



THATCHER REGIONAL MARKET ANALYSIS

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April 2023

Defining (and
estimating the
population of) the
regional market area
of Thatcher, Arizona

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Executive Summary

The purpose of this study is to define (and estimate the population of) the general regional market area of the town of Thatcher, Arizona. Based on drive times and mileage from regional communities to the Thatcher-Safford regional shopping area and other comparable regional shopping areas in eastern Arizona and western New Mexico, the **Thatcher regional shopping area serves an estimated population of 50,400**, which includes all of Graham County (excluding land located on the San Carlos Apache Indian Reservation), all of Greenlee County, the northeast Cochise County communities of Willcox, San Simon, and Bowie, and the New Mexico village of Virden. The regional market area population potentially expands to nearly 54,000 to the extent residents of San Carlos Apache Indian Reservation are served. In addition to the population residing within the market area, individual businesses conducting market area analysis should consider the nonresident population in the area at any given time due to tourism, travel for religious faith/worship, overnight camping, RV parks, interstate and interregional traffic along US 70 and US 191, and other factors relevant to their individual business and product market, as well as potential online and export markets that can be served from Thatcher.

Introduction

The purpose of this study is to define (and estimate the population of) the general regional market area of the town of Thatcher, located in Graham County, Arizona. Two key determinants of regional market areas are geography and product. This study addresses the geographic component with analysis of drive times from regional communities to Thatcher and other comparable regional shopping areas. Individual businesses must add analysis relevant to their individual products to estimate their own regional market area; the current report can aid in that process by defining a broad geographic market area within which to consider potential buyers (demand), competition, transportation, and other market analysis factors.

In addition to the resident population, individual businesses conducting market area analysis should consider the nonresident population in the area at any given time due to tourism, travel for religious faith/worship, overnight camping, RV parks, interstate and interregional traffic along US 70 and US 191, and other factors relevant to their individual business and product market. Examples include Roper Lake State Park and Mt. Graham, which attract both day and overnight visitors from outside the region, as well as the Church of Jesus Christ of Latter-Day Saints' Gila Valley Temple located just outside Thatcher, which, as one of only six such temples statewide, serves a larger geographical area than the general regional market area. Thatcher-area businesses and those looking to relocate to Thatcher should also consider potential markets beyond the immediate regional market area including online and export markets supported by regional transportation infrastructure, including rail, air, two intersecting US highways (US 70 and US 191), and proximity to Interstate 10.

In analyzing Thatcher's regional market area, it's important to consider that Thatcher (pop. 5,467 in 2022) and the neighboring city of Safford, Arizona (pop. 10,355 in 2022), also located in Graham County, combine to form a seamlessly integrated, regional shopping area serving the population center and surrounding rural communities. To illustrate the integration, the area's Walmart Supercenter in Safford is located approximately one-half mile from Safeway in Thatcher. The Ford dealership is in Thatcher, while the Chrysler-Dodge-Jeep dealership is just over a half-mile away in Safford (the Chevrolet dealership, also in Safford, is another minute away). Tractor Supply in Thatcher is less than three-quarters of a mile (3-minute drive) from Harbor Freight in Safford. All banks are located on the Safford side.

In determining the outer market reach of the Thatcher regional shopping area (and estimating the resident population of the regional market area), this study considers proximity and drive times to other comparable regional shopping areas, characterized by the presence of big-box retailers (e.g., Walmart, Safeway, Home Depot, Harbor Freight, Tractor Supply, CVS, Walgreens), new automobile dealerships (e.g., Ford, GM, Chrysler-Dodge-Jeep, Toyota), and national and/or regional chain restaurants (e.g., Denny's, Pizza Hut, Domino's, Little Caesars, Subway).

The study begins by identifying comparable regional shopping areas, followed by an assessment of the inclusion of the entirety of both Graham and neighboring Greenlee counties in the Thatcher regional market area (through analysis of drive times from the populated areas within these counties to Thatcher and other comparable regional shopping areas in neighboring counties, including those across the state line in western New Mexico). Next, the study considers places (cities, towns, villages, and Census Designated Places) in neighboring counties, including those in New Mexico, for their proximity to the Thatcher shopping area compared to the next closest, comparable, regional shopping area.

(Note: In estimating regional market area population outside Graham and Greenlee counties, the study does not consider the populations of unincorporated areas not recognized as a Census Designated Place by U.S. Census Bureau; in Graham and Greenlee counties, however, those numbers are included in the county total population.)



Comparable regional shopping areas

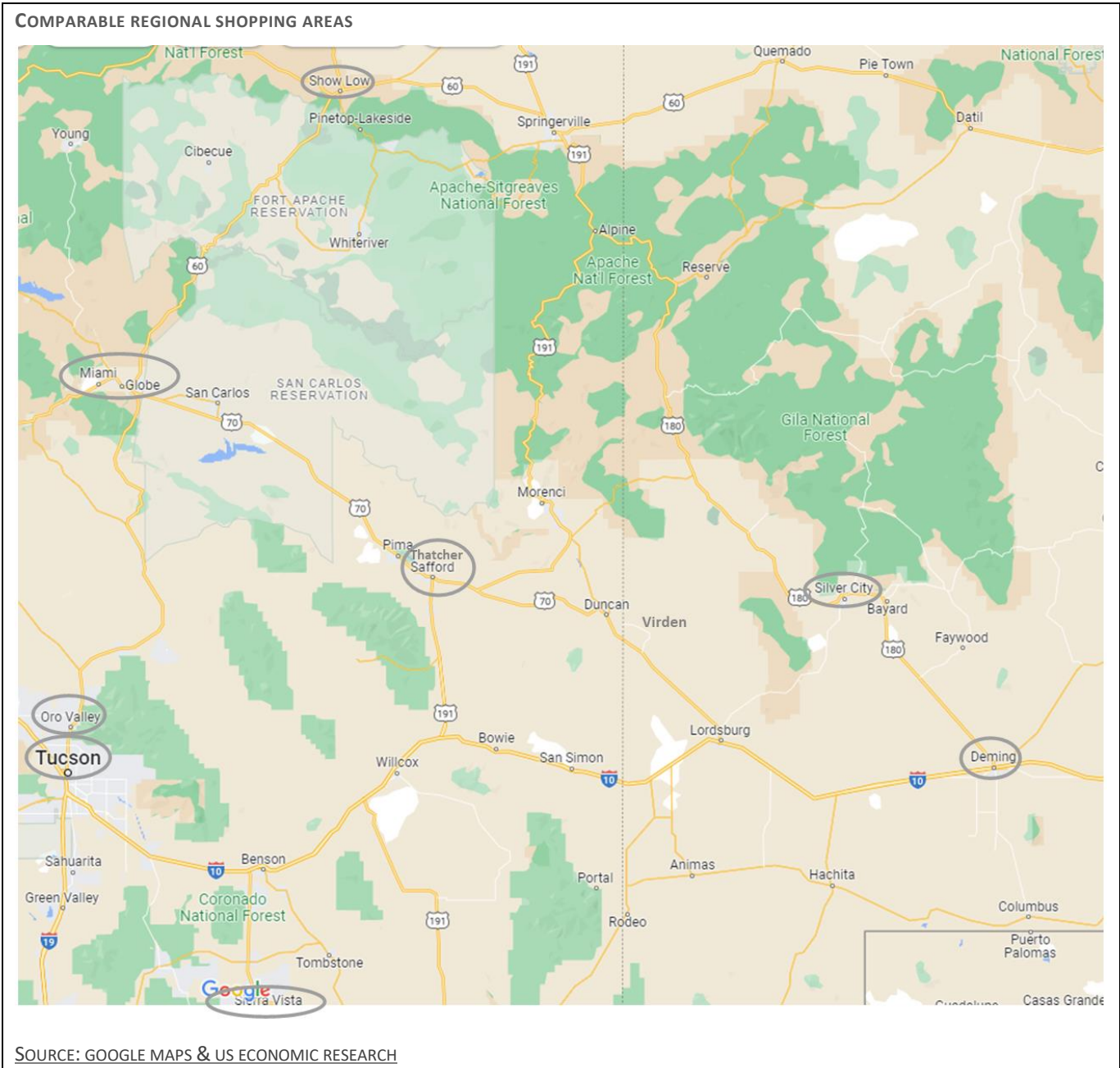
The following comparable regional shopping areas were identified for consideration in defining the Thatcher regional market area (note: drive time and mileage according to Google Maps on March 8, 2023):

- **Globe-Miami (Gila County, AZ):** Distance from Thatcher is 1 hour, 22 minutes (79 miles).
- **Silver City (Grant County, NM):** Distance from Thatcher is 1 hour, 54 minutes (118 miles).
- **Sierra Vista (Cochise County, AZ):** Distance from Thatcher is 1 hour, 59 minutes (119 miles).
- **Tucson (Pima County, AZ):** Distance from Thatcher is 2 hours, 6 minutes (134 miles).
- **Deming (Luna County, NM):** Distance from Thatcher is 2 hours, 14 minutes (139 miles).
- **Oro Valley (Pima County, AZ):** Distance from Thatcher is 2 hours, 27 minutes (144 miles).
- **Show Low (Navajo County, AZ):** Distance from Thatcher is 2 hours, 42 minutes (159 miles).

The following shopping areas are not considered comparable overall to Thatcher-Safford due to their much smaller markets, including lack of new automobile dealerships and limited big-box retail shopping opportunities. However, both contain Walmart Supercenters, Tractor Supply, and other shopping opportunities making them potentially comparable to the Thatcher-Safford regional shopping area as a shopping destination for certain products. For this reason, individual

businesses should closely examine these smaller shopping areas and the direct and indirect effect they may have on the inclusion of northeast Cochise County communities in the Thatcher regional market area for their products:

- **Benson (Cochise County, AZ):** Distance from Thatcher is 1 hour, 20 minutes (84 miles).
- **Douglas (Cochise County, AZ):** Distance from Thatcher is 2 hours, 8 minutes (121 miles), located along the US-Mexico border in southern Cochise County.



Analysis, discussion & conclusions

Thatcher regional market area

The Thatcher regional market area includes all of Graham County (excluding land located on the San Carlos Apache Indian Reservation), all of Greenlee County, the northeast Cochise County communities of Willcox, San Simon, and Bowie, and the New Mexico community of Virden. **The population of this geographic market area is approximately 50,400** (reflects Arizona Office of Economic Opportunity [OEO] population estimates for 2022 for Arizona counties and municipalities, and Census 2020 population counts for Arizona Census Designated Places and all New Mexico places). It is important to keep in mind that market areas vary by product. Businesses should consider this regional population and adjust for their own individual products and markets considering potential buyers (demand), competition (including online), transportation, and other relevant market-analysis factors.

The estimated population of the Thatcher regional market area does not include those residing on the San Carlos Apache Indian Reservation because drive-time analysis of off-reservation shopping areas cannot be considered a reliable predictor of shopping patterns of the reservation population due to other intervening variables (e.g., preferences to shop on versus off the reservation, location and dispersal of reservation markets and services, available transportation, etc.). It is important to note, however, that the San Carlos Apache Tribe estimates the population of its Bylas district, located wholly within Graham County, to be 3,568. Since this is not included in the Graham County population estimate of 39,010, the San Carlos Apache Tribe's Bylas District potentially increases the regional market area's population to nearly 54,000 (individual businesses should consider the extent to which the population residing on the reservation will be served in determining their own individualized market area).

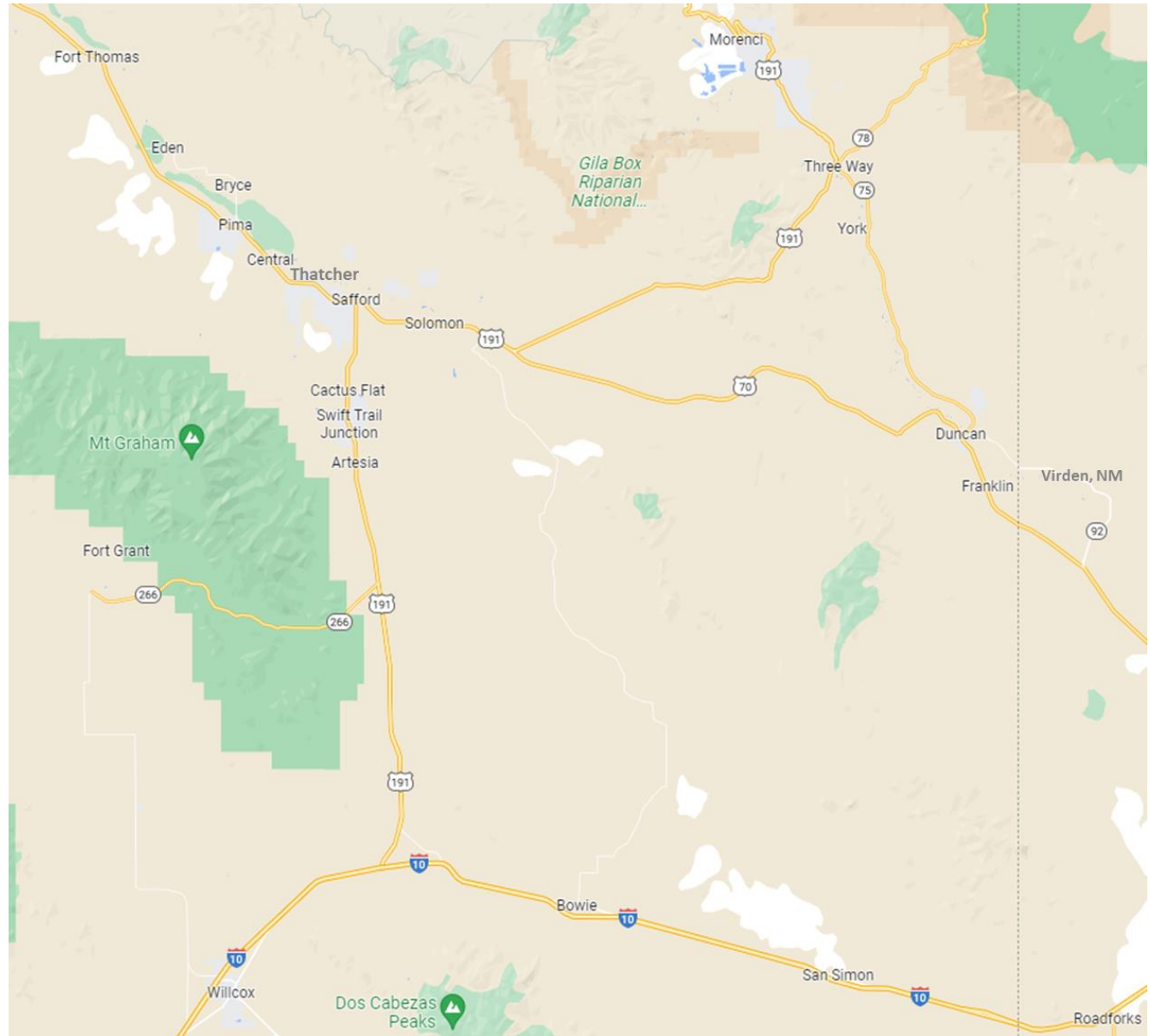
Also not included in the general Thatcher market area is the population of the Arizona State Prison Complex Safford (pop. 1,400 as of March 2023) and Federal Correctional Institution Safford (pop. 800 as of March 2023) due to their limited economic integration. Since these numbers are included in county census counts and Arizona OEO annual population estimates, an adjustment is made to remove this segment from the regional market area population estimate.

As noted in the introduction, businesses should also consider the nonresident population in the area at any given time due to tourism, travel for religious faith/worship, camping, RV parks, interstate and interregional traffic along US 70 and US 191, and other factors relevant to their individual business and product market. Businesses should also consider other potential markets beyond the regional market area, including online and export markets, that can be served from Thatcher.

THATCHER REGIONAL MARKET AREA POPULATION

Area	Population
Graham County, AZ	39,010
Greenlee County, AZ	9,652
Willcox (city), AZ	3,248
Bowie (CDP), AZ	406
San Simon (CDP), AZ	158
Virden (village), NM	126
Adj. for state & federal prison population	-2,200
TOTAL	50,400

THATCHER REGIONAL MARKET AREA (APPROXIMATE)

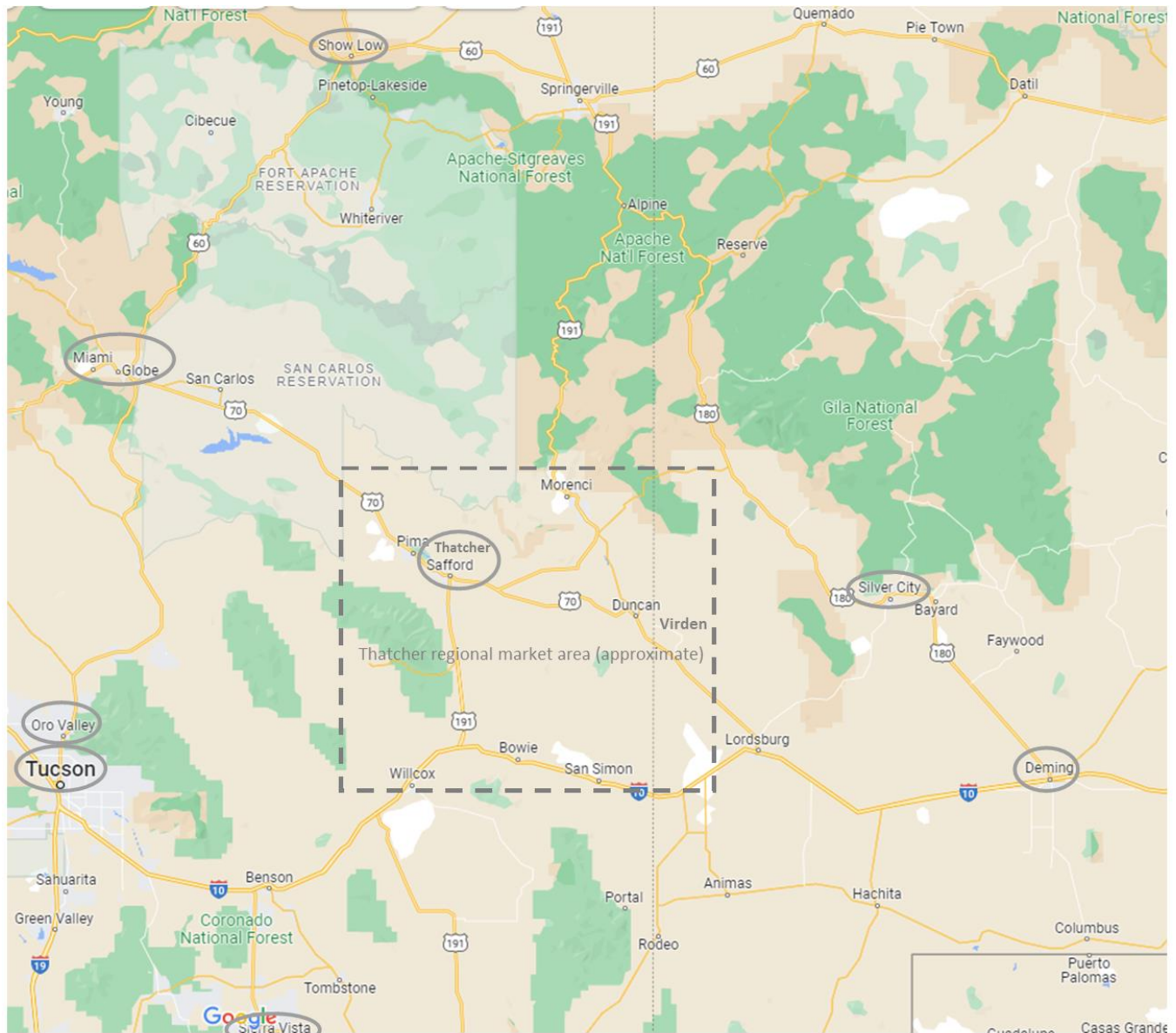


SOURCE: GOOGLE MAPS & US ECONOMIC RESEARCH

Graham County

All of Graham County (pop. 39,010 in 2022, adjusted to 36,810 to account for the state and federal prison population) should be considered part of the Thatcher regional market area. This does not include land located within the San Carlos Apache Indian Reservation, which potentially adds 3,568 residents for products also serving the reservation population. The Thatcher regional shopping area is the shortest drive among all comparable regional shopping areas for all places (cities, towns, and Census Designated Places) within Graham County. This includes the communities of Pima, Bryce, Cactus Flat, Central, Fort Thomas, San Jose, Solomon, and Swift Trail Junction. Of these, the farthest from the Thatcher regional shopping area is Fort Thomas (pop. 319 in 2020), which is 20 minutes (19 miles) away, making Thatcher much closer than any other comparable, regional shopping area, and less than half the drive time and mileage to the next closest, which is Globe-Miami (56 minutes/56 miles away).

THATCHER REGIONAL MARKET AREA (WITHIN LARGER REGION)



SOURCE: GOOGLE MAPS & US ECONOMIC RESEARCH

Greenlee County

All of Greenlee County (pop. 9,652 in 2022) should be considered part of the Thatcher regional market area. The Thatcher-Safford shopping area is the shortest drive among all comparable regional shopping areas for all places (cities, towns, and Census Designated Places) within Greenlee County, including the communities of Clifton, Duncan, Franklin, Morenci, and York. Greenlee County itself has no regional shopping area comparable to the Thatcher-Safford area.

In Greenlee County, the Census Designated Place of Morenci (pop. 2,028 in 2020) is the farthest from Thatcher at 55 minutes (50 miles) away; however, the next closest comparable regional shopping area to Morenci is Silver City, NM, which is nearly twice that far at 1 hour, 49 minutes (93 miles) away. The places in Greenlee County closest to another regional shopping area (comparable to the Thatcher shopping area) are Franklin (pop. 75 in 2020), which is 1 hour, 7 minutes (72 miles) from Silver City, NM, and Duncan (pop. 694 in 2020), which is 1 hour, 13 minutes (75 miles) from Silver City; this

compares to just 52 minutes (46 miles) and 47 minutes (43 miles), respectively, from these communities to the Thatcher regional shopping area. Shopping in the Thatcher regional shopping area instead of Silver City saves 30 minutes/52 miles roundtrip for residents of Franklin and 52 minutes/64 miles roundtrip for residents of Duncan.

Cochise County

Portions of northeast Cochise County should be considered part of the Thatcher regional market area, including Willcox (pop. 3,248 in 2022), San Simon (pop. 158 in 2020), and Bowie (pop. 406 in 2020). Of these, San Simon is the farthest from the Thatcher regional shopping area at 1 hour, 4 minutes (62 miles) away; however, the next closest comparable regional shopping area to San Simon is Silver City, NM, at 1 hour, 18 minutes (78 miles) away, adding 28 minutes/32 miles roundtrip.

An area of Cochise County that bears special attention is the city of Benson. Although not designated a comparable regional shopping area to Thatcher-Safford in this study due to its considerably less-developed market, including lack of a new automobile dealership and limited big-box shopping opportunities, the city is home to a regional Walmart Supercenter, Tractor Supply, Ace Hardware, and other shopping opportunities potentially placing it in competition with the Thatcher-Safford regional shopping area as a shopping destination for certain products. The Benson area is also projected to grow considerably in coming decades with the potential to establish itself as a regional shopping area comparable to Thatcher-Safford, drawing consumers from Willcox and potentially San Simon (Bowie would remain firmly in the Thatcher market region due to the shorter drive time and distance, and the fact Thatcher-Safford is a much more developed shopping area than Benson). For this reason, caution should be used in considering Willcox and potentially San Simon part of the Thatcher market area for certain products (for San Simon, the drive times to Benson and Thatcher are essentially the same, but Thatcher-Safford is currently a much more developed shopping area than Benson and is 26 miles shorter roundtrip despite similar drive times).

The northern Cochise County community of Sunizona (pop. 233), located along US 191 south of Interstate 10, should not be considered part of the Thatcher regional market area since it is closer to the considerably more developed regional shopping area of Sierra Vista, AZ (1 hour, 12 minutes/69 miles vs. 1 hour, 14 minutes/76 miles). Although the drive time difference is relatively small, the roundtrip saves 14 miles, and the Sierra Vista shopping area is considerably larger and more developed than Thatcher-Safford. Sunizona is also a 43-minute drive (43 miles) from the smaller Douglas, AZ shopping area in southern Cochise County along the U.S./Mexico border, which, although not among the regional shopping areas comparable to Thatcher-Safford in this study due to its less-developed market and limited shopping opportunities (including lack of new automobile dealerships and limited big-box retail) the city does have a Walmart Supercenter, Tractor Supply, JC Penney, CVS, and other shopping opportunities and is a population center of similar size to Thatcher-Safford, making it potentially comparable to the Thatcher-Safford shopping area as a shopping destination for certain products.

Other Arizona and New Mexico counties

In addition to Greenlee and Cochise counties, Graham County shares county lines with Pima, Pinal, Gila, Navajo, and Apache counties in Arizona, none of which should generally be considered part of the Thatcher regional market area. Populated areas of Pima and southern Pinal counties bordering Graham County are closer to the Tucson and Oro Valley regional shopping areas, those in Gila and northern Pinal counties are closest to Globe-Miami, and those in Navajo and Apache counties are closest to the Show Low regional shopping area.

With the inclusion of all of Greenlee County and portions of Cochise County in the Thatcher regional market, the geographic market area extends to the New Mexico state line. On the other side in New Mexico are several communities including Virden, Glen Acres, Lordsburg, Animas, and Rodeo in Hidalgo County; Buckhorn and Gila in Grant County; and Reserve and Rancho Grande in Catron County. Of these, only the village of **Virden, NM (pop. 126 in 2020) should be considered part of the Thatcher regional market area**. All the others are considerably closer by both driving time and mileage to the Silver City, NM regional shopping area.

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