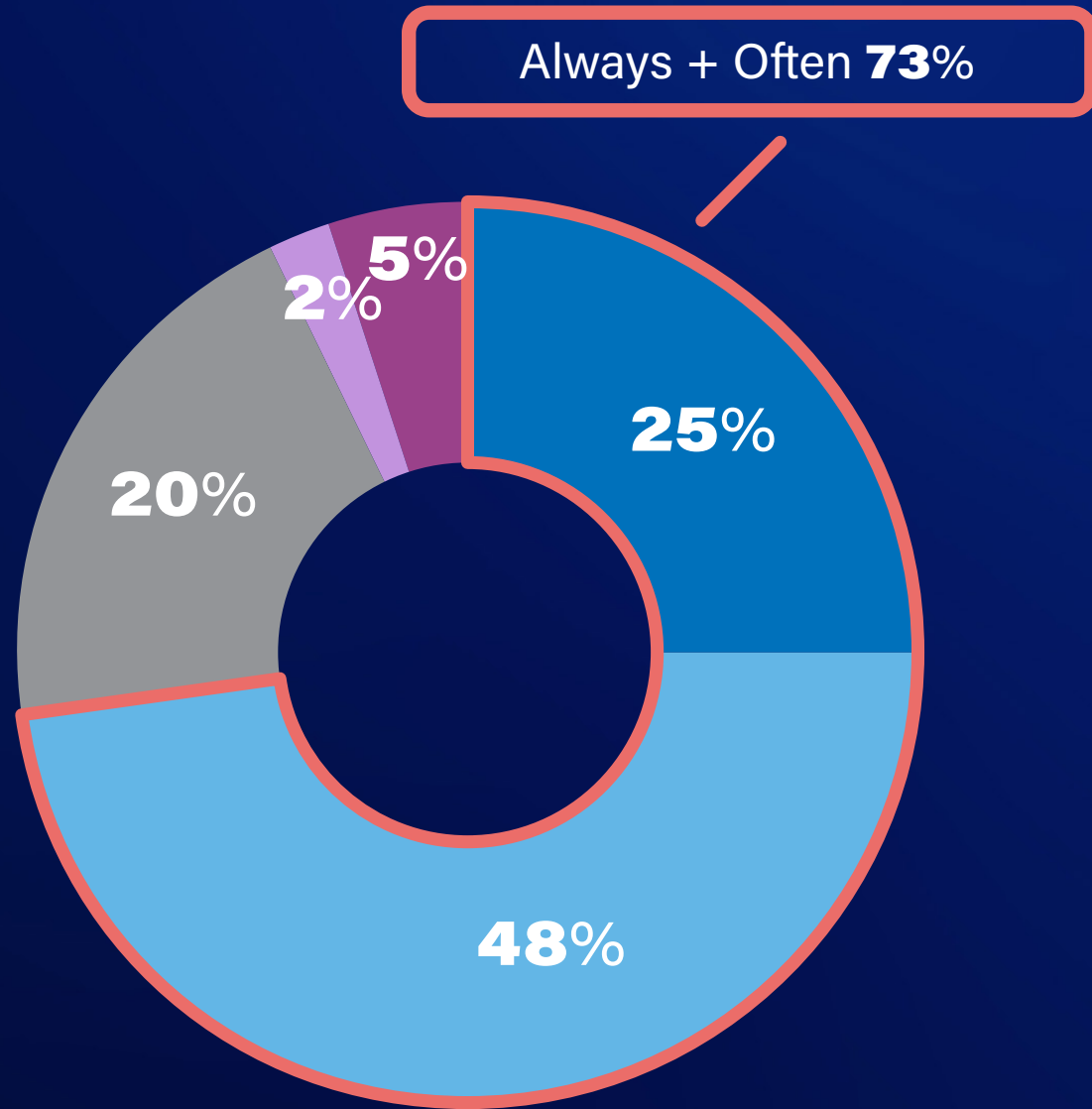
Base: Total Sample, n= 44

Three-quarters (73%) of marketing and sales teams at PEOs collaborate on message development often, and three-quarters (73%) of NAPEO members utilize NAPEO resources in their marketing and sales material.

- While the majority (73%) of marketing and sales teams at PEOs collaborate for message development, one-in-five (20%) report that they only occasionally collaborate, and 5% say they never collaborate for message development.
- The majority (73%) of NAPEO members use resources provided by NAPEO for their marketing and sales material; however, about one-quarter rarely (23%) or never (5%) use these resources.

Q: Do your marketing and sales teams collaborate on message development?

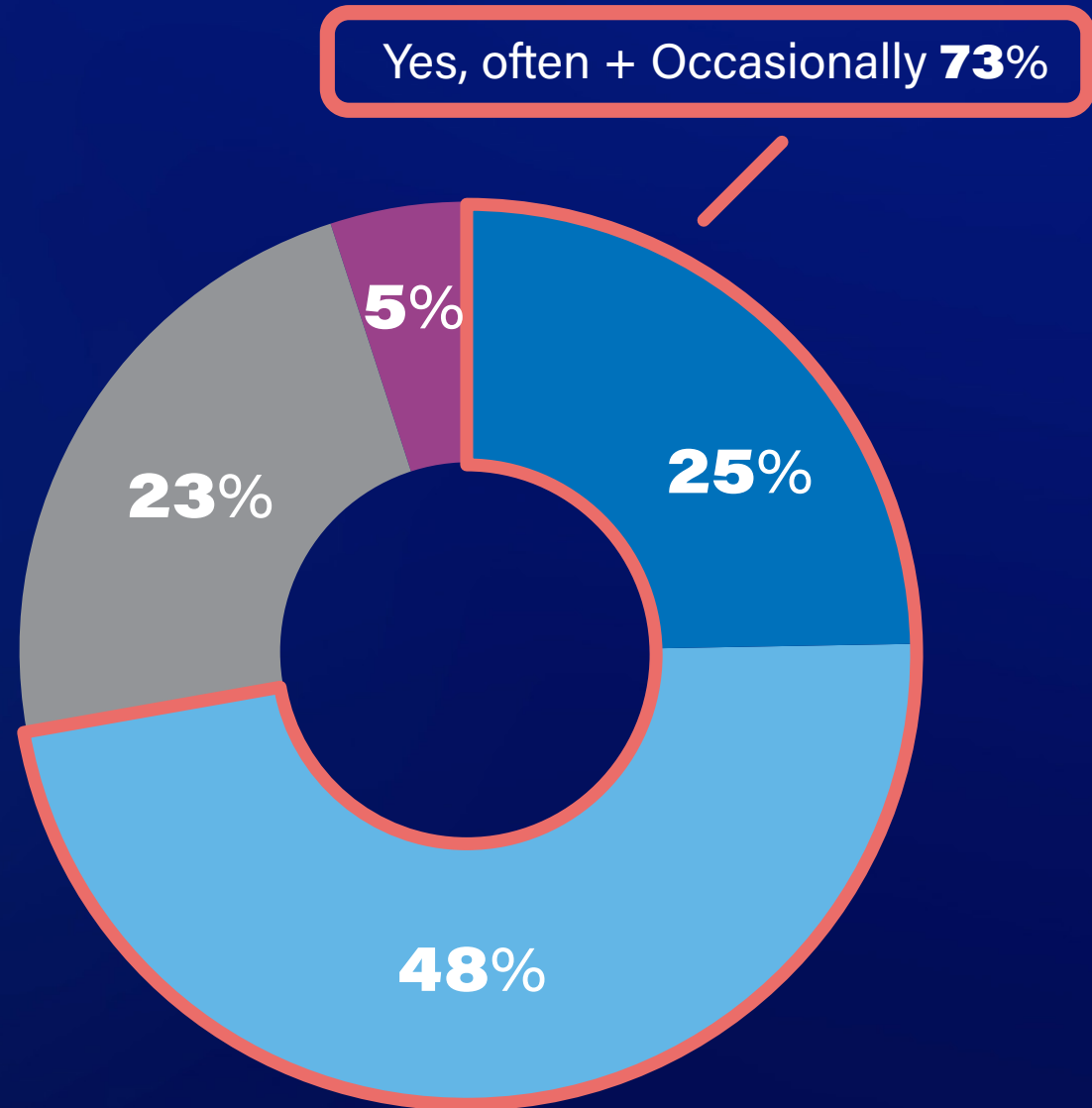
- Always
- Often
- Occasionally
- Rarely
- Never



Base: Total Sample, n= 44

Q: Do you use any NAPEO resources (e.g., industry data, templates, messaging guides) in your marketing and sales material?

- Yes, often
- Occasionally
- Rarely
- Never

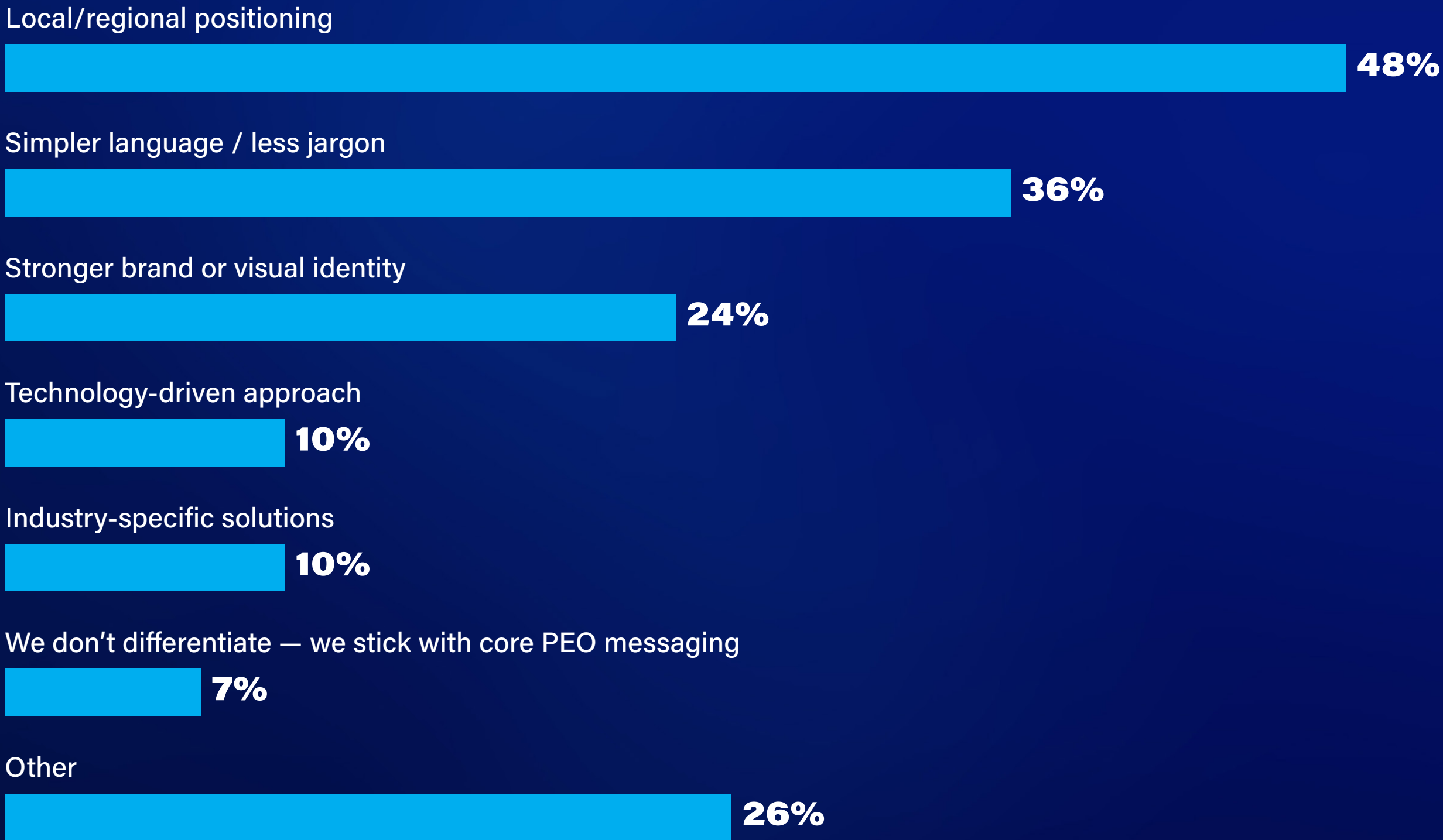


Base: Total Sample, n= 44

When it comes to differentiating their PEO’s messaging from others, almost half (48%) of NAPEO members surveyed focus on local/regional positioning and more than one-third (36%) say they use simpler language and less jargon.

- Other differentiation tactics utilized by NAPEO members to customize their messages include stronger brand or visual identity (24%), technology-driven approaches (10%), and industry-specific solutions (10%).
- While almost all (93%) respondents report at least some kind of differentiation when it comes to their messaging, a minority of PEO members (7%) report they stick to the core PEO messaging.

Q: Which, if any, of the following best describes what differentiates your PEO’s messaging from others in the industry?



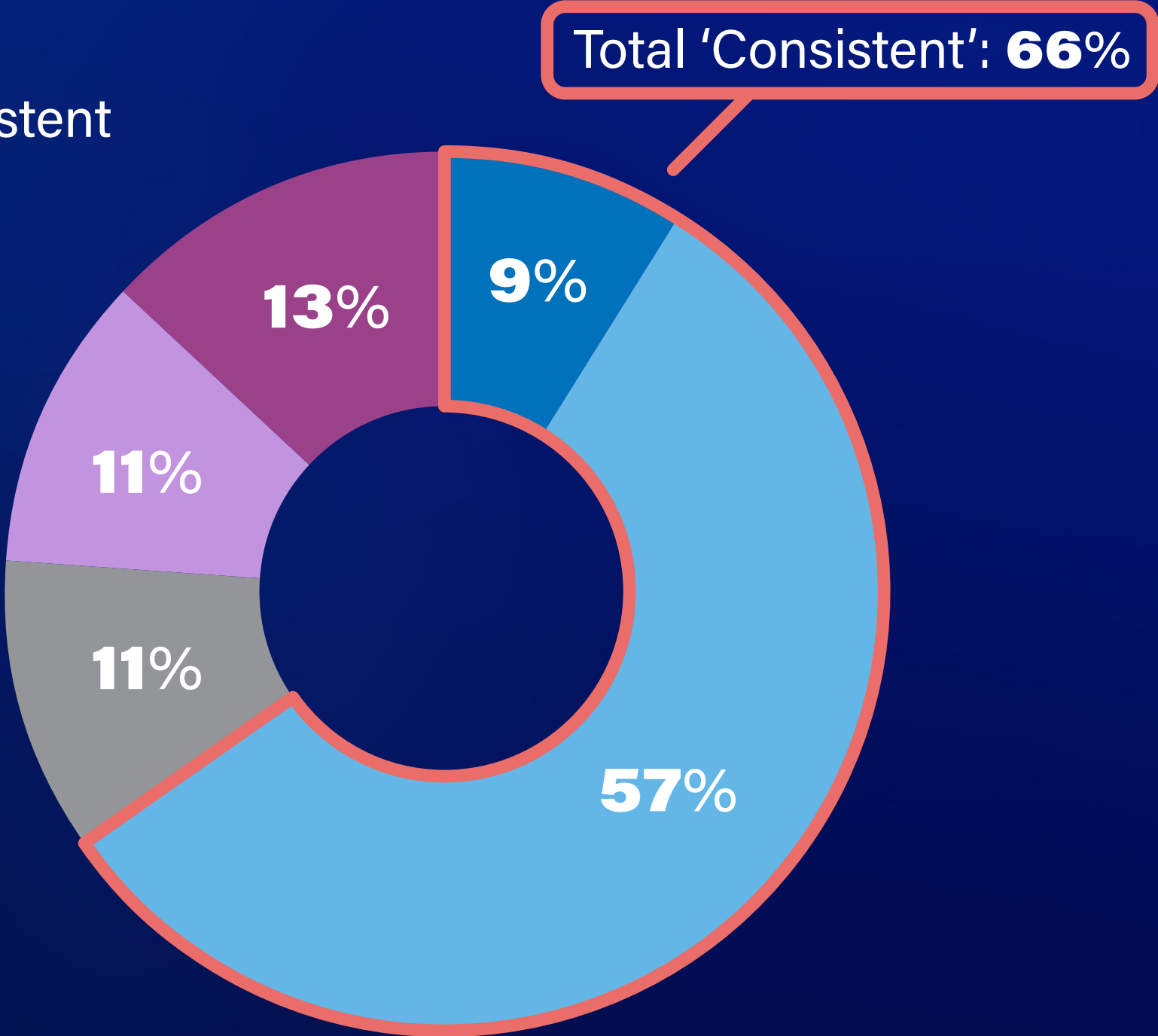
Base: Total Sample, n= 42

Only two-thirds (66%) of NAPEO members surveyed believe messaging about PEOs is consistent across the industry.

- Although a majority (66%) of respondents believe messaging is consistent, the intensity is low with only one-in-ten (9%) reporting that messages are very consistent.
- Additionally, one-quarter (24%) say messaging is inconsistent with high intensity – 13% report messaging is very inconsistent.
- And about one-in-ten (11%) are in-between and say messaging is neither consistent nor inconsistent.

Q: Generally speaking, how consistent do you believe messaging about PEOs is across the industry? (In other words, do you feel the industry delivers a unified message about PEOs and the value proposition they offer?)

- Very consistent
- Somewhat consistent
- Neither consistent nor inconsistent
- Somewhat inconsistent
- Very inconsistent

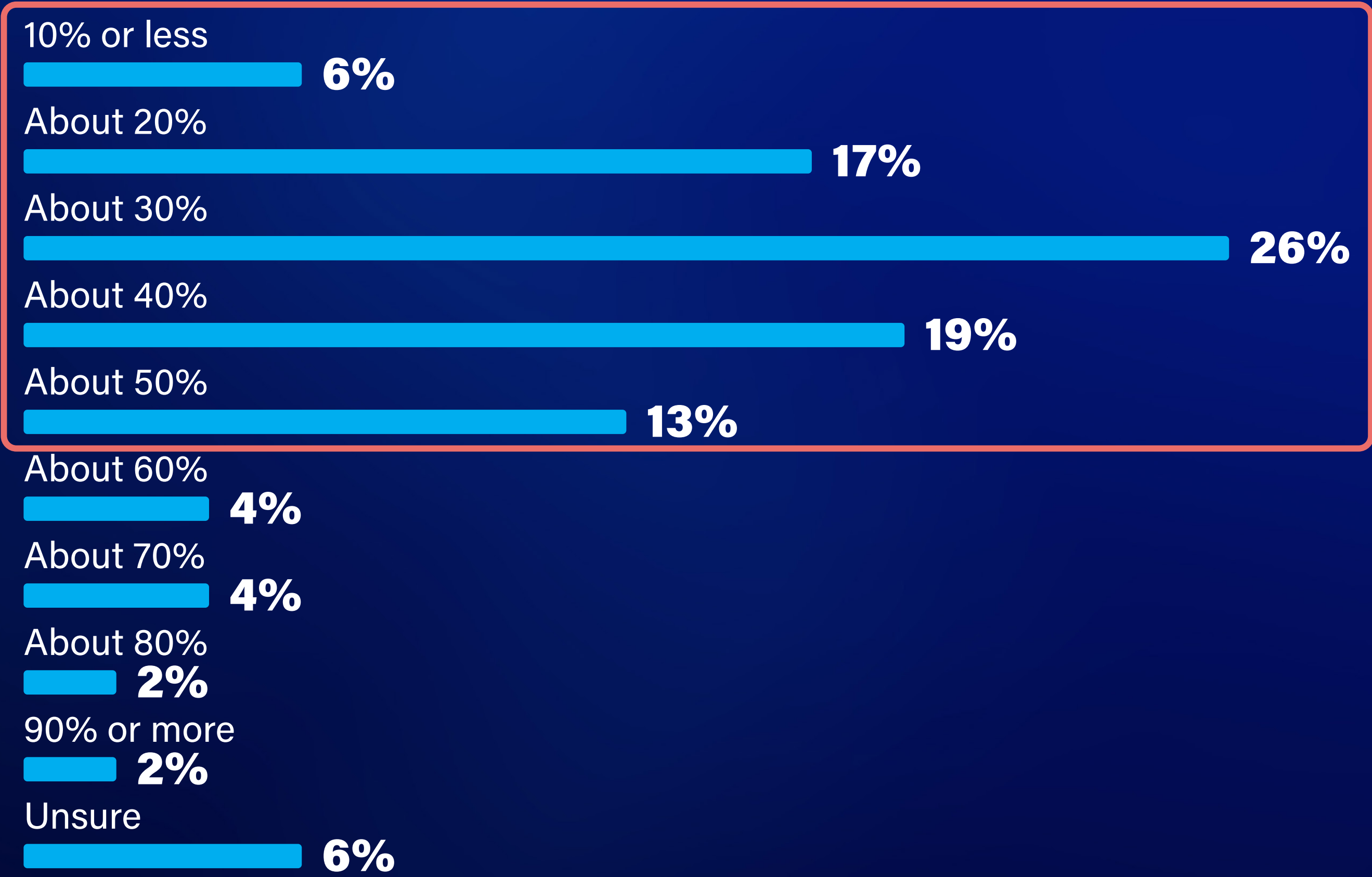


Base: Total Sample, n= 47

A majority of respondents (81%) say 50% or fewer business decision makers understand the concept of PEOs.

- A peak of one-quarter (26%) of respondents report that only 30% of BDMs understand what a PEO is and does.
- Very few respondents (12%) report that a majority (over 50%) of BDMs understand the concept of a PEO.

Q: Based on your own experiences and observations, what percentage of business decision makers understand what a PEO is and does?

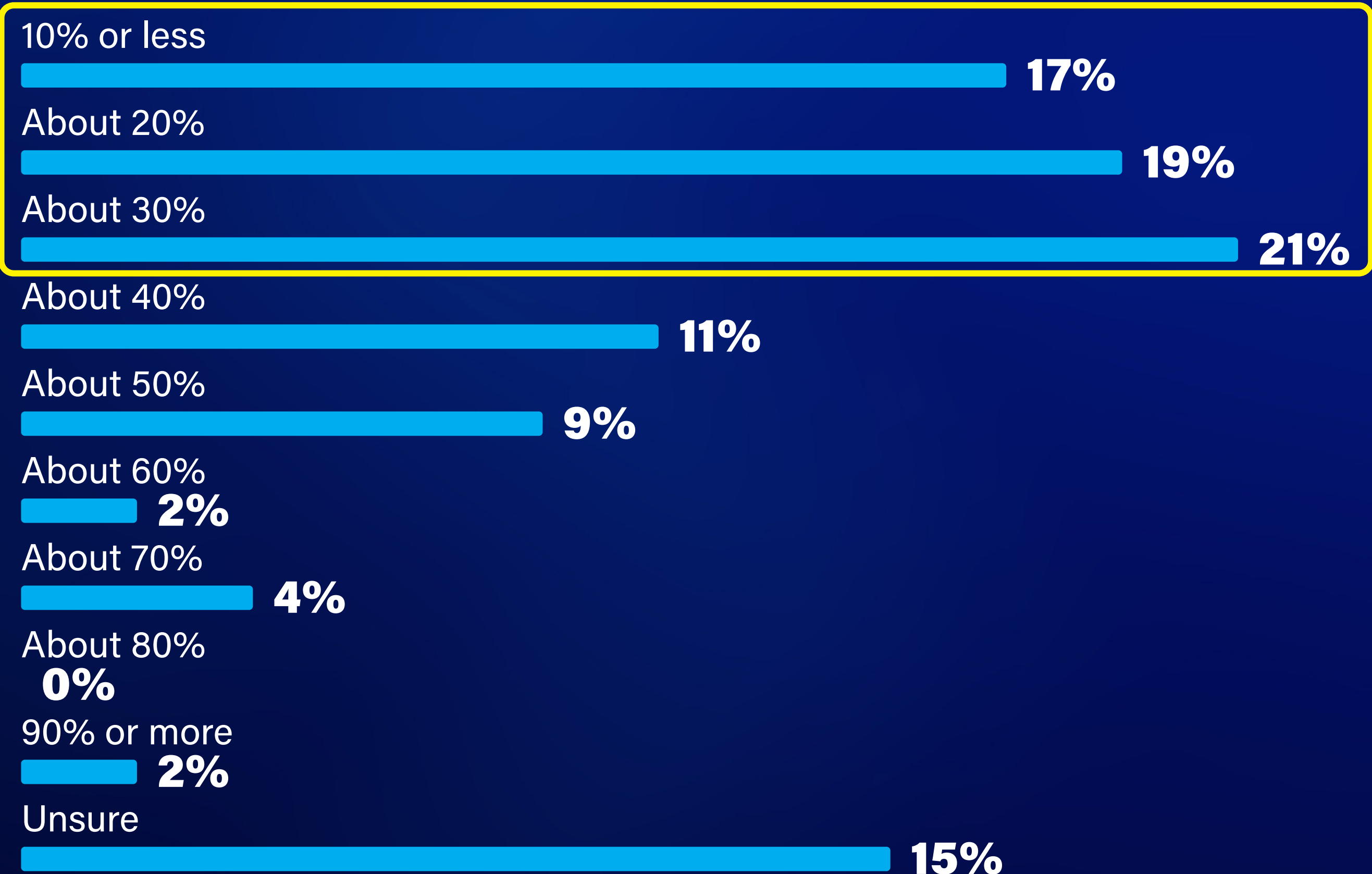


Base: Total Sample, n= 47

Policymakers are even less in the know than BDMs according to respondents, a majority (57%) of whom report that 30% or fewer policymakers understand the concept of PEOs.

- Very few (17%) respondents believe that at least half of policymakers or regulators understand what PEOs are, and another 15% are unsure of the level of understanding policymakers or regulators have regarding PEOs.

Q: Based on your own experiences and observations, what percentage of policymakers / regulators understand what a PEO is and does?



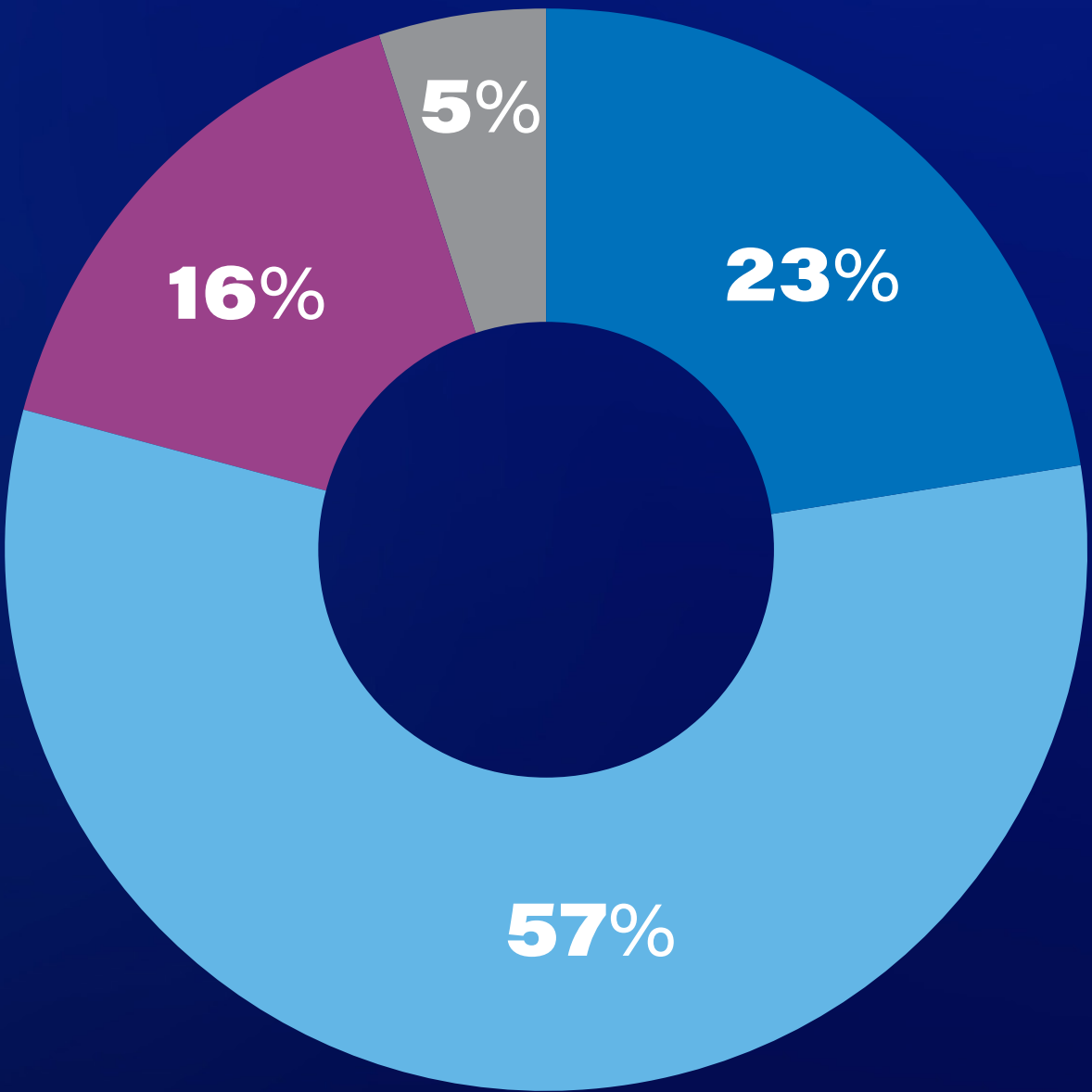
Base: Total Sample, n= 47

Only one-quarter (23%) of respondents report that a typical prospect or consumer would recognize their company as a PEO without further explanation.

- Most respondents (57%) say that prospects or consumers would only recognize PEO companies as a PEO with further explanation of the term and 16% simply say no, they would not associate their company with a PEO.

Q: In your opinion, would a typical prospect or consumer recognize your company as a “PEO”?

- Yes — most would recognize us as a PEO
- Maybe — only if we explain the term
- No — most would not associate us with a “PEO”
- Not sure



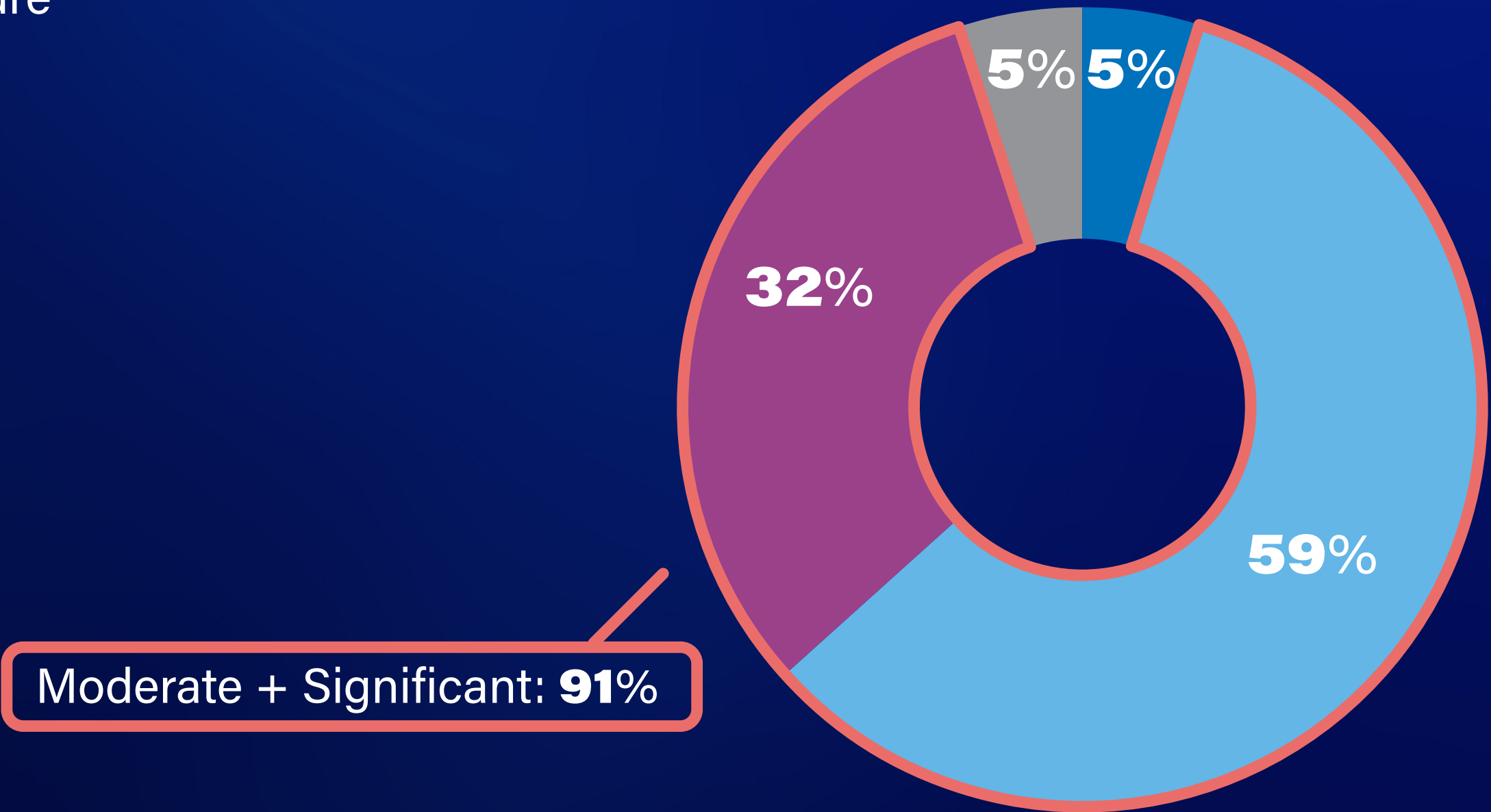
Base: Total Sample, n= 44

Almost all respondents (91%) say sales or client-facing teams typically spend a moderate to significant amount of time educating prospects on what PEOs are.

- Only 5% of respondents report that prospects already understand what a PEO is when talking with sales or client facing teams.
- Over half of respondents (59%) say that some education is needed and sales or client-facing teams spend a moderate amount of time educating prospects.
- An additional one-third of respondents (32%) say time spent educating prospects is significant.

Q: How much time do your sales or client-facing teams typically spend educating prospects on what a PEO is?

- Minimal – most already understand it
- Moderate – some education needed
- Significant – most don't understand the concept
- Not sure

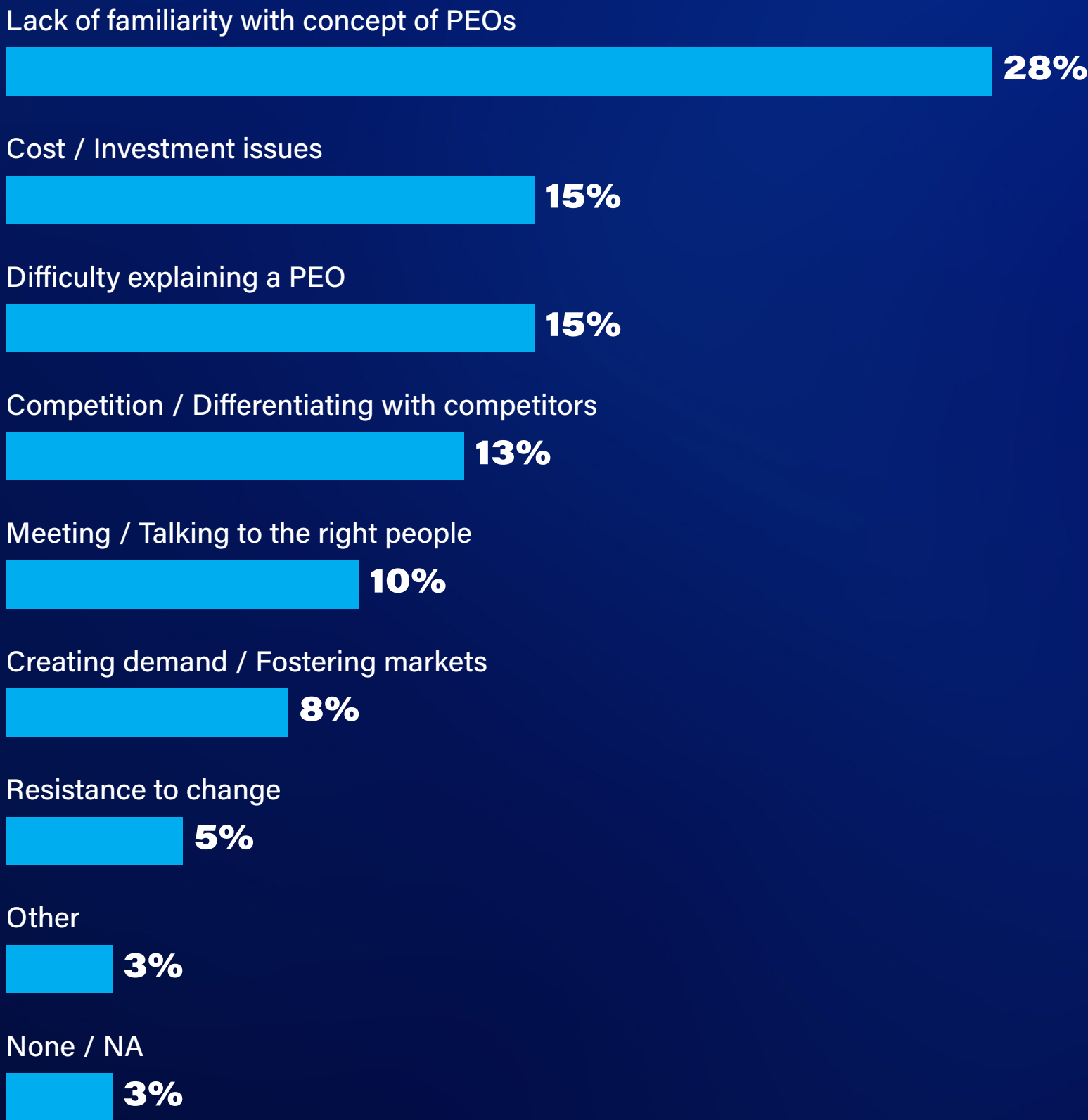


Base: Total Sample, n= 47

Overall understanding of what a PEO is remains low among key audiences, according to respondents.

- While over a quarter (28%) of respondents refer to the lack of familiarity with the concept of PEOs as their main challenge, 15% also say that cost or investment issues and difficulty explaining the concept of PEOs to prospects is a challenge. 13% of respondents also find that differentiating their services with competitors in similar spaces is a challenge.

Q: What are the biggest challenges when it comes to marketing your company’s PEO services? [Open-ended question]



Voice of NAPEO Members:

“One of our biggest challenges in marketing PEO services is that many prospective clients don’t fully understand what a PEO does or how it differs from other outsourced HR options.”

“Communicating complicated messages to a busy audience”

“As a small operator cost is the biggest hurdle.”

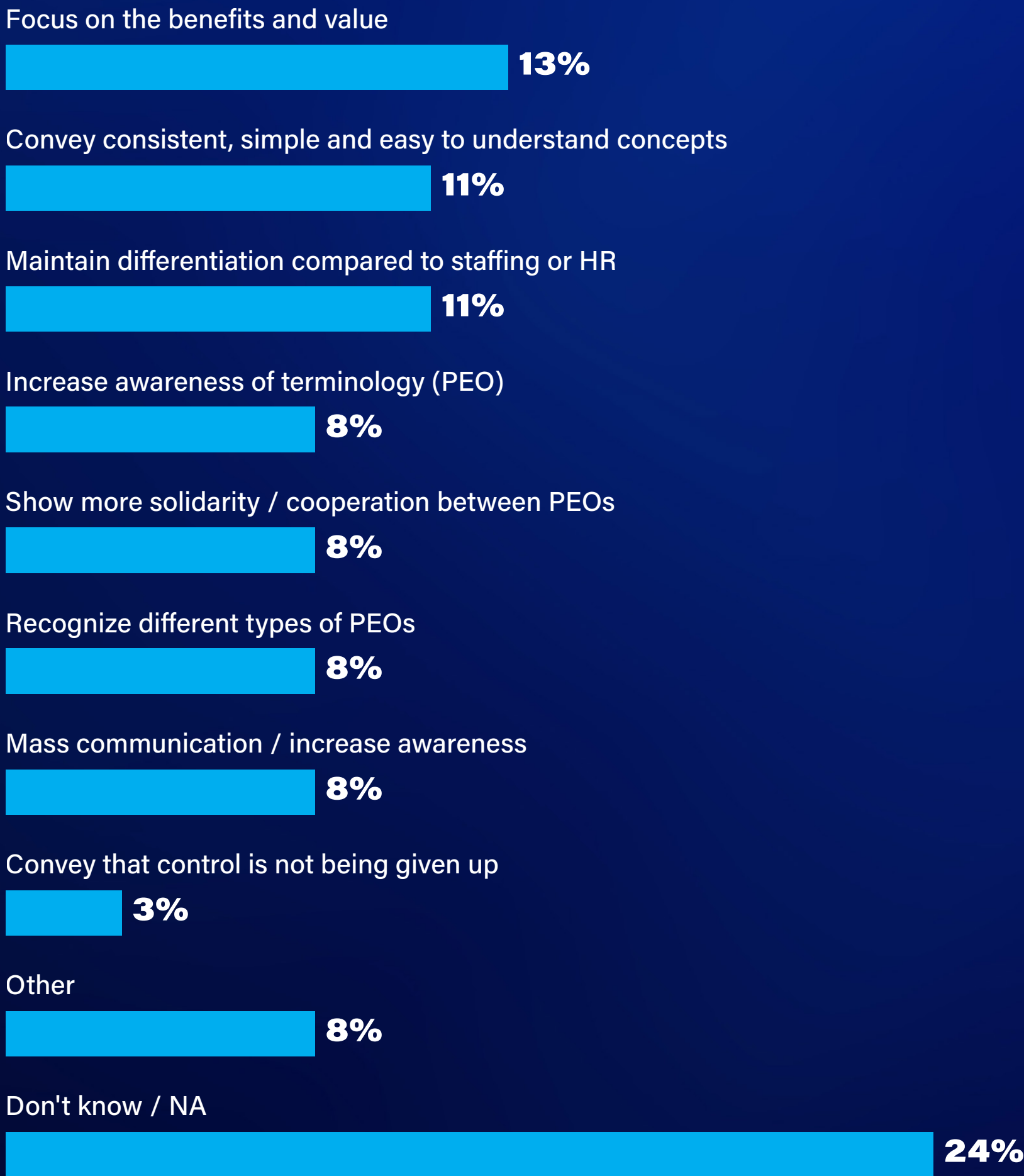
“Differentiation between our company and a prospective client’s past experiences...”

Base: Total Sample, n= 39

NAPEO members would change how the industry communicates by focusing on benefits and value of PEOs, keeping messaging simple, and differentiating PEOs from other offerings.

- When asked about ways to improve industry communication about PEOs, the top three methods reported by respondents include focusing on benefits and value (13%), conveying consistent, simple and easy to understand concepts (11%), and maintaining differentiation compared to staffing or HR (11%).

Q: What one thing would you change about how the industry communicates about PEOs?
[Open-ended question]



Voice of NAPEO Members:

“ We should emphasize the benefits of partnering with a PEO, particularly how it can simplify their day-to-day responsibilities.”

“I would focus on simplifying the message and leading with outcomes rather than industry jargon.”

“Differentiation... PEOs get confused with a payroll company...”

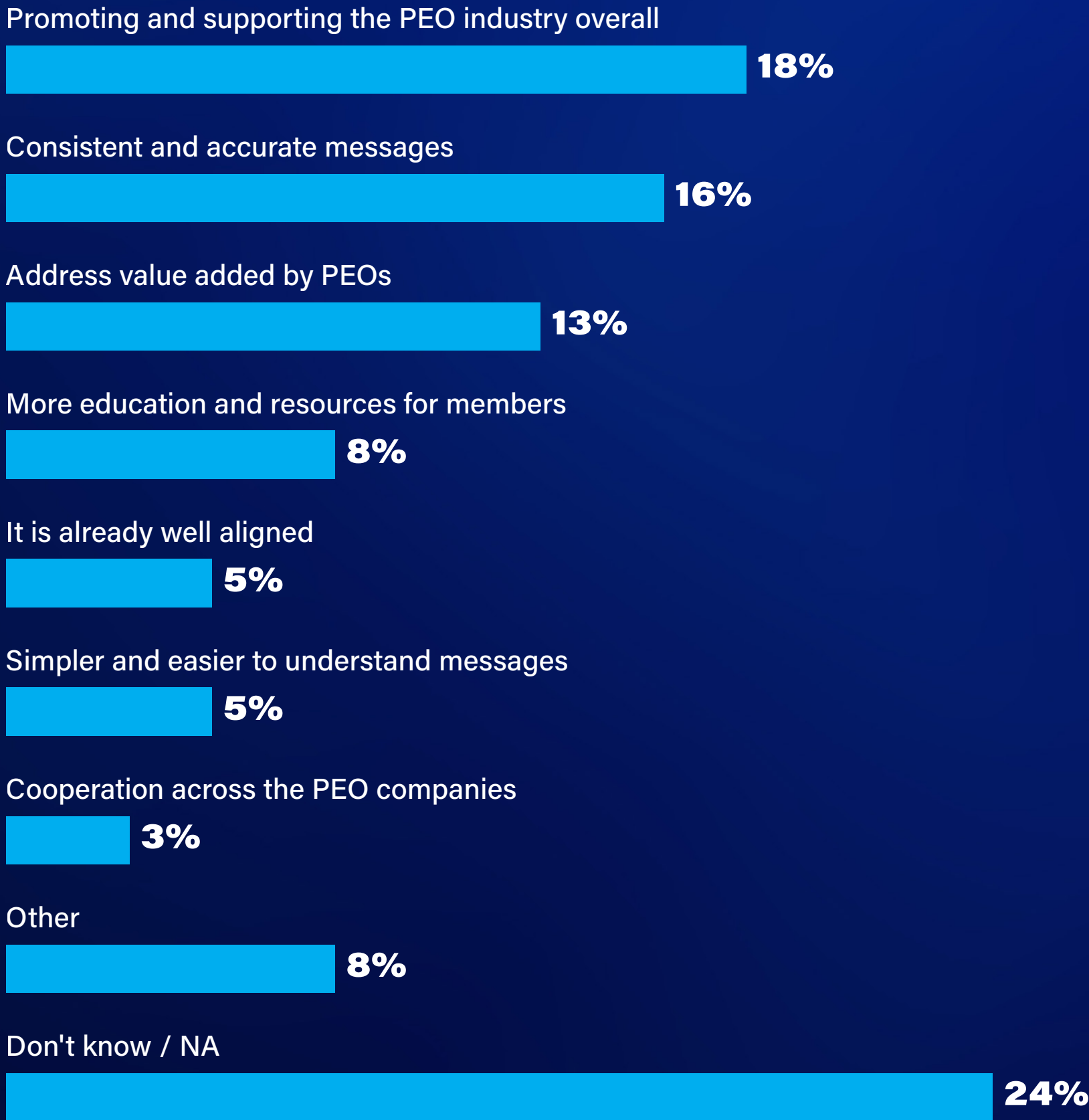
“Concerned with others outside of industry whose messaging is similar to PEO industry but does not offer same robust services which confuses consumers and regulators....”

Base: Total Sample, n= 38

To improve message alignment across the industry, NAPEO members suggest promoting the industry overall and keeping messages consistent.

- Almost one-fifth of respondents (18%) think promoting and supporting the PEO industry would help message alignment across the industry.
- Additional ways respondents say message alignment could be improved include consistent and accurate messages (16%) and addressing value added by PEOs (13%).
- Interestingly, 5% report messaging is already well aligned across the PEO industry.

Q: In your opinion, what would help improve message alignment across the PEO industry?



Voice of NAPEO Members:

"Updated data driven by NAPEO year after year showing the value of PEO partnerships."

"A shared commitment to consistent, plain-language messaging would go a long way. If the industry agreed on a few clear, universally understood explanations of what a PEO does and the value it delivers, it would reduce confusion and build trust."

"The message should be that PEOs collectively solve real business challenges...."

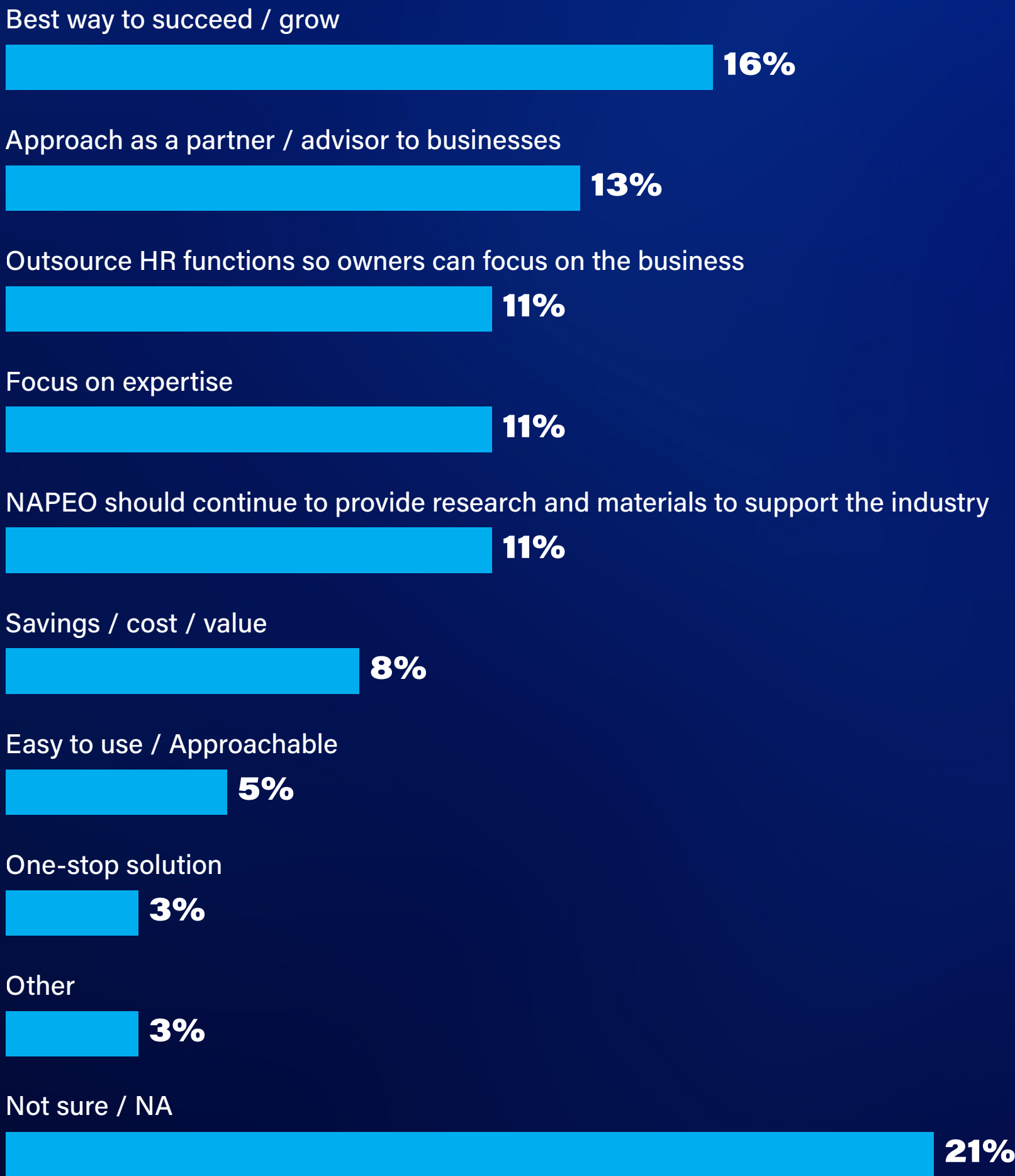
"I don't know that messaging necessarily needs to be 100% aligned. Each PEO has its individual strengths and philosophies. Trustworthiness & efficiency of the PEO industry as a whole could be beneficial."

Base: Total Sample, n= 38

According to NAPEO members, NAPEO should position PEOs as the best way for businesses to succeed and as partners / advisors to businesses while also supporting the industry overall.

- When asked how NAPEO should position the PEO industry, the top responses include to position the industry as the best way to succeed and grow (16%) and to approach as a partner or advisor to businesses (13%).
- One-in-ten respondents say to: outsource HR functions to allow owners to focus on business (11%) and focus on expertise (11%).
- Additionally, one-in-ten say NAPEO should continue to provide research and materials to support the industry (11%).

Q: How should NAPEO position the PEO industry?



Voice of NAPEO Members:

"As a growth hack for busy owners/ executives."

"As an essential partner in business growth, not just an administrative solution."

"The emphasis should be on how PEOs free owners and leaders to focus on running and growing their business while giving them enterprise-level HR expertise, compliance protection, access to benefits and technology platforms they couldn't easily achieve on their own."

"NAPEO is positioning itself from the research it regularly garners, which I believe is the way to go."

Base: Total Sample, n= 38

Audit Findings

We reviewed...

Websites

Social Media Platforms

LinkedIn

facebook



YouTube

Survey respondents' examples of marketing and communications materials submitted to Povaddo

COMMUNICATIONS AND
MARKETING CHANNELS

Alongside having a website, social media is utilized as an essential channel for PEOs to build visibility and engagement.

- In our survey, nearly all PEOs (96%) report actively using social media, primarily either LinkedIn and / or Facebook, to drive awareness and consideration, with only 4% reporting they rely solely on offline channels (e.g., emails, trade shows, etc.). Almost eight-in-ten report using both Facebook and LinkedIn.
- Additionally, every PEO reviewed in our audit maintains at least one up-to-date social media account, underscoring social media's status as a baseline marketing channel.
- Notably, all companies audited post regularly and many have high engagement.

Q: Which of the following mass marketing channels does your company currently use?

Facebook - organic/unpaid



LinkedIn - organic/unpaid



Audit of PEOs: Social Media



100%

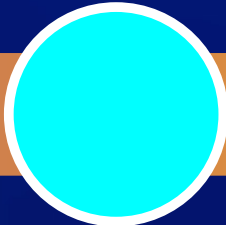
PEO USE

While the term “PEO” is commonly used across websites, its presence in social media content is inconsistent.

- Overall, social media content may use the term PEO but, when used, it often assumes knowledge of the term, providing no description of the services provided in favor of emphasizing it’s value.
- Websites are more likely to use the term PEO, if not on the landing page, then in FAQs, ‘About’ pages, or even dedicated pages on the website to help educate viewers regarding PEOs.
- Use of the term “PEO” also differs somewhat across size bands as companies with multiple offerings often describe PEO offerings in comparison to other, less comprehensive offerings.
 - Generally, small and medium PEOs are more likely to use the term PEO throughout their website and social media, but this seems to be a function of their more limited offerings.
 - In comparison, large companies that offer PEOs as part of their broader offerings provide information on the breadth of their services, not necessarily highlighting PEOs.
 - » These large companies usually describe their services under main umbrellas and not often as a PEO package.

Social

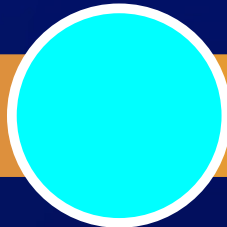
Not used



Highly used

Website

Not used



Highly used

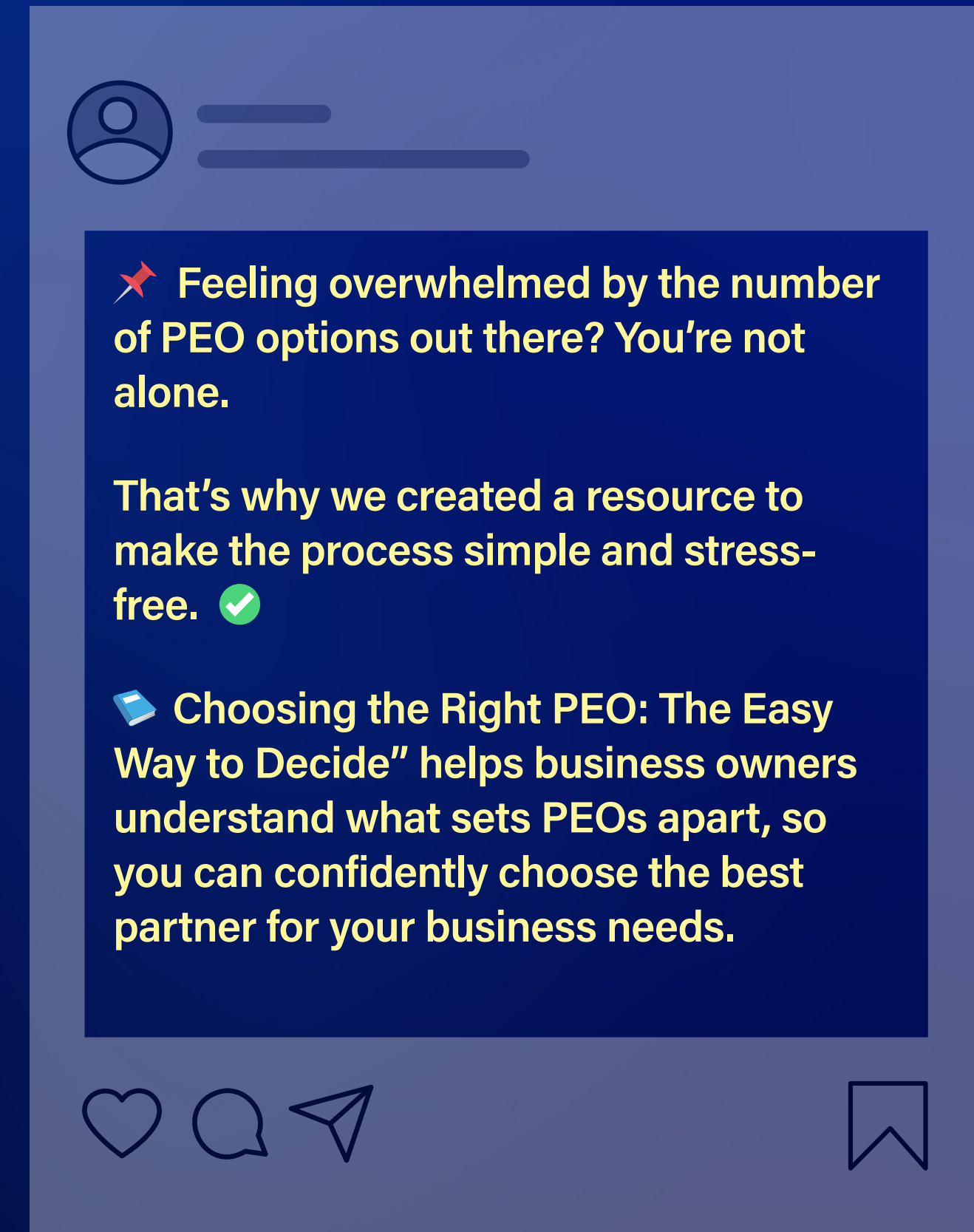
PEO USE

PEO content on social media is largely directed to potential customers who are already aware of a PEO's general services and value.

- Content on PEOs is often tip of the iceberg value understanding designed to generate awareness and interest but some also caters to drive consideration.
 - The use of the term PEO in social media content is inconsistent, often limited to visual content or hashtags rather than post copy.
 - Social content tends to focus more on interest and consideration than foundational awareness.
 - Additionally, in our survey findings only half of surveyed NAPEO members use "PEO" in branding, but one quarter prefer alternative descriptors like "HR outsourcing provider," highlighting ongoing variability in market positioning.

Example Social Media Post

Example highlights the type of content posted on social media that is geared toward those already familiar with PEOs, helping them determine the right PEO for them depending on their business needs.



PEO USE

Likely due to the prevalence of other HR outsourcing options, the value of a PEO is often described in relation to other options to highlight differentiation.

- In reviewing services offered and value proposition of PEOs across the industry, many promote content that educates potential customers regarding what a PEO is and does.
- Often this content defines the value of a PEO by differentiating it from similar services, such as HR outsourcing, staffing agencies, and payroll services.

COMPANY A

"HR Outsourcing and PEOs aren't the same—and knowing the difference matters. While HR outsourcing lets you offload specific tasks, partnering with a PEO means a co-employment model that delivers deeper support, compliance protection, and access to Fortune 500-level benefits."

COMPANY B

"Wondering what sets staffing agencies apart from PEOs?" Staffing agencies connect you with talent quickly, helping fill roles—often temporary—while you manage the rest. PEOs go deeper: managing payroll, benefits, HR compliance, and more, acting as your strategic business partner."

COMPANY C

"Confused about the difference between a payroll service and a PEO?" You're not alone and choosing the right one matters. We put together the quick breakdown for you, but we also have a blog post to help you determine which option is a better fit for your business."



These examples of marketing content emphasize the value of a PEO through comparison to another, less encompassing solution.

PEO SERVICES / VALUE PROPOSITIONS

When it comes to PEO services offered, PEO companies consistently focus their messaging on core services like benefits, payroll, and HR efficiency, with additional emphasis on compliance and risk management across the industry.

- While benefits, payroll, HR efficiency, compliance, and risk management are highlighted most often across PEOs audited, some also specifically highlight additional services offered.
 - Services promoted by some PEOs include onboarding, learning & development, and recruiting capabilities.
 - Talent management, reviews, and reporting are also occasionally highlighted, although less than other services.
- This is supported by our survey findings, in which NAPEO members reported most commonly emphasizing: access to better benefits (87%), payroll (83%), HR efficiency (81%), and strategic HR services (79%) in their messaging

COMPANY A

"A PEO provides comprehensive HR solutions for small and mid-size businesses. **Payroll, benefits, HR, tax administration, and regulatory compliance** assistance are some of the many services PEOs provide to growing businesses across the country."

COMPANY B

"With a PEO, you can outsource your **payroll, benefits, workers' comp, and HR support**—all under one system, one vendor, one invoice."

COMPANY C

"A PEO works on behalf of small and mid-sized businesses (SMBs) to manage **HR management, employee benefits, compliance, payroll, retirement plans, and more.**"



These examples are descriptions are from public facing communications outlining the key services included in a PEO.

PEO SERVICES / VALUE PROPOSITIONS

While some PEOs highlight added services like onboarding and recruiting, technology stands out as a key differentiator across size bands.

- Large PEOs prominently feature messaging about technology or their proprietary platforms, standing apart from smaller PEOs.
- Understandably, small and medium PEOs are less likely to have their own proprietary tech platforms to highlight, thus the differentiation.

COMPANY A

"We've combined a **simple platform** and exceptional 24/7 customers service with the power of a PEO, so all teams have more time to focus on what matters."

COMPANY B

"**Our easy-to-use platform and top-rated mobile app** allow you to stay on top of payroll and HR tasks wherever you go. No more worrying about a lack of access — you now have the power to quickly manage people and tasks from anywhere."

COMPANY C

"Many business owners are juggling hiring, payroll, and compliance without realizing that the **right HR software** can take all of that off their plate. The right tools can save time, reduce errors, and help your team run more efficiently."

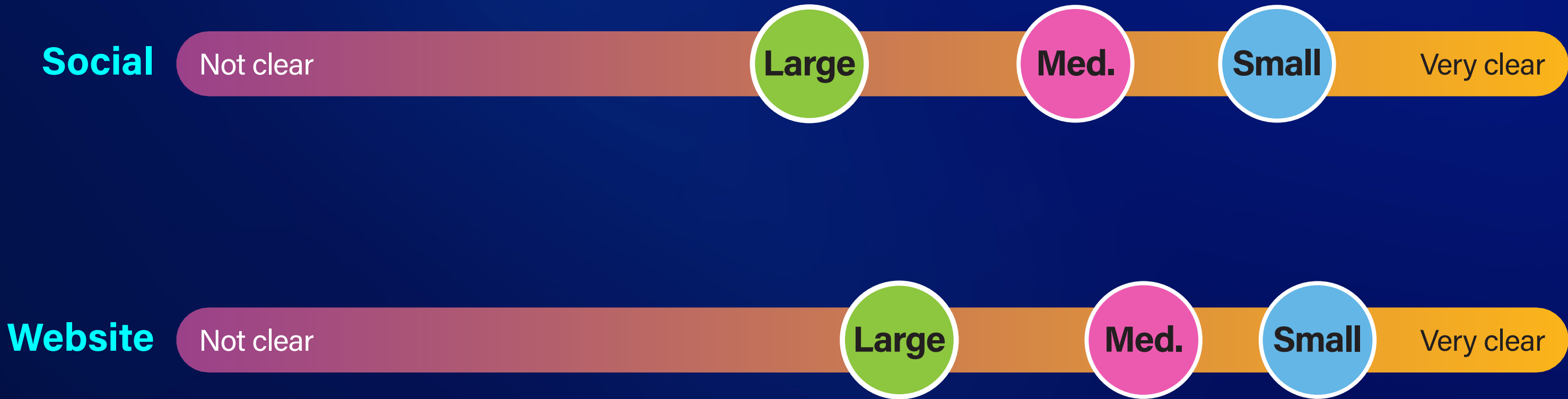


These examples highlight the prominent role proprietary tech plays in messaging for some PEOs.

PEO SERVICE CLARITY

Service clarity is strong among PEOs in general; however, breadth of services offered complicates clarity for large PEOs.

- In reviewing how PEOs communicate their service offerings, we analyzed at the clarity of PEOs’ offerings and found that service clarity is strong for PEOs across the industry.
 - Small and medium PEOs have very high clarity on their services.
 - » This is largely due to the relatively static PEO package highlighted across PEOs (although customization of the actual benefits is assumed).
 - » These offerings are made even clearer through testimonials and case studies, which most promote.
- However, sheer breadth of services offered complicates clarity for large PEOs.
 - Large PEOs also have fairly high service clarity, however, the breadth and customizability of their services makes it less clear exactly what is included in their PEO services compared to small and medium PEOs.
 - » Large companies simply have more customization options than smaller or midsize PEOs, which makes their overall messaging somewhat less focused.



MESSAGING THEMES AND LANGUAGE

PEO industry messaging commonly pairs PEOs’ service offerings with the value they deliver to employers.

- Key themes are consistent across the industry, focusing on benefits like cost savings, simplified HR, risk reduction, and enabling business growth.
- At a high-level, key messaging focuses on the value of a PEO for employers, especially when it comes to taking HR and other tasks off their plate and allowing them to focus on running their business.

COMPANY A

“Think of us as your **“HR team down the street,”** here for all your PEO outsourcing needs.”

COMPANY C

“...help business owners **drive growth and profitability** through a partnership designed to allow business **owners to focus on what they’re best at**, on what matters most to their employees, and on why they started their businesses in the first place.”

COMPANY D

“We function as an integrated extension of your company, giving you the **freedom and peace of mind to run your business.**”

COMPANY B

“...helping companies **control costs** with increased efficiencies and reduced risks, allowing them to **focus on their core business.**”

COMPANY E

“We help you manage HR so you can **focus on growing your business.**”

COMPANY F

“Our customized PEO plans clearly articulate the administrative responsibilities we assume, **alleviating the burden that may overwhelm an individual in a singular position. We function as an integrated extension of your company, giving you the freedom and peace of mind to run your business.**”

COMPANY G

“And here’s the part most **business owners love: you stay focused on your core business while someone else handles the back-end maze of compliance, tax filings, and employee handbooks.**”



Examples of PEO companies’ communication focusing on value of PEOs to employers.

MESSAGING THEMES AND LANGUAGE

Common phrases characterize PEO communications across the industry; however, geographical focus differs by size.

- **"Cost savings," "focus on business," "growth accelerator," and "benefit accessibility" are themes and phrasing found most often across PEOs audited.**
 - Cost savings can refer to the cost of providing benefits without a PEO, which is also emphasized by benefits accessibility, or from time saved on HR.
 - Similarly, PEOs freeing time for business growth is also highly referenced, and goes hand-in-hand with highlighting PEOs as a growth accelerator.
 - Benefit accessibility, or providing access to Fortune 500 level benefits, is also prominent, especially among small and medium sized PEOs.
- **"Simplify and streamline," "specialists," "solutions partner," and "comprehensive" are also commonly used phrases for the value of a PEO.**
 - Overall, simplification of benefits and streamlining of processes through one central administrator (the PEO) is a key value proposition.
 - Likewise, access to benefits specialists who act as solutions partners are emphasized as key values of a PEO for business decision makers.
 - Comprehensive is often used to describe a PEO offering, however, many PEOs at different sizes have "additional" services as part of their offering.
- **Small and mid-sized PEOs are more likely to focus on their state or region-specific expertise and on-site presence while Large PEOs focus more on their national-reach as a key driver of value.**
 - Both offer a distinct advantage for businesses in different geographies.
 - State and regional expertise is especially emphasized among unique markets, such as New York and California.
 - In some cases, long-standing partnerships with area benefits partners are highlighted as a unique selling point.
 - On-site support capabilities are also emphasized among more local, small PEOs as well.

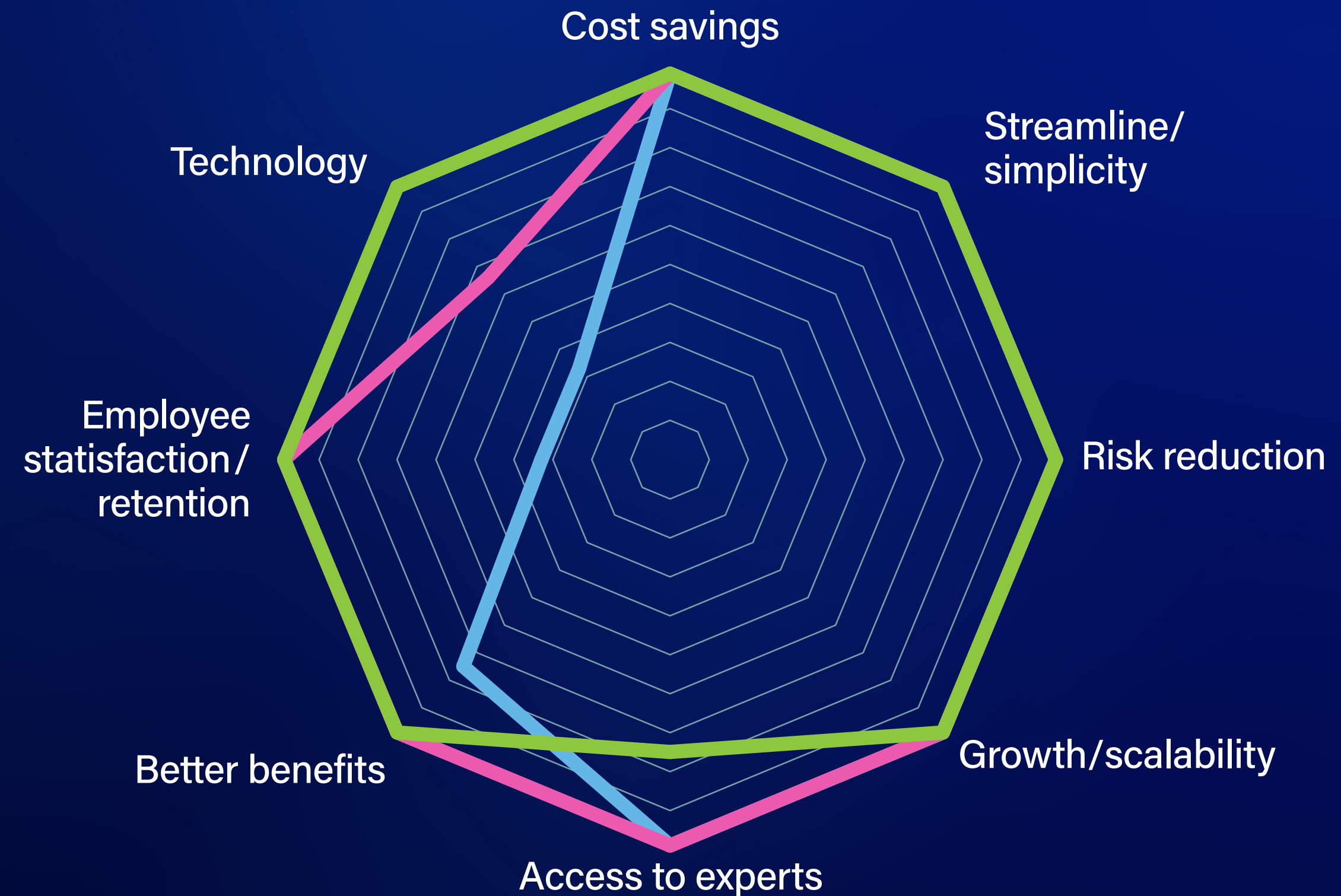
MESSAGING THEMES AND LANGUAGE

Key messaging themes are relatively consistent across size bands, although different sized PEOs emphasize different themes in their messages.

- Across the industry, cost savings, streamline/simplicity, risk reduction, growth/scalability, and access to experts are highlighted by all in their value-based key messaging.
 - For the most part, all size bands also have messaging regarding access to experts; however, this is highlighted slightly more by medium and small PEOs.
- Differences emerge among PEOs based on size when it comes to some messaging themes including employee satisfaction / retention metrics and technology.
 - Employee satisfaction/retention metrics are highlighted differently across different sized PEOs.
 - » Medium and large PEOs emphasize their employee satisfaction/retention, often by highlighting data gathered from their many clients / employees.
 - » However, small PEOs emphasize this less, instead sharing more testimonials, with a focus on relationship building.
 - In comparison to large PEOs, medium and small PEOs are somewhat less likely to emphasize technology in their messaging.
 - » This is likely because large PEOs are more likely to have their own proprietary technology and platforms compared to medium and small PEOs.

Messaging Themes Across PEO Size Bands

- Small
- Medium
- Large



MESSAGING TONE

When it comes to tone of their messaging, PEOs take on empathetic, aspirational, and authoritative tones most often.

- Empathetic messaging relates to the employers’ struggles, validates them, and aims to help them alleviate those struggles.
 - For example, “running a business is tough,” or “consider us your sigh of relief.”
- Aspirational messaging focuses on elevating one’s business through growth fueled by a PEO as well as improved employee experience and receiving better service.
 - For example, “ready for something different and a whole lot better? visit us....”
- Authoritative messaging emphasizes the PEOs expertise, such as avoiding compliance issues or for employing strategies to control health care costs.
 - For example, “Staying on top of evolving regulations is critical.”

EMPATHETIC

“Running a business is tough—HR, payroll, benefits, compliance...it all adds up. That’s where we steps in.”

“Consider Us Your Sigh of Relief. You want to run your business. We help you do just that.”

ASPIRATIONAL

“Great service from people who care - that’s the level of support you and your business deserve. If you’re tired of 1-800 numbers and ready for something different (and a whole lot better), visit us.”

AUTHORITATIVE

“Compliance isn’t just about avoiding fines but protecting your business’s future. SMBs face an average non-compliance cost of \$14.8 million, which includes legal fees, disruptions, and reputational damage. Staying on top of evolving regulations is critical.”



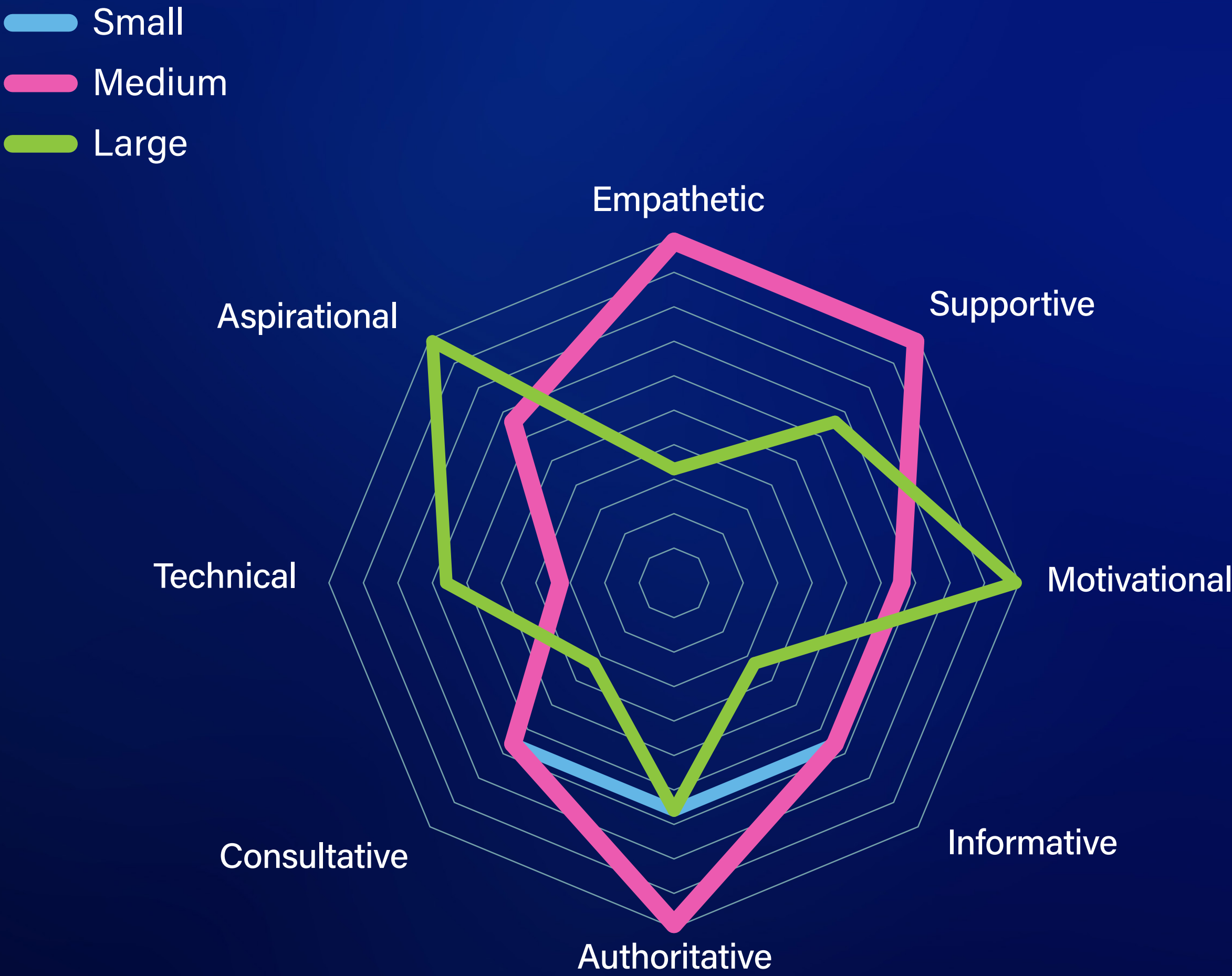
Examples of messaging containing different tones.

MESSAGING TONE

Tone differs somewhat across PEO size bands.

- Small and medium PEOs’ tones are relatively similar - empathetic and supportive as well as authoritative.
- The empathetic and supportive tone contributes to a recognizably HR overall tone of messaging, in line with the HR-focus of the industry.
- PEO companies’ authority and expertise are emphasized by their business tenure and knowledge of local/regional requirements.
 - » Tenure is especially notable for medium PEOs, where it emerges more often in messaging compared to small and large PEOs.
- Although small and medium PEOs do rely on informative, motivational, aspirational, and consultative tones somewhat, these are not emphasized as much as other tones in their messaging.
- Large PEOs are often already seen as authorities on the subjects at hand, and thus content focuses more on aspirational and motivational messaging.
- In addition, their messaging also highlights their role in client success, which leads to a noticeable tonal shift compared to medium and small PEOs.

Messaging Tone Across PEO Size Bands



CONTENT TYPES

When it comes to social media, there are some constant content types across the PEO industry.

- When it comes to PEO companies’ social media content, there are some consistencies, including client testimonials, case studies, educational resources, industry updates, company culture, and brand milestones.
- However, certain size bands emphasize different types of content.
 - Small PEOs emphasize case studies and testimonials as well as educational resources and industry updates. These come in the form of updates on state legislation affecting benefits and sharing benefits blog posts and articles tied to their website.
 - » Small PEOs also emphasize company culture and brand milestones, including certifications, awards, community partnerships, anniversaries, etc.
 - Medium PEOs emphasize case studies, testimonials, and brand milestones. They are relatively less likely than small and large PEOs to emphasize company culture.
 - Large PEOs are the most likely to post brand milestones and they emphasize case studies over testimonials.

Social Media Content Types Across PEO Size Bands



CONTENT TYPES

Although there are some differences in website content, most content types are table stakes for all PEOs regardless of size.

- Overall, most PEOs feature client testimonials, case studies, long-form articles, infographics, FAQs, thought leadership, interactive elements, and on-demand webinars on their websites.
- However, some size bands emphasize different content types more than others.
 - Small and medium PEOs are similar, emphasizing testimonials, case studies, long form articles/blog posts, FAQs, and info-graphics.
 - Large PEOs also emphasize case studies, focusing on high-level metrics on customer success. However, unlike smaller PEOs, they are more likely to feature thought leadership, interactive elements (like cost savings calculators), and on-demand webinars.

Website Content Types Across PEO Size Bands



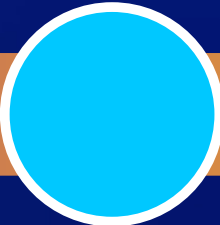
VARIETY OF CONTENT

Content is varied across social media and websites; however, similar types of content are utilized across the industry.

- Content is varied across social media and websites, with all size bands utilizing text, videos, polls, and more.
 - Content is slightly less diverse across social media simply because social media platforms offer fewer options regarding type of content that can be posted compared to websites.
- However, there are some small differences by size band.
 - Small PEOs are more like to use written content but still feature images, video and some podcasts and webinars.
 - Medium PEOs are more likely to post informational content via text, video, and infographics.
 - Large PEOs are more likely to feature more interactive features on their websites, as well as informational content through thought leadership.

Social

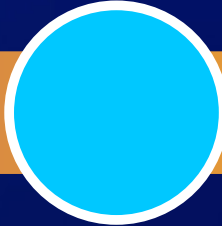
Not diverse



Very diverse

Website

Not diverse



Very diverse



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