

Development Research and Industry Trend Analysis of Contemporary Innovative Culture Industry of Traditional Chinese Medicine from the Perspective of Economics

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Abstract

With the encouragement and support of the new medical reform policy, in order to give full play to the important role of traditional Chinese medicine industry in the national economy and enhance the development level of the whole industry, this paper attempts to explore the key factors affecting the development of traditional Chinese medicine industry from the industrial level, and select representative enterprises for performance evaluation, so as to have an overall and objective understanding of the development of traditional Chinese medicine industry in China. Drawing lessons from the relevant research on the traditional Chinese medicine industry at home and abroad, this paper first systematically analyzes the basic characteristics of the development of the traditional Chinese medicine industry and its role and status in the national economy, and then on the basis of qualitative analysis, through the selection of variables related to the traditional Chinese medicine industry for cointegration analysis and the establishment of error correction model, the determinants of short-term and long-term industrial development are analyzed. On this basis, through the selection of representative enterprises, the performance and development status of traditional Chinese medicine industry are evaluated objectively. Finally, according to the conclusion of empirical analysis, this paper studies the development trend and related influencing factors of traditional Chinese medicine industry from the perspective of economics, and draws lessons from the advanced experience of Europe and the United States and other powerful countries of medicine, in order to improve the competitiveness and development level of traditional Chinese medicine industry in China, this paper puts forward some targeted strategies and suggestions.

Keywords

Economic Perspective, Traditional Chinese Medicine, Innovative Cultural Industry, Industry Trend

1. Introduction

As an emerging industry with the combination of traditional industry and modern industry, the pharmaceutical industry is not only closely related to everyone's life and health, but also closely related to family happiness and even the prosperity of the nation. With the increasing strength of our national economy, the pharmaceutical industry plays a more and more important role in our national economy. It has become one of the important industries of our national economy, and the output value is increasing year by year. Traditional Chinese medicine industry, as an important part of the whole pharmaceutical industry, has also developed vigorously and made remarkable achievements, but at the same time, there are also a series of problems such as lack of research and development capacity, hindered product export and so on (Gotti et al., 2021). Therefore, under the background of the new medical reform, it is particularly important to objectively evaluate the current situation of the development of China's traditional Chinese medicine industry, promote the upgrading of the industrial structure of traditional Chinese medicine, and enhance the competitiveness of the traditional Chinese medicine industry in the international market.

Traditional Chinese medicine is rooted in the traditional culture of ancient China, especially the Han culture. It is deeply influenced by ancient Chinese philosophy, such as the theory of yin, yang and five elements, as well as the whole concept, treatment based on syndrome differentiation and so on. These thoughts not only have a far-reaching impact on the theory and practice of traditional Chinese medicine, but also reflect the understanding of the relationship between man and nature, man and society, man and self in Chinese traditional culture. Traditional Chinese medicine is a science that studies human life, health and diseases. It is based on the physiology and pathology of Zang-fu organs, meridians and collaterals, takes dialectical treatment as its diagnosis and treatment characteristics, and emphasizes individual and comprehensive conditioning. The theoretical system and practical experience of traditional Chinese medicine have been continuously improved and enriched in the long-term development, forming a unique academic system. The development of traditional Chinese medicine is closely related to the changes of Chinese society. In different historical periods, traditional Chinese medicine has received varying degrees of development and attention. However, in modern society, with the introduction and popularization of western medicine, traditional Chinese medicine has been impacted and challenged to a certain extent. But at the same time, with the

growing demand for health and attaching importance to traditional culture, traditional Chinese medicine has also ushered in new opportunities for development.

On the basis of fully drawing lessons from the relevant theories and experiences of industrial research at home and abroad, and according to the current actual situation of our country and the industrial characteristics of traditional Chinese medicine industry, the research goal of this paper is to use the ideas of economics and the theory of mathematical statistics to explore the decisive factors and mechanisms that affect the development of traditional Chinese medicine industry in China by combining quantitative and qualitative analysis, normative analysis and empirical analysis. On this basis, some targeted strategies and suggestions are put forward to further promote the healthy development of traditional Chinese medicine industry. On the basis of comparative analysis of a large number of studies on traditional Chinese medicine industry, this paper will objectively evaluate the decisive factors and mechanisms that affect the development of traditional Chinese medicine industry through empirical analysis, and through the selection of some representative traditional Chinese medicine enterprises for in-depth research, objectively evaluate the performance level of traditional Chinese medicine industry, find advantages and disadvantages, and then on this basis. This paper puts forward some strategies and suggestions to promote the healthy development of traditional Chinese medicine industry.

2. Analysis on the Development Characteristics of Traditional Chinese Medicine Industry

2.1. The Role and Significance of the Pharmaceutical Industry in the National Economy

As the treasure of Chinese traditional medicine, traditional Chinese medicine carries the broad and profound Chinese culture. The study of traditional Chinese medicine helps to inherit and develop the excellent traditional culture of the Chinese nation and protect the uniqueness and authority of Chinese traditional medicine. The contribution of ancient doctors also laid the foundation for the development of traditional Chinese medicine industry. Through practice and summary, they gradually formed a series of treatment methods and prescriptions. At the same time, after Buddhism was introduced into China, it also brought new theories and treatments for the development of traditional Chinese medicine, such as pulse diagnosis, Qigong and so on. In the long-term practice, traditional Chinese medicine has been continuously enriched and developed. The pharmaceutical industry is known as the “sunrise industry that will never decline”. It is not only closely related to everyone’s life and health, but also closely related to family happiness and even the prosperity of the nation. Over the years, the state has been paying attention to people’s livelihood and building a harmonious society as the focus of national development. At present, the new rural cooperative medical system has covered all the counties, cities and districts

including the agricultural population, and the number of participants has reached 833 million (refer to [Lv et al., 2022](#)), which brings tangible benefits to more and more farmers and plays a more and more important role in alleviating or reducing the disease burden of farmers ([Lv et al., 2022](#)). The pharmaceutical industry is related to people's livelihood, and its particularity makes it have a certain rigid demand. From Lu Xun's Hualaosuan treating his son with human blood steamed bread, to the birth of Lei Mifeng, the nemesis of tuberculosis, from the advent of "cowpox" vaccine to the extinction of smallpox disease, all these not only reflect the civilization and progress of human beings. it also proves people's rigid demand for medicine in order to treat and prevent diseases, restore health care, and improve the quality of the whole nation.

With the continuous improvement of China's overall economic strength, the pharmaceutical industry has become more and more important in our national economy, and has become one of the important industries of our national economy. The output value of the pharmaceutical industry is increasing year by year, and its proportion in GDP is also increasing. Since the reform and opening up, the average growth rate of the output value of China's pharmaceutical industry is about 16.6%, which is higher than the average annual growth rate of 13% of the world pharmaceutical industry ([Jin, 2023](#)). In 2008, a serious financial crisis swept all corners of the world, and many industries suffered an unprecedented impact, but China's pharmaceutical purchase and sales market still maintained a steady growth trend, with a year-on-year growth rate of 25.5%, with an annual total value of more than 860 billion yuan, close to 5% of GDP (the data in this paragraph refer to [Jin, 2023](#)).

With the deepening of reform and opening up, more and more pharmaceutical enterprises have stepped up their research and development of the international market, and a large number of pharmaceutical enterprises have obtained permits to enter the international market, so that their products are exported to overseas markets. China's pharmaceutical market now ranks ninth in the global pharmaceutical market. Calculated according to the current average annual growth rate of 16.6%, it is expected to become the fifth largest pharmaceutical market in the world in 2030; by 2025, the size of China's pharmaceutical market will reach 109.5 billion US dollars, which will become the second largest pharmaceutical market in the world after the United States. The above series of figures are enough to show the great achievements made by China's pharmaceutical industry today. As a health system official said: "the pharmaceutical industry is the absolute pillar industry of our country."

2.2. The Orientation of Traditional Chinese Medicine Industry in Pharmaceutical Industry

Traditional Chinese medicine is relative to western medicine, but the concept margin between the two has always been relatively confused. At the present stage, the widely recognized method in the international pharmaceutical industry is to divide drugs into three main categories: "natural medicine", "chemical

synthesis pharmaceutical” and “biological pharmaceutical” according to the difference of drug source and production technology.

Although they all belong to the category of drugs, there are obvious differences among the three categories of drugs.

First, from the perspective of guiding theory, natural medicine is based on traditional medical theory, while chemical synthetic pharmaceuticals and biopharmaceuticals are based on western medicine theory.

Second, from the point of view of the source of raw materials, natural medicines come from natural substances such as plants, animals or minerals, chemical synthetic pharmaceuticals come from chemical synthetic substances, and biopharmaceuticals usually come from organisms, especially microorganisms.

Third, from the point of view of pharmaceutical technology, the pharmaceutical technology of natural medicine is mainly based on traditional technologies such as processing, crushing, extraction and suffering, while chemical synthesis is mainly based on chemical reaction synthesis and related technology. on the other hand, biopharmaceutical adopts modern bioengineering technology.

Fourth, from the perspective of drug research and development, natural drugs focus on the properties and efficacy of the drug itself, and some pay attention to the relationship between drugs. The research and development of chemical synthetic pharmaceuticals focuses on the chemical structure of drugs, while biopharmaceuticals pay more attention to the study of biological activity (Luo et al., 2023).

Traditional Chinese medicine is not the same as natural medicine. Natural medicine, as mentioned before, refers to natural products that are directly or processed for medicinal use, mostly maintaining their natural physical and chemical properties, including natural growth, reproduction, distribution, existence of plants, animals, minerals (Qin et al., 2022). Natural medicine is often called differently in different countries. It is called Chinese medicine in Japan, plant medicine in Europe and America, and traditional Chinese medicine in China.

There are some differences between traditional Chinese medicine and Chinese prescription medicine and plant medicine, as shown in **Table 1** below.

Traditional Chinese medicine industry refers to the department engaged in the production, management and research of health products and related economic activities under the guidance of traditional Chinese medicine theory and based on traditional Chinese medicine theory. The department takes traditional Chinese medicine as its professional scope, carries on the division of labor and cooperation around people’s various needs of traditional Chinese medicine, and combines various resources through a series of activities to produce products and services that can meet people’s needs.

From the perspective of industrial category, traditional Chinese medicine industry is an industrial system composed of four sub-industries: traditional Chinese medicine agriculture, traditional Chinese medicine industry, traditional Chinese medicine commerce and traditional Chinese medicine knowledge industry. Where:

Table 1. Comparison between traditional Chinese medicine and western botanical drugs (refer to the analysis of Chinese traditional medicine industry in 2023).

	Traditional Chinese medicine	Japanese Chinese herbal medicine	Plant medicine (European and American herbs)
System Theory	Complete and with strong vitality, guided by the theory of syndrome differentiation and treatment	With complete theoretical guidance, standard research on 210 prescriptions	No, drawing on Western medical theories to form a monograph on plant medicine, and under this guidance, pharmaceuticals
Source	Plants, animals, minerals	Plants, animals, minerals	Plants
Prescription	Emphasizing the use of monarchs, officials, and assistants, the four qi and five flavors, the properties of meridians, and a rich variety of compound medicines	From Zhang Zhongjing's "Treatise on Cold Damage", mainly based on 210 standard formulas	Mostly a combination of single or 2 - 3 flavors
Processing and Pharmaceutical Technology	Processing technology and pharmaceutical processes with thousands of years of practice	Long history of processing technology and pharmaceutical processes	Traditional experience has been lost
Clinical usage	With vast literature and 3000 years of practice, I am particularly skilled in chronic diseases, difficult diseases, and elderly diseases	It was introduced and localized during the Qin and Han dynasties, with a history of over 1400 years. It was used under the guidance of Western medicine for one hour of medication	Plant medicine has developed after chemical medicine, and has gone through a hundred years to prevent colds, insomnia, poor appetite, and nervousness. It is within the scope of OTC drugs and plays an auxiliary role
Preclinical slow toxicity, acute toxicity, and triple toxicity trials	Often lacking experimental data at the GLP level	Experimental data with a certain level of GLP experimental proficiency	Some have
Clinical trials	Often lacking double-blind methods, etc	Partial double-blind trials	Modern research emphasizes double-blind methods, etc
Discover new drug	Because of regularity and rich experience accumulation, it is an important way to develop new drugs	Important pathways for new drug development	Has vitality, but cannot compare with traditional Chinese herbs

1) Agriculture of traditional Chinese medicine.

The agriculture of traditional Chinese medicine focuses on the collection, hunting, cultivation and breeding of Chinese medicinal materials, including the introduction, domestication, tending and management of wild medicinal materials and the special industrial production of traditional Chinese medicinal materials by using modern high technology. It also includes the rough processing industry in the producing area of some medicinal materials. It is located in the upstream of the traditional Chinese medicine industry chain, is the first workshop of the traditional Chinese medicine industry, and is in the basic position in the whole traditional Chinese medicine industry.

2) Traditional Chinese medicine industry.

Traditional Chinese medicine industry takes the processing of traditional

Chinese medicine pieces and the production of proprietary Chinese medicine as the main content, including traditional Chinese medicine pharmaceutical machinery, packaging materials and other related aspects. In recent years, the newly developed plant medicine extract (intermediate) has also become an important content. Traditional Chinese medicine industry is the main body and development direction of traditional Chinese medicine industrialization.

3) Traditional Chinese medicine business.

Traditional Chinese medicine commerce focuses on market supply and raw material procurement of medicinal materials, prepared slices and proprietary Chinese medicines, including processing, storage, transportation and service industries closely related to the traditional Chinese medicine industry, as well as export trade and cooperation of traditional Chinese medicine. Traditional Chinese medicine commerce is the bridge and link between traditional Chinese medicine agriculture and traditional Chinese medicine industry.

4) Knowledge industry of traditional Chinese medicine.

The knowledge industry of traditional Chinese medicine, which focuses on technological innovation and information network of traditional Chinese medicine, is an emerging industry and an important part of the research, development, production and sales of new products, new technologies, new processes and new equipment of traditional Chinese medicine (Tang, 2023). The knowledge industry of traditional Chinese medicine provides intellectual and information support for the technological innovation of traditional Chinese medicine agriculture, industry and commerce, and is the driving force to promote the upgrading and development of traditional Chinese medicine industry.

The above four sub-industries are interrelated, interdependent and restrict each other. The relationship is shown in **Figure 1**.

At the same time, it should also be recognized that the category of traditional Chinese medicine industry is a process of continuous evolution. With the continuous development of traditional Chinese medicine industry, its scope will

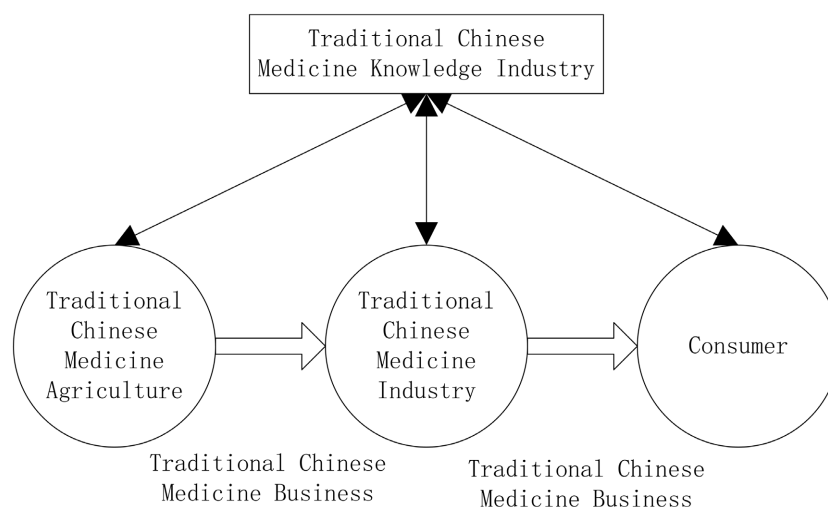


Figure 1. Diagram of traditional Chinese medicine industry system.

continue to expand, and the industrial chain will continue to extend.

5) Demand situation of traditional Chinese Medicine Industry

Traditional Chinese medicine is an excellent cultural heritage of our country, which has a history of five thousand years and comes down in a continuous line with the traditional culture. The traditional Chinese medicine industry is closely related to the unique national culture of our country. From Huangdi Nei Jing to Shennong Materia Medica, from medical saint Zhang Zhongjing to medicine king Li Shizhen, the power of culture is deeply embedded in the vitality, creativity and cohesion of the nation (Hong, 2023). The theory of traditional Chinese medicine is broad and profound, the yin and yang theory of traditional Chinese medicine, the theory of mutual control of the five elements, the theory of meridians and collaterals, and “holistic concept, dialectical treatment” the use of traditional Chinese medicine to regulate the balanced health state of the human body are all unique advantages of our national medicine. The core idea of traditional Chinese medicine is the unity of man and nature. Many concepts and methods of its radical theory are more and more consistent with the developing immune theory and gene theory.

3. Analysis of the Factors Influencing the Industry Trend of Traditional Chinese Medicine Industry from the Perspective of Economics

In order to analyze the influencing factors of the industry trend of traditional Chinese medicine industry from the perspective of economics, the research should be based on the per capita GDP, the proportion of national residents' health care expenditure, the proportion of aging population and the proportion of urban population.

3.1. Per Capita GDP

With the improvement of the living standard and consumption level of Chinese residents, and the gradual recognition and attention to traditional medicine in the world, the demand of domestic and international market of traditional Chinese medicine is developing rapidly, and the market potential is huge. In terms of the domestic market, with the growth of population, the development of economy and the significant improvement of people's living standards, there is a lot of room for the development of traditional Chinese medicine market. At present, the level of drug consumption in China is still very low. In 1998, the per capita drug consumption was about 80 yuan (less than US \$10), while the annual per capita drug consumption in moderately developed countries reached US \$4050, and that in developed countries such as Japan reached US \$447,322 US dollars in France, 256 US dollars in Germany and 210 US dollars in Italy. It can be seen that people's living standards still have a significant impact on a country's drug expenditure. Because of China's large population base, the use of per capita GDP can better reflect the living standards of a country's people and its

Table 2. Per capita GDP (Yuan) (reference to 2023 Analysis of China's traditional Chinese Medicine Industry).

Year	Per Capita GDP	Year	Per Capita GDP	Year	Per Capita GDP
2010	5846.0	2015	8622.0	2020	16,165.0
2011	6420.0	2016	9398.0	2021	19,524.0
2012	6796.0	2017	10,542.0	2022	22,698.0
2013	7159.0	2018	12,336.0		
2014	7858.0	2019	14,053.0		

impact on the traditional Chinese medicine industry. Per capita GDP data from 2010 to 2022 are shown in **Table 2**.

3.2. Proportion of National Residents' Medical and Health Care Expenditure

With the economic growth, the income of Chinese residents has increased rapidly. In 2010, the per capita disposable income of urban households has reached 11759 yuan, and the per capita cash income of rural families has reached 4301 yuan. As a basic demand of human beings, health care has certain rigid characteristics, and health care expenditure is often met first with the increase of income. We believe that with the increase in income, the corresponding improvement in people's living standards will directly lead to an increase in residents' awareness of health care and an increase in demand for health care, thereby boosting drug expenditure. From 2010 to 2022, the per capita health care expenditure of residents doubled; in 2010, the per capita medical expenditure in cities and towns was 621 yuan, an increase of 3.2% over the same period last year, and that in rural areas was 192 yuan, an increase of 13.9% over the same period last year. Comparatively speaking, the absolute number of per capita medical expenditure in rural areas is relatively low, and there is a larger room for growth (Han, 2023). We believe that with the deepening of the government's reform of the "three rural issues", there will be a great leap in farmers' income, which will lead to the expansion of the rural medical market, which accounts for 56% of China's population. We are convinced that based on the judgment of the steady growth of China's overall economy, the increase in drug demand caused by income growth will support the rapid development of the pharmaceutical industry. The data on the proportion of national health care expenditure from 2010 to 2022 is shown in **Table 3**.

3.3. Proportion of Aging Population

With the enjoyment of the "demographic dividend" in the past and in the future, China's economy has further developed rapidly. During this period, the traditional Chinese medicine industry has undergone significant changes with the policy adjustment of China's pharmaceutical industry, the era of aging of Chi-

na's population is coming rapidly, and the demand for consumption of traditional Chinese medicine will increase rapidly. In other words, the aging of the population is very likely to become a great driving force and potential factor for the development of China's pharmaceutical industry. The main characteristics of China's population aging are, first, the rapid development of population aging; second, the aging of the population lasts for a long period of time; third, the society is not yet relatively affluent and the aging of the population has arrived in advance. In such an aging society, the challenge facing the traditional Chinese medicine industry will be the rapid growth of the demand for drugs for senile diseases, while the growth of the overall social ability to pay lags behind. The so-called "a sense of security for the elderly" and "a sense of security for the elderly". Among the expenses of the elderly, the most expensive is medical expenses. Especially under the influence of traditional ideas, the demand for traditional Chinese medicine is even greater, and the amount of expenses is very uncertain. The longer you live, the more expensive you will be. The proportion of medical expenses of the elderly population in GDP is also on the rise. It is estimated that the elderly generally consume 3 - 5 times more health resources than other groups. In Finland, the proportion of people over 65 is 14%, but the medical cost is 38%. Further subdivided, people over the age of 75 account for 6%, but take up 22% of medical resources. Therefore, the impact of the proportion of aging population on the output of traditional Chinese medicine is obvious. The proportion of the ageing population from 2010 to 2022 is shown in **Table 4**.

Table 3. Proportion of national residents' health care expenditure (%) (refer to the analysis of China's traditional Chinese medicine industry in 2023).

Year	Healthcare expenditure ratio	Year	Healthcare expenditure ratio	Year	Healthcare expenditure ratio
2010	3.69	2015	5.89	2020	6.93
2011	4.00	2016	6.14	2021	6.73
2012	4.43	2017	6.51	2022	6.84
2013	4.75	2018	3.55		
2014	5.65	2019	7.00		

Table 4. Proportion of aging population (%) (refer to the analysis of China's traditional Chinese medicine industry in 2023).

Year	The proportion of elderly population	Year	The proportion of elderly population	Year	The proportion of elderly population
2010	6.4	2015	7.1	2020	7.9
2011	6.5	2016	7.3	2021	8.1
2012	6.7	2017	7.5	2022	8.3
2013	6.9	2018	7.6		
2014	7.0	2019	7.7		

3.4. Proportion of Urban Population

The drug market of farmers and low-income groups, which account for about 70% of the total population, is undoubtedly the space that the traditional Chinese medicine industry should open up. However, the huge market space has encountered consumers with low purchasing power, who currently consume only 5% of traditional Chinese medicine products. In addition, the fact that farmers' continuous and continuous income has not increased determines their value orientation in choosing drugs-paying the least fee and taking the least amount of drugs to cure the disease in the shortest possible time. Their first choice is the therapeutic effect of the drug and the low price. However, at present, the varieties of traditional Chinese medicine in China, whether in research or production, or in the market, have ignored this special situation of farmers' consumer groups, and traditional Chinese medicine products have been difficult in the rural market. By the end of 2022, China's urbanization rate reached 43.9%, and the urban population reached 577.06 million, an increase of 75 million compared with 2012 (Sheng, 2022). The state has put forward the urbanization strategy in the 10th five-year Plan, among which the important point is to improve the level of population urbanization. It is expected that during the Eleventh five-year Plan period, the process of urbanization in China basically shows a rapid development trend, with an average annual growth rate of about 1 to 1.2 percentage points. By 2030, the level of urbanization in China may reach 47.5%, which will reach the average level of 47% of the world's urbanization in 1998. It is estimated that by 2020, the proportion of urbanization in China will rise to 50%, and about 300 million rural population will be converted to urban population.

The process of urbanization helps to expand the scale of health needs of urban population. In addition, the state also actively promotes insurance for migrant workers in cities and towns and expands the coverage of medical reform, which also helps residents' medical consumption and expands the scale of the pharmaceutical market. Therefore, due to the limitation of rural consumption level and the improvement of urbanization rate, the proportion of urban population has a certain influence on the development of traditional Chinese medicine industry. The share of urban population from 2010 to 2022 is shown in **Table 5**.

4. Market Investigation of Traditional Chinese Medicine Family Enterprises from the Perspective of Economics

In recent years, the traditional Chinese medicine industry generally presents a diversified development trend, and traditional Chinese medicine family enterprises begin to show the momentum of cluster development. A typical feature of traditional Chinese medicine family businesses is that the financial and purchasing departments are most likely directly controlled by family members, although sometimes these people seem to be incompetent. Even some family members who are corrupt in these positions will be accepted by family members

Table 5. Proportion of urban population (%) (refer to the analysis of Chinese traditional medicine industry in 2023).

Year	Urban population proportion	Year	Urban population proportion	Year	Urban population proportion
2010	30.48	2015	37.66	2020	43.90
2011	31.91	2016	39.09	2021	44.94
2012	33.35	2017	40.53	2022	45.68
2013	34.78	2018	41.76		
2014	36.22	2019	42.99		

as some form of feedback.

Sales and R & D are two departments that create value for Chinese medicine enterprises, and they need some real skills. The best state is someone in the family who has this talent, but there is a problem of intergenerational inheritance (Jie, 2022). It is impossible for ordinary entrepreneurs to train and select heirs from dozens of descendants like the royal family in the past, and also cultivate “clan kings” who are loyal and capable. Therefore, after the first generation of entrepreneurs fade out, the sales and R & D system is mostly filled by professional managers. At this time, the conflict between traditional imperial power and prime minister power will inevitably be repeated in the second generation and subsequent family businesses where entrepreneurs are in power, and some will be staged many times.

Thanks to modern financial instruments, family members of family businesses can not only expand through in-laws, but also through equity incentives to absorb more non-blood members. However, throughout human history, there are very few new members who have been able to “seal the borders”. As early as the early Han Dynasty, Liu Bang has realized a truth—“not Liu but king, the world will fight together.”

5. Conclusion Analysis

From the perspective of economics, the development research and industry trend analysis of contemporary traditional Chinese medicine innovative cultural industry is a research of far-reaching significance. Through an in-depth discussion of the current situation, problems and future trends of the innovative cultural industry of traditional Chinese medicine, we hope to provide a valuable reference for the sustainable development of the industry.

The main contents are as follows: 1) from the point of view of economics, this study analyzes the current situation of the development of innovative cultural industry of traditional Chinese medicine. We find that with the development of social economy and the change of people’s concept of health, the traditional Chinese medicine industry is facing unprecedented opportunities for development. However, there are also some problems, such as insufficient technology

research and development, weak brand building, market competitiveness to be improved and so on.

2) In view of these problems, this study puts forward the corresponding policy recommendations and development strategies. We propose to strengthen technological R & D and innovation, promote the deep integration of the Chinese medicine industry with modern science and technology, strengthen brand building, enhance the market popularity and competitiveness of Chinese medicine products, and strengthen market supervision to protect the rights and interests of consumers, promote the healthy development of the Chinese medicine industry.

3) We predict the development trend of innovative cultural industry of traditional Chinese medicine in the future. We believe that with the continuous progress of science and technology and the change of people's concept of health, the innovative cultural industry of traditional Chinese medicine will usher in a broader space for development. At the same time, the industry will also face more fierce market competition and technical challenges, and need to constantly innovate and improve itself in order to adapt to market demand and changes.

In a word, this study makes an in-depth analysis and research on the development of innovative cultural industry of contemporary traditional Chinese medicine from the perspective of economics. Through the results and conclusions of this study, we hope to provide valuable reference and guidance for the development of innovative cultural industry of traditional Chinese medicine. At the same time, we also call on more people to pay attention to and support the development of the innovative cultural industry of traditional Chinese medicine and jointly promote the prosperity and development of the cause of traditional Chinese medicine.

Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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