EBay's fourth-quarter earnings topped analysts' projections as bargain-hunting holiday shoppers flocked to its Internet shopping mall and digital payment service.

The results announced Wednesday served as the exclamation point on the best year yet for eBay Inc., an e-commerce pioneer founded in 1995 when the concept of buying merchandise online seemed absurd.

Online shopping has since become a staple for hordes of consumers, turning eBay into a thriving business and a Wall Street favorite.

But the growing popularity of smartphones and tablet computers is once again changing the way many people shop. EBay is trying to remain at the forefront of the shift by retooling its online bazaar and popular payment service, PayPal, to work better with mobile devices.

"Mobile continues to rewrite the commerce playbook," eBay CEO John Donahoe said.

The strides that eBay has made in the mobile market have impressed investors, helping to propel the company's stock price to a 68 percent gain last year.

The company's fourth-quarter performance provided another lift as eBay's stock edged up 78 cents to $53.68 in Wednesday's extended trading.

EBay earned $757 million, or 57 cents per share, during the final three months of last year. That represented a 62 percent decrease from net income of $2 billion, or $1.51 per share, at the same time in 2011.

The 2011 numbers were inflated by a windfall from eBay's $8.5 billion sale of online communications service Skype.