

Father's Day Gift Spending in Australia Set to Lift in 2025 After Two-Year Slump, Says DadShop Report

Father's Day gift spending down again in AU? 2025 stats just dropped. #FathersDay #Australia #RetailTrends

SYDNEY, AUSTRALIA, June 18, 2025 /EINPresswire.com/ -- Rising costs and cautious consumers

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We're starting to see cautious optimism return, but value for money is still the biggest driver behind Father's Day purchases in 2025."

Benjamin Teo, Director of DadShop

continue to impact seasonal gift budgets, but improving economic indicators may signal a slow rebound.

New figures analysed by DadShop reveal that Father's Day gift spending in Australia has declined for the second consecutive year, with early forecasts suggesting a third drop is possible in 2025. However, recent improvements in consumer sentiment and a shift in economic conditions may offer a path to modest recovery.

According to a Roy Morgan study, 42% of consumers in

2022 already reported cost-of-living concerns influencing their Father's Day gift decisions. With continued economic pressure in 2023 and 2024, the impact on discretionary spending has become more pronounced.

Australian Father's Day spending peaked in 2022 at \$872 million, following a post-lockdown surge in celebrations. That momentum quickly reversed, with total spending falling to \$860 million in 2023 and further to \$820 million in 2024—a 6% drop from the 2022 high.

"The cost-of-living crisis has had a very real impact on how Australians approach Father's Day gifting," said Benjamin Teo, Director of DadShop. "People are still celebrating, but budgets are clearly tighter."

The average spend per gift-buyer has also declined, from \$113 in 2022 to \$101 in 2024—nearly a 10% reduction. While participation remains relatively stable, with over 8 million Australians expected to buy gifts in 2024, the overall spend per person has shrunk.

The original analysis by DadShop, which examines seven years of historical data and spending

behaviour, provides a deeper look at this trend.

Despite the decline, some categories remain strong. Alcohol, food, clothing, books, and gift cards continued to lead the list of most purchased items. Notably, Tasmanians and Queenslanders were among the highest spenders per capita in 2023, while South Australia and Victoria saw the lowest figures.

An emerging trend is early shopping. In 2024, around 800,000 Australians spent \$75 million during mid-year sales, signalling a shift toward cost-saving behaviours such as pre-planning and deal hunting.

There are cautious signs of recovery in 2025. The Consumer Confidence Index reached 87.5 in January, its highest point in three years. Meanwhile, discretionary spending grew, with a March index reading of 101.6 and a 4% year-on-year increase in retail sales.

Additionally, the Reserve Bank of Australia began cutting rates in early 2025, with projections suggesting further reductions through the year. Economic forecasts point to 2.1% GDP growth, easing inflation, and improved sentiment around major purchases, which are contributing to a more positive consumer outlook.

Recent commentary from <u>ANZ</u> suggests that Australians may begin returning to discretionary spending, particularly in key gifting categories. However, the recovery is expected to be modest rather than dramatic.

Retailers may benefit from these early signals by planning promotions that align with consumers' renewed—but still cautious—spending attitudes. Competitive pricing, value-driven offers, and early sales will remain essential for brands hoping to stay relevant in a price-sensitive market.

About DadShop

DadShop is a proudly Australian-owned retailer offering unique, practical, and fun gifts. With over 15 years in the industry, it's become a trusted destination for all gifting needs, no matter the occasion. Visit dadshop.com.au to learn more.

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