

## TASTY GREENS EMBUTIDO: A FEASIBILITY STUDY

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### ABSTRACT

Many Filipinos struggle with poor dietary habits, frequently consuming convenient but nutrient-deficient foods that worsen health issues. Introducing healthier, easily accessible options is key to improving overall wellness. One excellent innovation is Moringa Embutido, a versatile Filipino product that incorporates the nutritious "superfood" Moringa, making it rich in fiber, antioxidants, and vitamins. In response, this study assessed the feasibility of Tasty Greens Embutido, a food business offering Moringa Embutido combined with ground chicken. The feasibility was evaluated across five key aspects: technical, market, organization and management, socio-economic, and financial. Results showed a projected net income growing from ₱155,684 in 2026 to ₱571,168 by 2030. Financial analysis indicates a Net Present Value (NPV) of ₱1,161,053.90, an Internal Rate of Return (IRR) of 134.270%, a Profitability Index (PI) of 7.9433, and a Discounted Payback Period (DPP) of 1.07 years. Based on these data, the project is determined to be financially feasible and viable, and its implementation is highly recommended.

**Keywords: Moringa Embutido, Feasibility Study, Sustainable Development Goals, Financial Aspect, Feasible**

### INTRODUCTION

Dietary habits significantly influence the health and well-being of individuals, yet many Filipinos continue to struggle with poor nutrition, often consuming convenient but nutrient-deficient foods. This trend has contributed to the rise of non-communicable diseases and malnutrition, highlighting a critical need for food products that are both accessible and health-conscious. Introducing nutrient-dense alternatives is essential for improving public health outcomes and fostering sustainable consumption patterns within the local community.

The proposed business, Tasty Greens *Embutido*, addresses this gap by innovating a traditional Filipino favorite—embutido—through the integration of Moringa oleifera, commonly known as "Malunggay." Recognized as a "superfood," Moringa is rich in fiber, antioxidants, vitamins, and minerals, providing a natural fortifier to ground chicken. This study is anchored on the principles of the Sustainable Development Goals (SDGs), specifically SDG 2 (Zero Hunger) and SDG 3 (Good Health and Well-Being), by providing a nutritious food option that combats hunger and promotes wellness. Furthermore, the venture aligns with SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible

Consumption and Production) by utilizing locally sourced raw materials to support regional agriculture and ensure ethical production processes.

Despite the demand for healthy food, the market is often saturated with high-fat, processed frozen goods. Tasty Greens *Embutido* seeks to provide a healthier, low-cost alternative that does not compromise on taste or convenience. This study assesses the feasibility of the business across five critical dimensions: technical, market, organizational, socio-economic, and financial. By analyzing these aspects, the researchers aim to establish a viable business model that supports the community's health while ensuring long-term financial stability and growth in the competitive frozen food industry of Urdaneta City.

### **Theoretical Framework**

The study is anchored on three psychological and behavioral theories: Maslow's Hierarchy of Needs, the Health Belief Model (HBM), and the Diffusion of Innovation (DOI) Theory. Maslow's theory confirms that the product meets fundamental physiological survival needs while appealing to the higher-level esteem of health-conscious consumers. The HBM explains that consumers motivated by disease prevention will find the antioxidant properties of Moringa beneficial. Finally, the DOI Theory provides a strategic roadmap, identifying health-conscious "early adopters" as the primary target to drive market acceptance before expanding to the general population.

### **Objectives of the Study**

This study aims to determine the overall feasibility of establishing Tasty Greens *Embutido* in Urdaneta City by evaluating its technical, market, organizational, socio-economic, and financial viability. Specifically, it seeks to assess the market demand and competitive position of chicken-moringa embutido while defining the necessary production processes and resource requirements. The study further intends to establish a sustainable management structure and analyze the venture's socio-economic contributions toward health-related Sustainable Development Goals. Finally, it aims to ascertain the project's financial soundness through capital budgeting metrics including Net Present Value, Internal Rate of Return, and Payback Period to ensure long-term profitability.

## **METHODOLOGY**

### **Market Aspect**

This aspect centers on identifying the gap between the current supply of processed meats and the consumer demand for healthier alternatives in Urdaneta City. To achieve this, the researchers conducted a comprehensive market segmentation to define the target audience, primarily focusing on health-conscious households and urban professionals. A Competitive Profile Matrix (CPM) was utilized to evaluate Tasty Greens *Embutido* against existing commercial brands, measuring critical success factors such as price, nutritional value, and product innovation. This analysis allowed the proponents to

determine a strategic market share and develop a marketing mix tailored to consumer preferences.

### **Technical Aspect**

This section details the operational requirements and physical transformation of raw materials into the finished product. It outlines the rigorous sourcing process for high-quality chicken breast and fresh Moringa leaves to ensure maximum nutrient density. It further specifies the necessary kitchen equipment, facility layout, and the standardized production workflow—centering on a 45-minute steaming process that preserves the product's vitamins and minerals. The technical evaluation ensures that the manufacturing process is not only consistent in quality but also scalable for future growth.

### **Organizational and Management Aspect**

This aspect establishes the legal and human resource framework of the venture, which is structured as a partnership. This dimension defines the roles and responsibilities of each partner and employee, ensuring that the business has the leadership and manpower necessary for daily operations. It includes detailed job descriptions, competitive salary scales, and a hierarchical organizational structure designed to promote efficiency and accountability. By outlining these administrative foundations, the study ensures that the business can sustain smooth internal operations and maintain professional standards.

### **Socio-Economic Aspect**

This dimension evaluates the project's broader impact on society and its alignment with global sustainability standards. The venture is specifically designed to support the United Nations Sustainable Development Goals, including SDG 2 (Zero Hunger) and SDG 3 (Good Health and Well-Being) through nutritional fortification. Furthermore, it contributes to SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production) by providing local employment and utilizing climate-resilient indigenous crops like Moringa. This aspect proves that the business is not only a profit-seeking entity but also a socially responsible contributor to the local economy.

### **Financial Aspect**

This serves as the quantitative validation of the entire project through a rigorous five-year financial projection. This involves the preparation of projected financial statements, including the Statement of Comprehensive Income and Statement of Cash Flows. The study utilizes key capital budgeting metrics such as Net Present Value (NPV), which measures the absolute value added to the business; the Internal Rate of Return (IRR), which determines the project's profitability relative to the cost of capital; and the Payback Period, which estimates the time required to recover the initial investment. These metrics provide the final empirical evidence needed to declare the project financially feasible.

## **RESULTS AND DISCUSSIONS**

Table 1: Projected Income Statement (2026-2030)

Account	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Piece Sold</b>	<b>₱13,336</b>	<b>₱14,003</b>	<b>₱14,703</b>	<b>₱15,438</b>	<b>₱16,210</b>
<b>Sales</b>	<b>₱866,840</b>	<b>₱1,001,215</b>	<b>₱1,156,391</b>	<b>₱1,335,619</b>	<b>₱1,542,649</b>
-COGS	<b>₱417,017</b>	<b>₱459,718</b>	<b>₱506,959</b>	<b>₱558,856</b>	<b>₱617,277</b>
<b>Gross Profit</b>	<b>₱449,823</b>	<b>₱541,497</b>	<b>₱649,432</b>	<b>₱776,763</b>	<b>₱925,372</b>
-Operating Expenses	₱278,712	₱292,648	₱307,279	₱332,645	₱338,777
-Depreciation	₱15,427	₱15,427	₱15,427	₱15,427	₱15,427
<b>Operating Profit (EBIT)</b>	<b>₱155,684</b>	<b>₱233,422</b>	<b>₱326,726</b>	<b>₱438,691</b>	<b>₱571,168</b>
<b>Net Income</b>	<b>₱155,684</b>	<b>₱233,422</b>	<b>₱326,726</b>	<b>₱438,691</b>	<b>₱571,168</b>

Piece sold x selling price = sales

This table outlines the project's expected profitability. It begins with total sales, derived from the sales volume in Section 7.2 multiplied by the ₱65 selling price. From this, all cash (COGS, OPEX) and non-cash (Depreciation) expenses are subtracted to arrive at the Net Income.

Table 2: Projected Statement of Changes in Equity

	2026	2027	2028	2029	2030

The table shows that the owner's capital is increasing every year. This means the profits (Net Income) are consistently greater than the amounts the owner takes out (Withdrawals), indicating the business is successfully building value.

Table 3: Projected Statement of Financial Position

<b>Tasty Greens Embutido</b>					
<b>Projected Statement of Financial Position</b>					
<b>December 2026-2030</b>					
	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>Assets</b>					
Current Asset					
Cash	<b>158,855</b>	<b>226,247</b>	<b>296,691</b>	<b>370,319</b>	<b>447,343</b>
Non-Current					
Manufacturing Equipment (ME)	8,174	8,174	8,174	8,174	8,174
Less: Accumulated Depreciation- ME	-1,634	-3,268	-4,902	-6,536	-8,170
<b>Book Value- ME</b>	<b>6,540</b>	<b>4,906</b>	<b>3,272</b>	<b>1,638</b>	<b>4</b>
Office Equipment (OE)	2,775	2,775	2,775	2,775	2,775
Less: Accumulated Depreciation-OE	-908	-953	-1,001	-1,051	-1,104
<b>Book Value- OE</b>	<b>1,867</b>	<b>1,822</b>	<b>1,774</b>	<b>1,724</b>	<b>1,671</b>
Furniture and Fixtures- Manufacturing	3,043	3,043	3,043	3,043	3,043
Less: Accumulated Depreciation- F&F-M	-608	-1,216	-1,824	-2,432	-3,040
<b>Book Value-F&amp;F- Mfg.</b>	<b>2,435</b>	<b>1,827</b>	<b>1,219</b>	<b>611</b>	<b>3</b>
Leasehold Improvement (Renovation Cost)	150	61,280	61,280	61,280	61,280

This table shows the company's Total Assets increasing from P166,597 in 2026 to P494,051 in 2030. This growth is primarily due to the increasing Cash balance, which reaches P447,343 by 2030. The projection shows zero Liabilities throughout the period, meaning the Total Equity (Owner's Capital) perfectly matches Total Assets across all years.

Table 4: Projected Statement of Cash Flow

<b>Projected Statement of Cash Flow</b>					
<b>Tasty Greens Embutido</b>					
<b>Projected Statement of Cash Flow</b>					
<b>December 2026-2030</b>					
<b>Operating Activities</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>Net income</b>	155,684	163,468	171,642	180,224	189,235
<b>Depreciation</b>	15,427	15,427	15,427	15,427	15,427
<b><i>Net Cash provided by operating activities</i></b>	<b>171,111</b>	<b>178,895</b>	<b>187,069</b>	<b>195,651</b>	<b>206,692</b>
<b>Investment of Owner</b>	169,633	0	0	0	0
<b>Capital Withdrawals of Owner</b>	-100,000	-125,000	-150,000	-175,000	-200,000
<b><i>Net Cash provided by (used in) financing activities</i></b>	<b>69,633</b>	<b>-125,000</b>	<b>-150,000</b>	<b>-175,000</b>	<b>-200,000</b>

This table shows the company's Net Cash provided by Operating Activities increasing from P171,111 in 2026 to P206,692 in 2030. This strong operating inflow is partially offset by large, escalating Capital Withdrawals of Owner, which rise from P100,000 in 2026 to P200,000 in 2030. Consequently, the Net Cash Increase (Decrease) declines significantly each year, though the Ending Cash Balance remains positive and grows from P165,472 in 2026 to P283,778 in 2030.

This section evaluates the financial viability of the project by applying standard capital budgeting techniques to the Free Cash Flow stream from Table 16. The 10% cost of capital is used as the discount rate to determine the present value of future cash flows.

Table 5: Feasibility Analysis

<b>Metric</b>	<b>Calculation</b>	<b>Result</b>	<b>Verdict (Feasible?)</b>
<b>Net Present Value (NPV)</b>	Sum of Discounted FCFs - Initial Investment	<b>₱1,161,053.90</b>	<b>Yes (&gt; 0)</b>
<b>Internal Rate of Return (IRR)</b>	Rate where NPV = 0	<b>134.270%</b>	<b>Yes (&gt; 10% Hurdle)</b>
<b>Profitability Index (PI)</b>	(PV of Future FCFs) / Initial Investment	<b>7.9433</b>	<b>Yes (&gt; 1.0)</b>
<b>Discounted Payback Period</b>	Time to recover ₱155,760 in discounted FCFs	<b>1.07 years</b>	<b>Yes</b>

### Conclusion and Recommendation

Based on the findings, the proposed TGE Company is determined to be feasible across five key aspects: technical, market, organizational and management, financial, and socio-economic.

The results and ratios demonstrate that the business is not only viable in all areas but also positioned for substantial growth and success over the next three years. The detailed analysis highlights TGE Company's strong potential for long-term success, providing value to both customers and stakeholders. With a positive outlook and encouraging projections, moving forward with the implementation of TGE Company is strongly recommended to establish a solid foundation for future growth and stability.

### References

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