

Data memo

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Re: Selling items online
November 2005

17% of internet users – about 25 million people -- have sold something online
Visits to classified ad web sites have grown 80% in the past year

About 1 in 6 online American adults sell things on the internet. That amounts to approximately 25 million Americans. A nationwide telephone survey in September 2005 by the Pew Internet & American Life Project also shows that on a typical day, 2% of internet users sell something online.

Almost everything imaginable is currently for sale or has been for sale by individuals on various auction or classified ad sites. Tangible items like pink plastic Christmas trees, collectible coins, wedding dresses, automobiles, books, or CDs share web space with a myriad of intangibles including virtual weaponry and characters from online games (sold for real money) and services including everything from finding a French tutor, a personal trainer or someone to clean your aquarium.

Demographically, online sellers have an “early adopter” profile and they are relatively intense users of the internet. Here are the details:

Internet enthusiasts: Those who use the internet frequently are more likely to sell something online than those who are more casual in their internet use. Some 23% of internet users who go online daily sell things online, compared with 9% of those who go online several times a week.

Broadband users: Those who have broadband connections are more likely than dial-up users to sell things online. Some 22% of home broadband users, 23% of work broadband users and 30% of those with broadband at both home and work sell things online, compared with just 13% of dial-up users.

Online experience: Some 23% of internet users who have been online 6 years or longer say they sell things online, compared with 11% of those who have been online for 4 to 5 years, 5% of those online 2 to 3 years, and less than 1% of “newbies” who have been online a year or less.

GenX: Some 26% of wired adults ages 29 to 40 (GenX) sell things online, compared with 17% of the younger Gen Y cohort (ages 18-28) and 13% of all internet users over the age of 40.

Men: Some 20% of men with internet access sell things online, compared with 14% of online women.

Household income: Some 21% of those who have internet access and live in households that have an annual income of \$50,000 or above sell things online, compared with 13% of the wired individuals who live in households that have an annual income below \$30,000.

Educational attainment: Some 21% of online college graduates sell things online, while only 13% of high school grads and 9% of those without high school diplomas have done so.

White and English-speaking Hispanics: White and English-speaking Hispanic internet users are more likely than African-American internet users to sell things online. While 19% of online whites and 17% of English-speaking Hispanics with internet access say they sell things online, just 6% of wired African-American users report the same.

The Pew Internet Project findings cited in this report come from a nationally representative telephone survey of 2,251 American adults (age 18 and older), including 1,577 internet users, between September 14-October 13, 2005. The margin of error on the internet user portion of the survey is plus or minus 3%.

Where are they selling online?

Online classifieds and online auction sites are two of the main ways that internet users can sell items online. According to Pew Internet project data more than one in five internet users have used online auctions or classified to either buy, research or sell items.

Classifieds

The Pew Internet Project September 2005 tracking poll found that 22% of online adults, or about 32 million Americans, have used online classified ads for selling items or for other activities.¹ According to data from comScore Media Metrix, online classified ad sites as a whole had more than 26 million unique visitors in September 2005 – 80% growth from the previous September. The cluster of sites run by Craigslist were the most popular classified sites, drawing close to 9 million unique visitors that month.²

¹ The question asked was “Do you ever use online classified ads or sites like Craigslist to sell or buy items, find a job, or meet other people online?”

² <http://www.craigslist.com>

Classified Sites
September 2005 vs. September 2004

Unique Visitors (000)

	Sep-04	Sep-05	% Change
Total Internet : : Total Audience	158,042	169,232	7
Classifieds	14,626	26,349	80
CRAIGSLIST.ORG	3,425	8,764	156
Trader Publishing Company	4,305	8,180	90
CARS.COM	2,767	3,749	35
APARTMENTS.COM	1,560	2,102	35
Abracat Property	1,364	959	-30
HOMESCAPE.COM	596	826	39
PUPPYDOGWEB.COM	590	799	35
LIVEDEAL.COM	767	797	4
Tribe Networks, Inc.	N/A	721	N/A
RegionalHelpWanted.com Sites	964	685	-29
Yahoo! Classifieds	979	573	-42
USCITY.NET	199	426	113
BACKPAGE.COM	N/A	417	N/A
MySpace Classifieds	N/A	401	N/A
HOOBLY.COM	221	388	75

Source: comScore Media Metrix, September 2005

Online Auctions

Nearly one in four (24%) internet users or 35 million people have participated in an online auction--selling or buying something. The 24% finding, from data gathered in the Pew Internet Project's February-March 2005 tracking survey, reflects a steady increase in auction participation since Pew first asked the question in March of 2000, when 15% of internet users report that they had ever used an auction site. Over time, the daily use of auction sites has risen slightly, as approximately 2% to 3% of internet users use these sites on a typical day. While the percentage of the internet population visiting auction websites on a typical day is stable, the overall size of the internet population has grown, and thus the overall number of people visiting these sites has grown as well.

Pew Internet Project Survey Questions

September 2005 Daily Tracking Survey

Final Topline

11/10/05

Data for September 14 – October 13, 2005

Princeton Survey Research Associates International
for the Pew Internet & American Life Project

Sample: $n = 2,251$ adults 18 and older

Interviewing dates: 09.14.05 – 10.13.05

Margin of error is plus or minus 2 percentage points for results based on the full sample [$n=2,251$]

Margin of error is plus or minus 3 percentage points for results based on internet users [$n=1,577$]

(Based on Internet Users)

WEB1 Please tell me if you ever use the internet to do any of the following things. Do you ever use the internet to.../Did you happen to do this **yesterday**, or not?³

	TOTAL HAVE EVER DONE THIS	----- DID YESTERDAY	HAVE NOT DONE THIS	DON'T KNOW/ REFUSED
Sell something online				
Current	17	2	83	0
Use online classified ads or sites like Craig's list to sell or buy items, find a job, or meet other people online				
Current	22	4	77	1

Methodology for Pew Internet Project Survey

This report is based on the findings of a daily tracking survey on Americans' use of the Internet. The results in this report are based on data from telephone interviews conducted by Princeton Survey Research Associates International between September 14 to October 13, 2005, among a sample of 2,251 adults, 18 and older. For results based on the total sample, one can say with 95% confidence that the error attributable to sampling and other random effects is plus or minus 2 percentage points. For results based Internet users ($n=1,577$), the margin of sampling error is plus or minus 3 percentage points. In addition to sampling error, question wording and practical difficulties in conducting telephone surveys may introduce some error or bias into the findings of opinion polls.

The sample for this survey is a random digit sample of telephone numbers selected from telephone exchanges in the continental United States. The random digit aspect of the sample is used to avoid "listing" bias and provides representation of both listed and unlisted numbers (including not-yet-listed numbers). The design of the sample achieves

³ Prior to January 2005, question wording was "Please tell me if you ever do any of the following when you go online. Do you ever...?/Did you happen to do this yesterday, or not?"

this representation by random generation of the last two digits of telephone numbers selected on the basis of their area code, telephone exchange, and bank number.

New sample was released daily and was kept in the field for at least five days. The sample was released in replicates, which are representative subsamples of the larger population. This ensures that complete call procedures were followed for the entire sample. At least 10 attempts were made to complete an interview at sampled households. The calls were staggered over times of day and days of the week to maximize the chances of making contact with a potential respondent. Each household received at least one daytime call in an attempt to find someone at home. In each contacted household, interviewers asked to speak with the youngest male currently at home. If no male was available, interviewers asked to speak with the oldest female at home. This systematic respondent selection technique has been shown to produce samples that closely mirror the population in terms of age and gender. All interviews completed on any given day were considered to be the final sample for that day.

Non-response in telephone interviews produces some known biases in survey-derived estimates because participation tends to vary for different subgroups of the population, and these subgroups are likely to vary also on questions of substantive interest. In order to compensate for these known biases, the sample data are weighted in analysis. The demographic weighting parameters are derived from a special analysis of the most recently available Census Bureau's Annual Social and Economic Supplement (March 2004). This analysis produces population parameters for the demographic characteristics of adults age 18 or older, living in households that contain a telephone. These parameters are then compared with the sample characteristics to construct sample weights. The weights are derived using an iterative technique that simultaneously balances the distribution of all weighting parameters.

The final response rate for the September sample was 30%.

comScore Methodology

The comScore data cited in this report come from comScore Media Metrix, an internet audience measurement service that uses a massive cross-section of more than 1.5 million U.S. consumers who have given comScore explicit permission to confidentially capture their browsing and transaction behavior, including online and offline purchasing. To learn more about comScore's methodology, please visit:

<http://www.comscore.com/method/method.asp>