

Facebook ad business hit by new Apple privacy rules

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Facebook see hit to ad business as Apple privacy changes bite.

Facebook said Wednesday that Apple's iPhone privacy changes, which allow users to block tracking, significantly affected its advertising

revenues because less data could be collected.

The move by Apple earlier this year has sparked a rift with Facebook and other tech rivals and could have major implications for data privacy and the [mobile ecosystem](#).

Facebook had already indicated that the features to boost user data protection in the update launched in late April would hit its ad revenues, but it offered more detail in a blog post.

"We've heard from many of you that the impact on your advertising investment has been greater than you expected," wrote Facebook's product marketing VP Graham Mudd, addressing advertisers.

"The cost of achieving your business outcome may have increased and it's also gotten harder to measure your campaigns on our platform," he added.

Shortly after the [bad news](#) from Facebook, the social media giant's stock was down about four percent on the Nasdaq to \$342.90.

Apple began requiring apps to tell users of its mobile devices what tracking information they want to collect and get permission to do so.

Opting out of being tracked makes it harder for companies such as Facebook to target the ads on which they depend for [revenue](#).

Without being able to determine in many cases whether the Facebook user then went to the advertiser's app or site, or even made a purchase, it is more difficult to know the effectiveness of an ad.

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