

Sports Business

Among best US sports cities, Phoenix cracks top 10

Las Vegas, other metros surpass Phoenix in overall rankings



Huge events such as the Super Bowl, last held in the Phoenix metro in 2023, have bolstered the Valley's reputation as a top sports city.

CITY OF GLENDALE

By David Broughton – Sports Business Journal
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The NCAA Division I Men’s Basketball Final Four, the culmination of March Madness set for Glendale on April 6-8, is projected to generate nearly 23,000 room nights, with an average daily rate of \$359, and national TV exposure.

This summer’s USA Fencing National Championships and July Challenge in Columbus, Ohio, is a two-week event that won’t provide much ticket tax revenue or national media exposure, but will generate nearly 14,000 room nights. The BMW IBU World Cup Biathlon near Salt Lake City earlier this month, with competitors from about two dozen countries, gave the area some international exposure before it hopes to host the 2034 Winter Olympics.

Thousands of other sporting events of every size from every discipline imaginable all have something in common: Money was invested to attract the event, and the hosts will make every effort to recover those costs from the event’s visitors.

Event organizer and venue spending on tournament operations amounted to \$3.7 billion, according to the most recent State of the Industry report by Sports ETA, Longwoods International, U.S. Travel Association and Tourism Economics. On the other end, the sports tourism sector generated a direct fiscal tax impact of \$6.6 billion in 2021, the most recent data available from the biennial survey. Both of those figures are expected to be dwarfed when 2023 data is released this spring.

“Sports really got the whole tourism industry through the last four years,” said John David, president and CEO of the Sports Events & Tourism Association. “And now destinations are understanding what the long-term impacts sports tourism can really mean for a community and they’re jumping into it full-heartedly. So it’s just a great time right now.”

This year, Sports Business Journal's Best Sports Business Cities report takes a different approach from our inaugural list last year, in which we examined the overall sports

business climate in each large metropolitan area. This year's ranking takes a deep dive into the event hosting space (see [methodology](#)).

After months of analyzing the data from destination marketing organizations, event owners and other stakeholders, we found [Orlando's ability](#) to attract and host events outpaced the other NFL, NBA, NHL, MLS and Major League Baseball cities. Rounding out the top 10 among Big Five pro team cities are: Las Vegas (the 2024 Super Bowl host); Los Angeles; Atlanta; Indianapolis; Arlington, Texas; New York City; Houston; Phoenix and Columbus, Ohio.

Among cities without a Big Five pro team, [Fort Worth, Texas](#), rose to the top, followed by Greensboro, North Carolina; Birmingham, Alabama; Louisville, Kentucky; and Palm Beach County, Florida.

Phoenix praised for recent event wins



Image: Darryl Webb / Special for Phoenix Business Journal

The 2023 World Series run from the Arizona Diamondbacks was another huge, if unexpected, event for the Phoenix metro. (Darryl Webb/Special for the Phoenix Business Journal)

DARRYL WEBB

As for Phoenix, the city drew kudos for its wealth of high-profile events that the region has regularly attracted, not to mention the fact that it has hosted the Fiesta Bowl and the Waste Management Phoenix Open golf tournament annually for decades. Since 2003, Glendale has hosted three Super Bowls, and it is about to [host its second NCAA Men's Basketball Final Four](#) in the past seven years. Just this week, the Phoenix metro was awarded the [2027 NBA All-Star Game](#), and will host the [WNBA All-Star Game in July](#).

What's more, Phoenix features 14 professional sports venues within an hour's drive, a higher concentration than any city in the world.

The Footprint Center recently received a \$230 million transformation, boosting its ability to host events. Additionally, the Phoenix Convention Center gained international exposure as host of the 2023 Super Bowl LVII Experience and Media Center. The venue, which hosted last year's USA Fencing Championships, an event that generates nearly 13,000 room nights over a two-week period, is four miles from Sky Harbor International Airport. More than 3,000 hotel rooms are within walking distance of the site and more than 6,000 hotel rooms are along the Metro Light Rail System.

The [265-room luxury Caesars Republic Scottsdale](#) hotel and Sam Fox's [141-room The Global Ambassador](#) have both opened within the past three months, while the Valley's total hotel room count [could increase by 20%](#) in the next few years. Additionally, there are Metro Light Rail stops near all the downtown venues and January's opening of the 1.6-mile extension expands the system to 30 miles.

Sports event hosting trends

Funding: Eleven of the 22 states that have a fund or grant to help destination management organizations (DMOs) attract and/or operate sporting events launched their fund post-pandemic. Additionally, the Minnesota House Economic Development Finance and Policy Committee on March 6 held over a bill to appropriate \$6 million in fiscal year 2025 to Minnesota Sports and Events for costs related to hosting the 2026 World Junior Hockey Championship.

While lodging taxes make up well more than half of the industry's overall DMO funding, they can be a deterrent to smaller organizations. Hotel guests in St. Louis, for example,

get hit with 25.15% in lodging taxes, the highest total in the country, according to industry analyst HVS.

New and improved venues: Between 2019 and 2023, \$35.8 billion was spent in sports venue construction, with \$37.8 billion more in the pipeline. Additionally, more than \$11 billion in construction at convention centers is ongoing or has been approved. Seventeen of our top 25 cities have used their convention centers for a sporting event since 2017, as the open spaces are ideal for events such as fencing, table tennis, gymnastics and others.

Marketing strategies: DMOs also are marketing their sports chops nationally, rather than simply chasing requests for proposals. Visit Las Vegas, for example, spent \$4.8 million advertising during nationally televised sports programming last year. In fact, 27 DMOs advertised during a college bowl game last season. Discover South Carolina, the state's tourism agency, created a national marketing campaign to lure golfers after it announced last April that it had signed a five-year, \$12.5 million marketing agreement to become an official tourism sponsor of the PGA Tour.

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