

SPORTS BUSINESS

MONEYBALL

The stakes are high for Valley businesses as the NCAA Final Four returns to Glendale

An overview inside the stadium of the men's Final Four National Championship game between the North Carolina Tar Heels and the Gonzaga Bulldogs at University of Phoenix Stadium (now called State Farm Stadium) on April 3, 2017 in Glendale.

STEVE NOWLAND



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Mar 1, 2024

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Like clockwork, it's time again for Phoenix to become the center of the sports world.

After the buildup from March Madness, the NCAA Men's Final Four and National Championship game will be played at State Farm Stadium in Glendale on April 6 and April 8 in front of more than 75,000 fans – with millions more watching on TV.

The undertaking is massive, as tens of thousands of people will descend upon the Valley to provide an exclamation point for the hospitality and food and beverage industries as the region's busy tourism season winds down.

After hosting the NFL's Super Bowl at State Farm Stadium in 2023, being home to these mega events is becoming the norm for the Valley. But that doesn't mean businesses and executives in the area shouldn't be preparing now, if not months ago, to take advantage of the spotlight.

The Business Journal examines four key components that are key to maximize the Final Four's short- and long-term impact in the Phoenix metro.

Who is coming to the Final Four? Everyone

College basketball's greatest stage isn't just for fans. During the Final Four weekend and the days leading up to it, the Valley is poised to be a gathering spot for nearly everyone working in the college basketball sphere.

Charles McClelland, the commissioner of the Southwestern Athletic Conference and the NCAA Tournament selection committee chairman, told the Business Journal that not only will everyone from the NCAA's offices in Indianapolis be in town for the event, but administrators and staff from nearly every NCAA school will be there, too.

McClelland visited Phoenix in January [with other NCAA officials](#) to pump up the anticipation for the 2024 tournament.



The NCAA will hold the Men's Final Four college basketball championships in Phoenix in 2024.

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“Everyone within the NCAA structure will be here, from commissioners to presidents to even students from all of the membership - whether that's Division I, Division II, Division III,” McClelland said. “People travel just to be where this event is.”

The confluence of NCAA heavyweights understandably draws a plethora of sponsors, partners and leaders from other companies and organizations that are looking to make a deal – or even just get a little face time.

“Marquee sporting events, such as the Final Four, Super Bowl, All-Star Game, and others, have become de facto conventions for the entire sports industry,” said Ahron Cohen, managing director at sports-focused investment bank Inner Circle Sports. “Historically, the majority of out-of-town attendees at premiere sporting events were fans. Now, these events have become the epicenter for dealmaking and networking for major movers and shakers in the sports ecosystem, including a robust lineup of exclusive, invite-only mixers hosted by A-list sports brands like Endeavor, Legends, and Navigate, as well as curated ancillary programming like the NBA’s Tech Summit during All-Star Weekend.”



Ahron Cohen, managing director at sports-focused investment bank Inner Circle Sports.

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The National Association of Basketball Coaches, a professional development and advocacy organization that supports coaches, always holds its annual conference around the Final Four, meaning nearly every college basketball coach in the country will be in town for meetings at the Phoenix Convention Center from April 4-8.

It's a sign of how modern coaches [end up doing a lot more](#) than just recruiting and drawing up plays. Rather, coaches can be instrumental in landing apparel and sponsorship deals and most are out encouraging companies to make name, image and likeness deals with their players. So a big corporate presence is expected to be around the coaches as well.

Other basketball-related events will be held in Phoenix around the games. The Naismith Basketball Hall of Fame, which Phoenix-based Position Sports works with, will announce its new class of inductees in Phoenix over the Final Four weekend.



One event that drew fans to Phoenix during the 2017 festivities was the Final Four Fan Fest, held at the Convention Center in downtown Phoenix. Here, Ryan Nichols goes for a three-point shot.

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HBCU All-Stars, a sports marketing, events, and media company focused on highlighting the successes of Historical Black Colleges and Universities, will hold its third annual HBCU All-Star Game on April 7, the day between the Final Four and National Championship game, at Grand Canyon University. The event will not only bring a large contingent from the four Historically Black Athletic Conferences, but also supporters and sponsors.

Besides all the corporate and professional reasons to be at the Final Four, McClelland said there will be a lot of basketball fans coming to the Valley, too.

“You also are going to have the generational fan that comes just to be a part of the event, whether they can get into the building or not,” McClelland said. “Phoenix will be the place that everybody will want to be.”

How Final Four guests, hospitality workers benefit from each other

Besides having a big building in which to host the games, another key factor that decides where the Final Four will be held is the local hospitality industry.

Are there enough hotels? Can the hotels handle the traffic and specific needs of the Final Four travelers? And are they the types of hotels that the NCAA and its following like to stay at?

Phoenix has obviously checked those boxes, but now hotel management has to staff up and make sure employees are ready to execute at the level expected of them, if not higher.

Staffing for the hotel industry is quite difficult right now almost across the board. Joe Madera, regional director of operations at PEG Companies, the hospitality real estate company that owns three Valley hotels including the Moxy Phoenix Downtown that opened in December 2023, said it's important for him to hire staff with experience working around major events like the [Super Bowl](#), the PGA Tour's [WM Phoenix Open](#), the popular [Barrett-Jackson car auctions](#) or, as the Valley experienced in 2023, a [World Series matchup](#).

“Anytime you have experience interacting with those large events, the experience is valuable,” Madera said. “Each of these large events bring in a different type of demographic. Anytime you have staff that's interacted with different types of clientele, it's beneficial, it's a win-win for everybody because we understand what the customer is looking for. We can deliver a quality experience whether that be a hotel stay or a dining experience or an activity of some sort.”

Whether it's the NCAA for the Final Four, the NFL for the Super Bowl or other major events that haven't been here yet, experience hosting helps land more marquee events, according to Galen Collins, a professor at the School of Hotel and Restaurant Management at Northern Arizona University's W.A. Franke College of Business.

“Arizona is really known for handling these mega events really well,” Collins said. “Over the years, we've got the infrastructure to do that where other places don't. That's why we keep on attracting [mega events] and they bring in a lot of business and a lot of great exposure to the state.”



Speaking of big events, Arizona is used to hosting the big one: The Super Bowl. In this photo, celebrity chef Guy Fieri gestures to the crowd on hand — an estimated 10,000 people — for his Flavortown Tailgate party in Glendale next to State Farm Stadium on Feb. 12, 2023, prior to Super Bowl LVII.

SKYLER GREENE

That infrastructure includes personnel working in the most visible, consumer-facing industries during the events.

The timing of the Super Bowl or Final Four coincides with when Phoenix's hospitality industry is already geared up for the Valley's primary tourism season between February and April. But even just getting hotels ready for tourism season without the events can be difficult.

The Arizona Lodging and Tourism Association worked with Pipeline AZ to create a specific website and recruitment tool for the Valley's hospitality and tourism industries. Katherine Pappas, the senior vice president of Pipeline AZ, said the goal is to get more people working in the tourism-related industries — a need that will only increase as [more high-profile hospitality projects come online](#), such as [Sam Fox's The Global Ambassador](#) or the [brand new Caesars Republic Scottsdale](#).

Right now, the Final Four is a good way to open that door.

“This is a great opportunity to get into a different line of work to use your skills and doing something where you get to experience what it's like to serve in hospitality,”

Pappas said. “Working for some of these events would be a great way for someone that could be in a career transition or wants to see what it's like to work in hospitality.”

Pappas said that having that experience to work during such a high-profile event, even at a low level, could move someone from an hourly position to a career-making role in the industry. Madera, from PEG, said that type of experience is something he looks at when promoting folks in their company.

“All those things have a great impact on one's career and are great resume builders,” Madera said. “If I'm looking to hire a GM and I see that they've had some significant interaction in managing those things ... I know that that person is capable of managing a large team.”

If the need for more employees during mega events like the Final Four brings more workers into the hospitality industry, and that experience fast-tracks their careers into management roles, it also makes the Valley's hospitality industry more prepared for future big-ticket events.

Hosting the Final Four on the West Coast means more time to party

While the Final Four is always a boon for local economies, Phoenix's bar and restaurant industry could get an extra boost this year, thanks to geography and time zones.

The Final Four and the National Championship games are played at the same time every year to accommodate the television broadcast. Saturday's games start around 3 p.m. and 5 p.m. Phoenix time and then the final begins around 6 p.m. on Monday. When those games are held on the East Coast the games start at 6 p.m., 8 p.m. and 9 p.m. for the championship game

McClelland said the time difference gives everyone attending the game – including the media covering it and even players and coaches – time to go out on the town once the games are over.

“There's going to be a couple of extra hours that you're going to be able to get out after the game to be able to go get you something to eat and get you something to drink,” McClelland said. “When you're on the east side of the United States after the game, it's just going back to the hotel. So that will play in the economic impact of this area.”

The games will be played at State Farm Stadium in Glendale, so businesses in that part of town, notably the adjacent Westgate Entertainment District, should expect increased business before and after games.



In this file photo, an Oregon fan shows off her 2017 Final Four tickets at the Westgate Entertainment District next to the University of Phoenix Stadium (now State Farm Stadium) in Glendale.

MIKE SUNNUCKS

But many coming to the games will be staying in downtown Phoenix and in Scottsdale, which could be beneficial for businesses in those areas, especially after the championship game, which will be played on a Monday – a night usually not very busy in the bar and restaurant industry.

Besides people heading out for a celebratory drink or eating a burger to fill the hole inside of them after their team lost, other industries that should be paying attention to the timing of the games could be ground transportation, entertainment, security and private aviation for the affluent folks who will want to sleep in their own beds after the game.

How the Final Four can draw future business to Arizona

Historically, a key component of the Phoenix metro's mega events have been the Arizona Commerce Authority's CEO forums, which are designed to market the state to executives

and attract new business.

However, both CEO forums and the ACA have come under fire in recent months as state leaders have shined a spotlight on the agency's spending. And with the ACA already in danger of sunseting in July if not renewed by the Legislature during its current session, the organization's future is uncertain.

The Arizona Auditor General [conducted a performance sunset review in 2023](#) which found that the ACA may have violated the state's gift clause by spending more than \$2.4 million from 2018 to 2023 to host CEO forums at a variety of high-profile events, including [at the 2023 Super Bowl](#). Attorney General Kris Mayes [in January agreed with those findings](#), writing that the CEO forums provide "significant benefits" to private-sector executives while in return garnering commitments that aren't binding.

As a result of the scrutiny, the planning around CEO forums has been tweaked ahead of the 2024 Final Four.

On Feb. 2, ACA General Counsel Scott Roney penned a letter to AG Mayes reiterating that the ACA has "modified the cost structure for the upcoming CEO Forums," including for the WM Phoenix Open and the Final Four.

The bulk of the ACA's CEO Forum costs for the Phoenix Open, held in February, were picked up by outside parties: \$65,000 was paid for tickets and suite sponsorship by Greater Phoenix Leadership; \$14,000 was paid for hotel rooms at the downtown Hyatt Regency by the Arizona Tourism & Lodging Association; and \$2,500 from Horizon Strategies went towards hospitality items at the event. The ACA kicked in \$25,000 for informational sessions, \$12,000 for transportation and \$5,000 for marketing.

Roney said in the Feb. 2 letter that the ACA "will follow a similar approach for the Final Four CEO Forum and we will provide a summary of the cost breakdown closer to the event."

A spokesperson for the ACA said in late February that key financial details regarding the Final Four CEO forum are still being finalized, but will be shared publicly closer to the event.

The CEO forums have plenty of supporters – Phoenix luminary Jerry Colangelo recently [contributed a guest column to the Business Journal](#) defending the forums and the ACA.

The ACA, a quasi-governmental entity created in 2011 as an economic development tool for the state, has also been credited with helping lure Amkor's \$2 billion semiconductor packaging and testing plant to Peoria, among other key wins. The ACA has suggested that its forums have helped lead to 27 nonbinding commitments to expand or relocate to Arizona, which could comprise 15,000 jobs and \$3.25 billion in projected capital investment.

Count Jay Parry, the CEO of the 2024 Phoenix Men's Final Four Host Committee, among the proponents of CEO forums.



Jay Parry addresses the audience during Phoenix Business Journal's 2024 Business of Sports event at Scottsdale's Western Spirit Museum in January.

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"The CEO forums have been effective and created long-term economic impact for Arizona," Parry told the Business Journal in a February statement. "As an organizing committee, we host these major events as a commercial for Arizona - and that commercial helps promote economic development."

In a January interview, Parry framed major events such as the Final Four as a chance for economic development leaders to "really tell the story of Arizona," adding that CEO forums have brought major business leaders to the Valley and let them experience the Grand Canyon State.

Phoenix Business Journal's Paul Thompson contributed to this story.



The University of Phoenix Stadium in Glendale (now State Farm Stadium) was all decked out as the host for the 2017 NCAA Final Four championship game.

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2017 Final Four revisited:

The NCAA Men's Final Four was last held in Phoenix in 2017. Here is a look back at what the impact and reach of those games were back then and how they could possibly preview what happens in April.

- **Dates:** April 1 and April 3, 2017
- **Teams:** Gonzaga, North Carolina, Oregon, South Carolina
- **National Champions:** North Carolina Tar Heels
- **Attendance:** Semifinal games: 77,612; Championship game: 76,168
- **TV Ratings:** Semifinal: UNC-Oregon - 18.825 million viewers; Semifinal: Gonzaga-South Carolina - 14.683 million viewers; Championship: UNC-Gonzaga - 22.998 million viewers
- **Visitors to the Valley for the games:** Nearly 60,000
- **Direct spending from visitors:** \$122 million
- **Total economic impact:** \$324.5 million

Sources: NCAA, Nielsen