

MGT 6463 01-03 Quant Methods for Marketing (2026S) Eclipse Case Study Writeup.

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The potential problems with Eclipse are as follows. Wrigley's Eclipse distribution is subpar compared to Dentyne Ice especially in Food Stores (77% vs 95.6%)^{Ex1} and Convenience Stores (48.7% vs 91.7%)^{Ex1} for single packs which is an issue as industry research shows that Consumers most frequently purchase gum at Food Stores & Convenience Stores (30% convenience, 29% food)^{Ex2}. Additionally, they also lack distribution in Drug Stores (8.8% vs 19.2%)^{Ex1} & Mass Stores (33.4% vs 88.4%)^{Ex1} for 3-packs. I believe this is largely due to the pre-pricing and low price of Eclipse (\$0.79 vs. \$0.89 cents recommended price of Dentyne)^{Ex3} which ends up reducing margins for a retailer (which large companies who run food stores and small convenience store owners highly focus on^{Ex10}), leading them to choose a competitor such as Dentyne Ice over Eclipse. Lack of distribution leads to lower awareness (which is why Dentyne Ice had more^{Ex11}) and sales due to lower visibility reducing brand recall and accessibility reducing convenience.

Wrigley's Eclipse forecasts were also a problem. I believe it was based off parameters of teenagers, (It was based off previous successes. Wrigley's brands such as Winterfresh, Big Red and Juicy Fruit targeted teenagers^{Ex4}) therefore their figures were skewed positively giving them the go to target an older segment. The main reason why basing forecasts off teenagers is a problem is because teenagers had a disproportionate consumption of first year gum products.^{Ex4} Having poor forecasts can lead to incorrect decision making (as they may suggest poor choices to be worth undergoing), leading to financial losses and other unfavourable outcomes.

Eclipse as a product was also a problem because of the way Wrigley conducted its research. They conducted their research pre-factory production^{Ex7}. Factory production is done on a large scale and therefore could lead to a watered-down quality of product. Additionally, Eclipse had less flavour variety than Dentyne (2 vs. 5 flavours)^{Ex8}, forcing people to choose Dentyne Ice over Eclipse (as no other option existed for the flavour they wanted).

We can verify that their distribution was a problem by comparing ACV (Annual Contract Value) data with Sales Velocity Data. Dentyne had a much higher ACV in all stores but lower sales velocity in both Food & Convenience stores for single pack gum than Eclipse which indicates that Eclipse's product sold well per point of distribution – hinting that it had lower sales due to being unable to secure distribution.^{Ex9 & Ex1}

We can verify Eclipse's forecast quality through comparison of actual vs estimated results. Eclipse's forecast and actual sales figures had a – (24%)^{Ex5} difference suggesting a poor forecast. (The BBDO NEWS had a history of giving Wrigley accurate new-product volume forecasts, leading to this forecast to be an anomaly.)^{Ex6}

Lastly, we can verify if there was an issue in the product by conducting consumer interviews with a sample representative of Eclipse's target market asking them to rate their product post factory production in comparison to individual samples. If there is a significant difference (i.e. p value < 0.95), H1 will hold true and suggest an error exists in factory production. Also, to verify if lack of variety and other specific factors related to the product are an issue, Wrigley should conduct a focus group with 10-12 people aged 25–54-year-old in the US over the course of an hour and 30 minutes to identify all potential issues.

My recommendation to Mr. Paul Chibe is to not abandon the brand. I believe there is a huge opportunity for Wrigley which they can capitalize on by removal of pre-pricing as it will provide an incentive to retailers to stock Wrigley's Eclipse Gum, (It can be brought back after Wrigley gains leverage like it did with its other single pack gums before. To gain leverage, they must become the market leader in the pellet gum market which as of now is Dentyne Ice^{Ex13}) and providing trade discounts (if required i.e. if Wrigley's standing as a century globally recognised gum brand is not enough to convince retailers to stock Eclipse after getting rid of pre-pricing). I believe these 2 changes will largely resolve Eclipse's distribution problem^{Ex10}. To enhance sales, Wrigley should also introduce more flavours for Eclipse. They should also release the Polar Ice flavour on scale after post-factory testing as it performed very well in research^{Ex12}. They should also regularly test products post factory production to determine if factory operations need improvement. They should also conduct a focus group with consumers to find product and other specific related issues as it is highly economical and provides great insight. Lastly, they should continue targeting their existing target segment of 25–54-year-olds. (Why: There exists no gum brand for 25–54-year-olds, research displayed a 52% awareness, and 49% trial rate^{Ex14} for Eclipse and the brands' numbers were growing with the aging of baby boomers. This can cement Wrigley's position as the only gum brand which provides gum for an older demographic potentially boosting their sales across all their gum brands by that demographic.). They should also place their product near the checkout counter over the candy aisle to prompt impulse purchases as the brand's positioning is strong mouth odor removal through 'Eclipse It' (essentially, instantly). Advertisement should be changed slightly by conducting more A/B tests to determine what works best (current 'Eclipse It' ad should be improved, not replaced)^{Ex15}. I believe these actions should help the brand get back on track.

Exhibits

1. Exhibit 1: Distribution of Eclipse compared to Dentyne Ice

Table 7: % ACV Eclipse vs. Dentyne Ice

	Eclipse Single	Dentyne Ice Single	Eclipse 3-Pack	Dentyne Ice 3-Pack
Food	77.0	95.6	18.7	25.5
Drug	82.8	96.6	8.8	19.2
Mass	96.8	98.0	33.4	88.4
Convenience	48.7	91.7		
Total F/D/M/C	78.3	95.7		

Source: Company data.

2. Exhibit 2: Industry Research (Pg.3 Para 2)

Consumers most frequently purchased gum at food stores (30 percent) and convenience stores (29 percent). Food stores tended to be part of large corporations and managers were incentivized to grow their margin over time; by contrast, convenience stores, many of which were individually owned and sometimes grossed no more than \$70,000 profit per year, focused on the absolute penny profit per pack...

3. Exhibit 3: Pricing of Dentyne & Eclipse (Pg. 5 Para 2)

The Eclipse single pack was pre-priced at 79 cents with a 66 percent gross margin for the trade. Dentyne Ice was not pre-priced and had a suggested retail price of 89 cents, which gave the trade a 69 percent gross margin. The single pack was to be merchandised at the checkout in the front of stores..

4. Exhibit 4: Eclipse by Wrigley was the first Gum Brand to target consumers older than 35. No gum brand, including brands under Wrigley, had done it before. Teenagers also had an abnormal share of first year purchases of new gum products. (Pg.2 Para 8)

Teenagers were the most important gum users, accounting for a disproportionate share of first-year purchases of new products. This pattern held true even for Freedent, a Wrigley brand launched in 1975, which did not stick to orthodontia, dentures, and other dental appliances. **Although none of the gum brands was targeting consumers older than 35.**

5. Exhibit 5: Forecasted shipments vs Actual Shipments

Table 5: Eclipse Shipments vs. Forecast

	Unit Shipments
Actual	5,816,909
NEWS Forecast	7,700,000
Difference	-24%

Source: Company data.

6. Exhibit 6: BBDO NEWS model was accurate. (Pg 6. Para 3)

To get a Year 1 sales forecast for the new brand, a team experienced in new gum product forecasting

ran the BBDO NEWS model using inputs from the marketing plan. **The model, which had a history of giving Wrigley accurate new-product volume forecasts**, indicated that Eclipse would reach its Year 1 goal of selling 7.7 million standardized boxes.

7. **Exhibit 7:** Eclipse Gum was not re-tested following factory scale up.
(Pg 4 Para. 3)

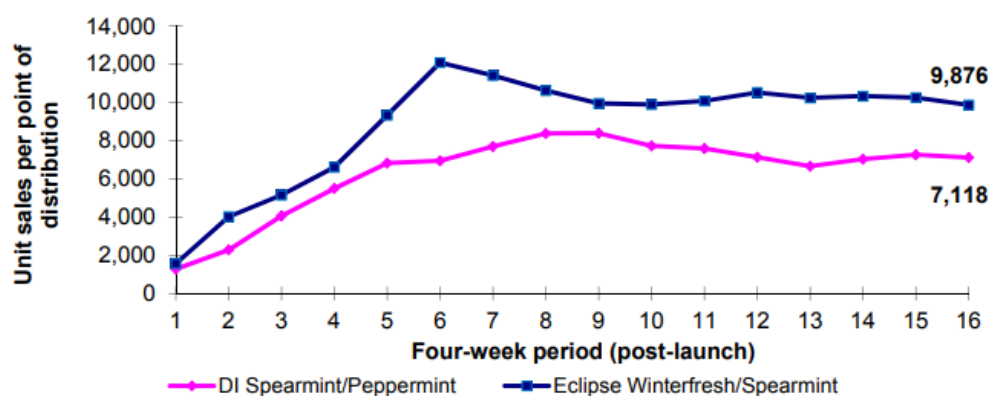
The team decided not to launch a peppermint gum (Dentyne Ice's best-selling flavor) and settled on launching Eclipse with two other flavors—Spearmint and Winterfresh—to compete against the five flavors of Dentyne Ice. (Wrigley's sales force believed it would be possible to get space for two flavors but not five.) Product-testing on lab batches of the two launch flavors showed that they compared favorably to similar Dentyne Ice flavors. **They were not re-tested following factory scale-up**

8. **Exhibit 8:** Eclipse vs Dentyne's Flavours
(Pg 4 Para 3.)

The team decided not to launch a peppermint gum (Dentyne Ice's best-selling flavor) and settled on launching Eclipse **with two other flavors—Spearmint and Winterfresh—to compete against the five flavors of Dentyne Ice.**

9. **Exhibit 9:** Sales Velocity comparison between Eclipse & Dentyne Ice

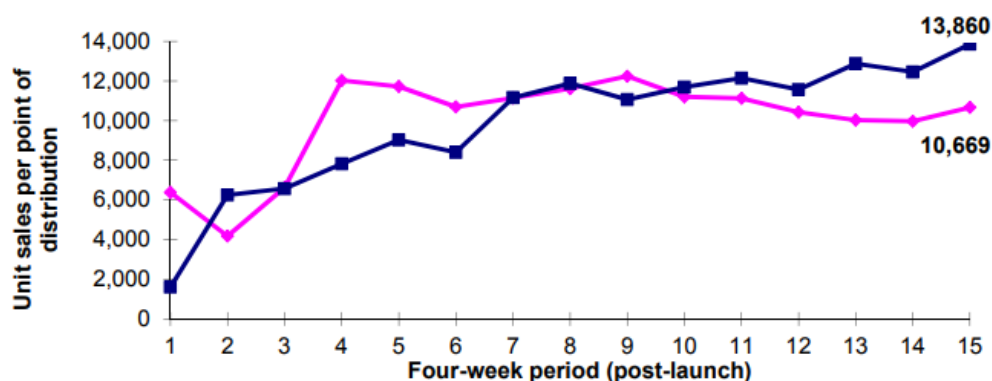
Figure 6A: Eclipse and Dentyne Ice Single-Pack Velocity in Food Stores



Note: Velocity is the average unit sales per point of distribution (or store).

Source: Company data.

Figure 6B: Eclipse and Dentyne Ice Single-Pack Velocity in Convenience Stores



10. **Exhibit 10:** Convenience store owners and Food stores highly focus on product margins.
(Pg 3 Para 2)

Food stores tended to be part of large corporations and managers were incentivized to grow their margin over time; by contrast, convenience stores, many of which were individually owned and sometimes grossed no more than \$70,000 profit per year, focused on the absolute penny profit per pack. Chibe described the situation this way: “Little guys liked to look at the pennies, but big guys liked the percentage.

11. **Exhibit 11:** Eclipse vs Dentyne’s Brand Awareness

Table 12: Eclipse Awareness and Trial at Month 10 (%)

	Eclipse	Dentyne Ice	Wrigley Winterfresh
Brand awareness	44.3	55.8	72.7
Trial	20.3	22.5	46.9

Source: Company data.

12. **Exhibit 12:** Eclipse Polar Ice vs Dentyne Ice Wintergreen

Table 14: Blind Product Test Scores

	Eclipse Polar Ice vs. Dentyne Ice Wintergreen
First order hedonic	7.5 : 6.6*
Paired comparison	
Overall preference	60% : 40%*
Best breath freshening	70 : 26*
Freshens quickly	73 : 24*
Eliminates odors	72 : 24*

13. **Exhibit 13:** Dentyne Ice is the third bestselling gum in the US among teenagers.

(Page 4 Para 2)

Adams launched its pellet gum under the brand Dentyne Ice in 1997. Dentyne had been a successful cinnamon-flavored gum since the 1950s but started showing decline in the early 1980s. (The brand name was a combination of “dental” and “hygiene.”) **Dentyne Ice quickly became the third best-selling gum in the United States and was particularly popular among teenagers.** The success of Dentyne Ice mandated that Wrigley launch its own pellet gum.

14. **Exhibit 14:** Eclipse awareness and trial by age (%)

Table 11: Eclipse Awareness and Trial by Age (%)

Age Group	Aware of Eclipse Brand?	Ever Chewed Eclipse?
10–17	29	33
18–24	18	18
25–34	22	20
35–54	25	25
55+	<u>6</u>	<u>4</u>
Total	100	100

Source: Company data.

15. **Exhibit 15:** Advertisement of Eclipse was not a large problem as:

- In communications testing, in which consumers viewed the ad and then answered questions about it, “Eclipse It” **performed better than two alternative commercials.** (Pg 6 Para 1)

It can be improved on through A/B testing as: (Pg 10 Para 1)

a. Some executives at Wrigley supported using a smoker in the ad, arguing that smoking was the ultimate test for eliminating strong mouth odors, but others felt the emphasis should be strong food odors, such as garlic. **(Smoker in ad is controversial, find out via A/B testing what works best)**

b. Chibe found that at Wrigley some people liked the song, but others felt the commercial did not sufficiently break through and dramatize the benefit Eclipse delivered **(Suggests that the song/ad has room for improvement)**