



Online Classifieds

The number of online adults to use classified ads websites, such as Craigslist, more than doubled from 2005 to 2009.

May 2009

Sydney Jones

Research Assistant

View Report Online:

<http://pewinternet.org/Reports/2009/7-Online-Classifieds.aspx>

Pew Internet & American Life Project

An initiative of the Pew Research Center

1615 L St., NW – Suite 700

Washington, D.C. 20036

202-419-4500 | pewinternet.org

CONTENTS

Overview	3
Demographics	7
About Us, Methodology	13

Overview

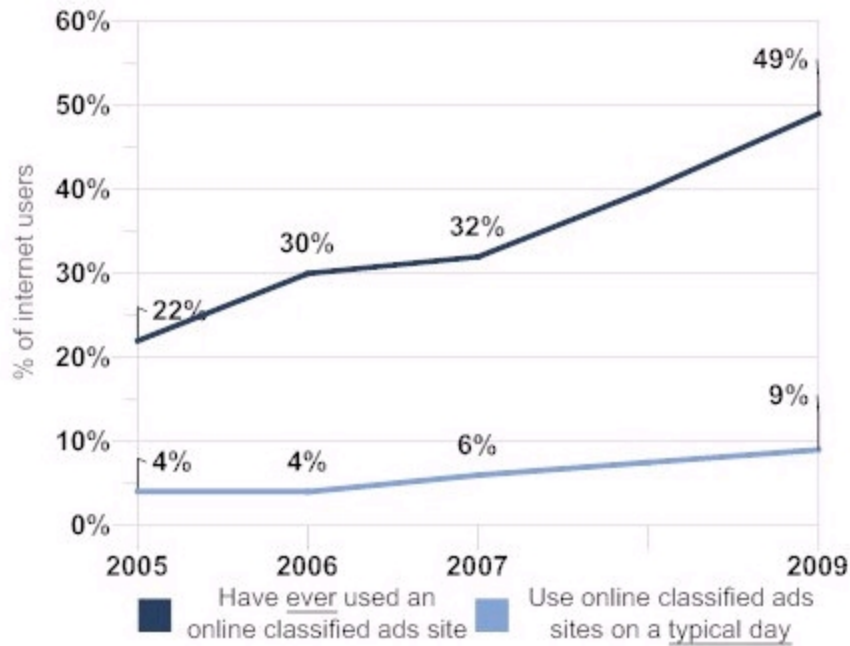
The number of online adults to use classified ads websites, such as Craigslist, has more than doubled since 2005.

The number of online adults who have used online classified ads has more than doubled in the past four years. Almost half (49%) of internet users say they have ever used online classified sites, compared with 22% of online adults who had done so in 2005.

On any given day about a tenth of internet users (9%) visit online classified sites, up from 4% in 2005.

Use of online classified ads sites doubled from 2005-2009

The percentage of online adults to use classified ads websites.



Source: Pew Internet & American Life Project survey conducted from March 26-April 29, 2009. Based on all adult internet users n=1,687, and the margin of error is +/-3%. The margins of error for internet users in the 2005, 2006 and 2007 surveys are also +/-3%.



These are the main findings of an April 2009 survey by the Pew Research Center's Internet & American Life Project survey. They highlight the growing importance of such sites to internet users and reflect the changes in the audience for classified ads – both those who place them and those who make purchases – that have devastated a key revenue source for traditional newspapers.

Newspaper classified ads revenue has plummeted in the past few years

Newspaper revenue from classified ads, 1980-2008.



Source: Business Analysis and Research, Newspaper Association of America, "Advertising Expenditures." Available at: <http://www.naa.org/TrendsandNumbers/Advertising-Expenditures.aspx>.



The figures also underscore the growing social role of online classified ads. On May 13, Craigslist eliminated the controversial “erotic services” section of its site and said it would manually review every ad posted in a new “adult services” section it had created. The move came after a Boston medical student was charged with killing a masseuse he had found on the erotic services section of Craigslist.

In the world of online classified advertising, Craigslist is by far the most used website in the United States. In March 2009, classified sites averaged 53.8 million unique visitors, up 7% from February.¹ Craigslist had 42.2 million unique visitors in the month of March.² The free, no-frills, user-generated and self-policing classified ads site has grown tremendously since its start in 1996 in San Francisco. As of April 2009, Craigslist had established itself in over 500 cities across 50 different countries.³ Some other online classified sites include Gumtree (primarily UK) and Kijiji (worldwide).

Classified ads sites are a one-stop-“shop” for everything from jobs to apartments to furniture to movers to puppies. However, users don’t buy anything *directly* on classified websites – they use the sites to set up meetings, and transactions are conducted in person or by mail – a characteristic which separates online classifieds from auction or shopping websites like eBay and Amazon.

NOTES

¹ “comScore Media Metrix Ranks Top 50 U.S. Web Properties for March 2009” (Reston, VA, April 22, 2009). Available at: <http://ir.comscore.com/releasedetail.cfm?ReleaseID=379203>.

² See above.

³ Craigslist fact sheet, <http://www.craigslist.org/about/factsheet>.

Demographics

Age is a significant factor in online classifieds use.

Free online classifieds sites like Craigslist are tremendously popular with young adults moving to new cities, looking for jobs, or trying to find inexpensive goods or roommates. Internet users ages 25-44 are significantly more likely than any other age group – including 18-24 year olds – to use classified ads. Fully 62% of online 25-34 year olds and 57% of 35-44 year olds use online classified ads, compared with 49% of online 18-24 year olds and 48% of online 45-54 year olds.

Internet users 55 years old and older are significantly less likely than younger age groups to use online classifieds. Just over a third (35%) of online 55-64 year olds use classified sites, while about a quarter (26%) of internet users 65 years old and older do so.

On a typical day, 18-44 year old internet users are also slightly more likely than online adults 55 and older to use classified sites.

Use of online classified ads by age

The percentage of internet users in each age group to use online classified ads sites in 2009.

	% who have <u>ever</u> used classified ads sites	% who use these sites on a <u>typical day</u>
All internet users	49%	9%
Ages 18-24	49 [^]	11 [^]
Ages 25-34	62 ^{^^}	16 [^]
Ages 35-44	57 ^{^^}	10 [^]
Ages 45-54	48 [^]	7
Ages 55-64	35	4
Age 65+	26	3

Source: Pew Internet & American Life Project survey conducted March 26 to April 29, 2009. For all adult internet users n=1,687, and margin of error is +/-3%. Sample sizes and margins of error vary by age group.

^{^^} Internet users in these age groups are significantly more likely than all other age groups to use classified sites.

[^] Internet users in these age groups are significantly more likely than internet users ages 55-64 and age 65+ to use classified sites.



College graduates and higher income-earners as well as urban and suburban internet users are more likely than their counterparts to use online classified ads.

Online adults living in households with incomes of \$50,000 or more a year are significantly more likely than lower earners to visit and use classified ads sites. More than half (56%) of higher income internet users use sites like Craigslist, compared with 47% of those making \$30,000-\$49,999 and 42% of those making less than \$30,000 a year. In addition, online adults making \$50,000 or more are more than twice as likely as those earning less than \$30,000 a year to use online classified ads on a typical day.

Similarly, college graduates are significantly more likely than online adults with no college education to use online classified ads. Fully 54% of online college graduates use classified ads sites, while 45% of online adults with a high school degree and 40% of online adults with no high school education use these types of websites. However, college graduates are no more likely than those with less education to use online classified ads on a typical day.

Urban and suburban residents are also significantly more likely than rural internet users to use online classified ads. Some 47% of both urban and suburban internet users utilize sites like Craigslist, compared with 32% of rural internet users. Online rural adults are also much less likely to use these sites on a typical day: one in ten (10%) urban and suburban internet users use online classifieds, while just 4% of rural adults do so.

While women and men are equally likely to visit online classified ads sites, men (12%) are slightly more likely than women (7%) to use these sites on a typical day.

Demographics of online classifieds users

The percentage of each demographic group to use online classified ads sites, such as Craigslist, in 2009.

	% who have <u>ever</u> used classified ads sites	% who use these sites on a <u>typical day</u>
All internet users	49%	9%
Gender		
Men	51%	12%^
Women	47	7
Race		
Whites	49%	10%
Blacks	44	8
Hispanics	49*	10*
Education		
Less than high school	40%*	7%*
High school grad	45	8
Some college	49	12
College grad+	54^	9
Household Income		
Less than \$30,000	42%	6%
\$30,000-\$49,999	47	9
\$50,000-\$74,999	56^	13^
\$75,000 or more	56^	12^
Community type		
Urban	47%^	10%^
Suburban	47^	10^
Rural	32	4

Source: Pew Internet & American Life Project survey conducted from March 26-April 29, 2009. For all adult internet users n=1,687, and the margin of error is +/-3%. Sample sizes and margins of error vary by demographic group.

* Due to the relatively small sample sizes for these subgroups, please interpret the data with some caution. N=110 for English-speaking Hispanics and n=85 for adults with less than a high school education.

^ These demographic groups are significantly more likely than other groups to use online classified ads, or to use them on a typical day



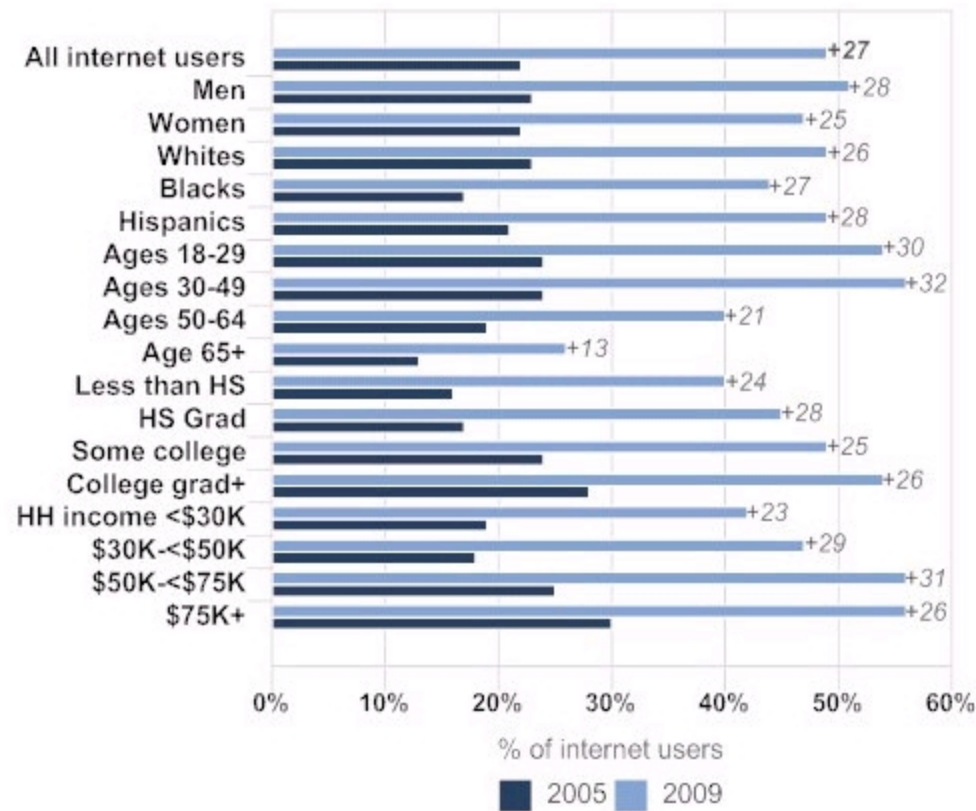
Demographics of classified ad users have changed little over time, though younger age groups grew even more likely than older groups to use classified ad websites.

Over the past four years, the demographic makeup of online classified users changed very little. The percentages of demographic groups using online classifieds grew at a rate that mirrors the growth of the total online population using these sites: the percentage of all internet users to utilize classified sites grew 27 percentage points from 2005 to 2009, while most other demographic groups' growth ranged from 25 to 29 percentage points.

The exception to this pattern involves different generational use of classified sites. Online 18-29 year olds saw a 30 percentage-point increase in their use of online classified ads, and 30-49 year old internet users marked a 32 point increase in online classifieds use. On the other hand, internet users ages 50-64 saw a 21 point increase, and online seniors (age 65+) saw the smallest increase overall: 13 percentage points.

Use of online classified ads over time, by demographic group

The percentage of each demographic to use online classified ads in 2005 and 2009.



Source: Pew Internet & American Life Project survey conducted from March 26-April 29, 2009. For all adult internet users in 2009, n=1,687, and the margin of error is +/-3%. For all adult internet users in 2005, n=1,577, and the margin of error is +/-3%. Margins of error for demographic groups will be slightly higher and vary by subgroup.



About Us, Methodology

About the Pew Research Center's Internet & American Life Project

The Pew Internet Project is an initiative of the Pew Research Center, a nonprofit “fact tank” that provides information on the issues, attitudes and trends shaping America and the world. The Pew Internet Project explores the impact of the internet on children, families, communities, the work place, schools, health care and civic/political life. The Project is nonpartisan and takes no position on policy issues. Support for the project is provided by The Pew Charitable Trusts.

Methodology

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 International between March 26 to April 19, 2009, among a sample of 2,253 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 2.4 percentage points. For results based Internet users (n=1,687), the margin of sampling error is plus or minus 2.7 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.

A combination of landline and cellular random digit dial (RDD) samples was used to represent all adults in the continental United States who have access to either a landline or cellular telephone. Both samples were provided by Survey Sampling International, LLC (SSI) according to PSRAI specifications. Numbers for the landline sample were selected with probabilities in proportion to their share of listed telephone households

from active blocks (area code + exchange + two-digit block number) that contained three or more residential directory listings. The cellular sample was not list-assisted, but was drawn through a systematic sampling from dedicated wireless 100-blocks and shared service 100-blocks with no directory-listed landline numbers.

The response rate for the landline sample was 20.6 percent. The response rate for the cellular sample was 18.2 percent.

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 March 2008 Annual Social and Economic Supplement.

