

# Traditional Chinese Medicine, and Health and Wellness Industry: Analysis and Discussion on the Integrated Development under the Background of Big Health

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**Abstract:** With the implementation of the national "Healthy China 2030" Plan Outline and the "14th Five-Year Plan" for the Development of Traditional Chinese Medicine (TCM), the health-centered new form of TCM health and wellness have garnered significant societal attention. TCM health and wellness industry is considered to be a key force in promoting the high-quality development of TCM industry and advocating healthy lifestyles. This paper conducts an in-depth analysis of the intrinsic logic behind the integrated development of TCM health and wellness industry, examining both the necessity and feasibility of industrial convergence. It further investigates the practical challenges in industrial integration and proposes a novel pathway for the distinctive development of TCM health and wellness industry. This pathway is constructed through four key dimensions: establishing a collaborative and interactive mechanism, innovating brand culture systems, optimizing the pattern of resource allocation, and strengthening top-level strategic planning. The study aims to provide new impetus for the high-quality development of the TCM health and wellness industry by offering a comprehensive framework for industrial integration.

**Keywords:** Health China; Traditional Chinese Medicine (TCM); Health and Wellness; Integrated Development

## 1. Introduction

In 2016, the State Council issued the outline of the strategic plan for the development of TCM (2016-2030), and the launch of the 14th Five-Year Plan for the Development of TCM [1-2], it has fully demonstrated that China attaches great importance to the development of TCM and has made remarkable achievements. At the same time, with the vigorous implementation of the "Healthy China 2030" plan, and the increasing number of sub-health people, people's yearning for health is increasingly strong [3]. The people's desire for a better life is becoming more and more urgent, and they pay more attention to the development of national health and health cause and the improvement of their own life and health and quality of life. Therefore, the industries related to health management, TCM health preservation, and the combination of medical treatment and care have developed rapidly. As a new form of business, the health care industry of TCM has risen rapidly in China, and has become a key force to promote the high-quality development of the TCM industry and advocate healthy lifestyles.

TCM is rooted in the traditional culture of ancient China, especially the Han culture. TCM is a science that studies human life, health and diseases. It is deeply influenced by ancient Chinese philosophy and formed a unique theoretical system such as Yin-Yang theory, Tibetan image theory and so on. These thoughts not only have a far-reaching impact on the theory and practice of TCM, but also reflect the understanding of the relationship between man and nature, man and society, man and self in Chinese traditional culture. The theoretical system and practical experience of TCM have been continuously improved and enriched in the long-term development, forming a unique academic system. In different historical periods, TCM 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.

At the same time, with the growing demand for health and attaching importance to traditional culture, TCM has also ushered in new opportunities for development. The health care industry of TCM has made a certain development in China. However, it is still in its infancy, and many problems need to be solved urgently, such as the low degree of industrial integration, the lack of obvious characteristics and advantages, the unbalanced allocation of resources, and the imperfect system [4]. On the basis of comparative analysis of a large number of studies on TCM industry, this paper will objectively evaluate the internal logic realistic dilemma that affects the development of the health industry of TCM through in-depth analysis. And then on this basis, this paper explores the optimal path of the integrated development of TCM and wellness industry in China. This paper provides new ideas for the current dilemma of the integration of TCM and health care industry, and provides theoretical reference for the integration of TCM and other industries.

## **2. The Internal Logic of the Integrated Development**

Under the background of the new era of health demand upgrading and economic structure adjustment, the integration of TCM and health care industry has become an inevitable trend. The integration of the two is not a simple superposition, but based on multi-dimensional logic, shows strong development potential and social value.

### ***2.1 Necessity of the Times***

#### ***2.1.1 Drive the Transformation, Optimization and Upgrading of TCM Industry***

With the development of social economy, the advent of silver economy, the update of disease map, the change of life style and the pursuit of health [5]. TCM industry is facing great changes unseen in a century. The development of TCM industry is mainly centered on Traditional Chinese pharmacy and medicine. The problems of monotonous and low quality of related products and services are prominent. The deep integration of the two industries can achieve more than double the effect [6]. The characteristics of innovative products and functions, improving service quality and efficiency, perfecting industrial chain and industrial cluster, and enhancing added value are possessed [7-8].

#### ***2.1.2 To Respond to the Diversified Needs for TCM Health Services***

As fundamental material needs are increasingly satisfied, the health and spiritual needs of individuals have become progressively more prominent [9]. TCM health and wellness industry serves as a core component of TCM theory. Thus, the development of the TCM health and wellness industry was influenced by the overall level of national medical, health and wellness directly. The growing populations of elderly individuals, adolescents, and those in sub-health states provide diverse consumer groups that facilitate the integration and advancement of the TCM health and industry [10-12]. For these distinct consumer groups, a wide range of services, including rehabilitation, wellness maintenance, tourism, dietary guidance, and cultural education was provided by TCM health and wellness industry. These diversified health services cater to the varying needs of different consumer groups, thereby further expanding the application domains and market potential of the TCM health and wellness industry.

#### ***2.1.3 To Realize the Inheritance, Innovation and Modernization Transformation of TCM Culture***

The inheritance and development of TCM culture is of long-term and great significance for the revitalization and development of TCM and the construction of healthy China [13], and it is an important part of the great rejuvenation of the Chinese nation in the new era. New vitality and era value is injected into the TCM culture, its creative transformation and innovative development is promoted, and the modernization transformation of the TCM industry is accelerated by the integrated development of the industry. It is the primary task for the comprehensive construction of a modern socialist country by the high-quality development of the industry [14-15], and the future development of the health industry of TCM is no exception. The integrated development of TCM and health industry can promote the formation of more perfect relevant industrial chain, industrial cluster and green ecosystem. The close cooperation and collaborative innovation of each link of the industry will not only help to improve the service quality and efficiency of the whole industry, but also stimulate the vitality of the market, attract more resources, promote the development of the health industry of TCM

in the direction of green, diversified and intelligent, achieve a win-win situation of economic and social benefits, enhance the international influence of TCM culture, and enhance the cultural and national self-confidence.

## ***2.2 Realistic Feasibility***

### ***2.2.1 Rigorous and Effective Policy System***

In recent years, the development of TCM industry and health industry is highly valued by the country. Series of rigorous and effective policies and systems were issued by The Central Committee of the Communist Party of China, The State Council, the Health Commission and other authoritative departments. It aims to promote the deep integration and coordinated development of TCM health and wellness industry, and inject a steady stream of new impetus into its industrial integration development. The country continues to emphasize the unique advantages of traditional Chinese medicine. This has laid a solid foundation for the integration of the TCM concept of "preventive treatment" into the whole process of health promotion, the whole process of major disease prevention and treatment, and the whole process of disease diagnosis and treatment [14]. National policies not only provide clear guidance for the development of TCM health and wellness industry, but also form a diversified TCM health and wellness service model.

### ***2.2.2 Rich Resources of Traditional Chinese Medicine***

TCM is a medical system gradually constructed by the Chinese nation after a long medical practice. Its unique theoretical style and diagnosis and treatment characteristics have played an irreplaceable role in the field of health care services. TCM culture has a long history, which contains not only rich natural and cultural resources, but also profound philosophical wisdom and life care [16]. Our country has a long history, vast land and abundant resources, unique genuine medicinal materials, rich biological species, diverse regional landscape and other natural resources are widely distributed all over the country. This provides a solid foundation for the diversified development of the TCM health industry. The culture of TCM has been developing for a long time, and many great medical works have been passed down for centuries. Its cultural thoughts of "preventive treatment", "unity of nature and man" and "balance of Yin and Yang" coincide with the modern concept of health care [17-18]. Traditional Chinese medicine also emphasizes the concept of holistic recuperation, syndrome differentiation and treatment, and three-factor treatment, which are perfectly compatible with the personalized service of modern health care.

### ***2.2.3 Huge Potential Market Space***

The increasing aged population and sub-health population provide a broad market for the integration of TCM health and wellness industry. This makes the health care industry of TCM expected to become one of the most potential industries in the 21st century. On the one hand, with the advent of the silver economy, the demand for health care among the elderly population is increasing. The needs of the elderly group aged 50-65 years old in terms of time, living conditions, personal pursuit and other aspects are highly consistent with TCM health care, and they are more willing to choose TCM health care services [19]. On the other hand, the fast-paced life and work pressure in modern society make sub-health status ubiquitous. TCM provides effective health intervention and conditioning services for sub-health people with its concept of "prevention before disease onset" and unique nursing method. The concept of "preventive treatment for disease" has shown unique effects in the prevention, treatment and rehabilitation of senile diseases, chronic diseases and major diseases [20]. The public's awareness was improved, TCM was used and supported, and a huge market space was opened up.

## **3. Practical Difficulties in the Integration of TCM Health and Wellness Industry**

### ***3.1 A Significant Lack of Synergistic Linkage Mechanism***

The integration and development of TCM health and wellness industry involves many leading units and relevant departments, but there are many problems due to the lack of effective synergy mechanism. A cross-sectoral coordination mechanism will be established, and a government-led, multi-sectoral leading group for integrated industrial development will be set up to make overall plans for industrial development and solve major problems in a coordinated manner. An information sharing platform should be built to realize information exchange among governments, enterprises, medical institutions and other entities. The model of industry-university-research-application integration cooperation should

be promoted. TCM enterprises, research institutes and medical institutions should be encouraged to jointly carry out technological research and development. Product and service models should be encouraged to innovate.

### ***3.2 Brand Culture Construction Presents a Weak Situation***

In the process of integration of TCM health and wellness industry, strong brand culture support is needed. However, at present, its brand culture construction is relatively backward and has insufficient characteristics, which is difficult to form the core competitiveness. At present, the excavation and dissemination of the cultural connotation of TCM by industrial integration development is not enough, the brand construction awareness is weak, the positioning is vague, the brand lacks innovation and novelty [21], and the effective marketing communication strategy is lacking, which leads to the lack of cultural identity and brand loyalty of consumer groups, and it is difficult to expand the brand awareness and influence.

### ***3.3 The Allocation of Resources is Not Reasonable***

The integration of TCM health and wellness industry requires a large amount of resource investment. However, the current allocation of resources is scattered and unreasonable, and it is difficult to form a synergy. The integrated development of TCM health and wellness industry cannot be separated from the strong support of many factors such as policy, capital, market, nature, information, technology, and talents. But at present, the government and social capital investment is insufficient. Policies and market mechanisms are not yet perfect. The connection between natural resources and social information needs to be integrated. Technology and talent supply still need to be improved. The lack of effective integration and sharing mechanism of various key elements makes it difficult to aggregate into a strong support for industrial development. These lead to industrial development advantages can not be formed.

### ***3.4 The Construction of the Policy System is Not Perfect***

The integrated development of TCM health and wellness industry needs the support of a perfect policy system. But at present our country in this respect policy system construction is not perfect. At present, there are few policies and regulations specifically for the integrated development of the two, which is difficult to effectively guide and regulate the development of the industry. The existing policy support for the integrated development of TCM health and wellness industry is not enough, and it is difficult to effectively stimulate the market vitality. However, some policies lack maneuverability and pertinence, and are difficult to be effectively implemented, resulting in greatly reduced policy effects.

## **4. The Optimal Path of Integrated Development of TCM Health and Wellness Industry**

### ***4.1 Build a Synergy Mechanism***

Building a synergy mechanism is an innovative path to explore the deep integration of TCM health and wellness industry. The high-quality integrated development of TCM health and wellness industry needs to be regulated by the government. Relevant departments cooperate with each other, enterprises participate actively, the market operates efficiently, and colleges and universities provide intellectual support. The multi-organization coordination and linkage mechanism of technological innovation in scientific research institutions is also needed. The role of government departments in strategic guidance, overall coordination, layout planning, and resource integration has been fully played in the integrated development. The role of enterprises, universities and research institutions in promoting and supporting innovation has been given full play. Adhere to the principle of "government leadership, departmental cooperation, social participation and market operation". It will form an industrial structure of health, science and technology, education, finance and other multi-party linkage, resource sharing, and complementary advantages.

### ***4.2 Innovative Brand Culture***

It should strengthen brand awareness, guide enterprises and institutions to formulate brand development strategies, and clarify brand positioning and core values. A brand of TCM health and

wellness with cultural characteristics should be created by exploring the cultural connotation of TCM, integrating it into product design, servicing process and brand communication. It should strengthen brand quality management, establish and improve product and service standard system, enhance brand reputation. A group of Chinese medicine health and wellness brands with national and even international influence will be cultivated successfully. Through the holding of the TCM health industry culture expo and in-depth exploration of the history and culture of TCM, the characteristics of TCM can be integrated into products and services. In this way, the system of "TCM and" characteristic industries can be built and the overall development of the industry can be driven. On the basis of retaining the core function of TCM for health care, the characteristic TCM resources should be upgraded and reconstructed to inject new vitality. A new business form for the development of TCM health and wellness industry should be build.

#### ***4.3 Optimize Resource Allocation***

TCM health and wellness industry is one of the development projects of China's health industry during the "14th Five-Year Plan" period. Integrating and linking high-quality resources and adhering to the green concept is an important guarantee for continuously improving industrial quality and ecological added value. So it should integrate the resources of TCM, standardize the circulation market of TCM, promote the sinking of high-quality TCM resources, and improve the service capacity of primary health care institutions. And it should vigorously promote the construction of a green capital system, focus on green environmental protection, energy conservation and emission reduction, and guide capital to flow towards green and sustainable development. The improvement of market access thresholds should be encouraged and supported, a green market environment should be created, an information sharing platform to introduce advanced green high and new technologies should be build, and a talent sharing mechanism should be build by the government. They can let green high and new technologies and professionals flow fully within the industry, guide resources to lean towards green and healthy industries, and improve resource utilization. A solid guarantee will be provided for its green and sustainable development. With the integration and development of new concepts, the communication of all links in the industrial chain will be continued to deepen. Resources accelerated reorganization and iterative upgrading, industry all-round transformation and optimization. These will make the new round of integration of TCM health and wellness industry show explosive growth.

#### ***4.4 Strengthen Top-Level Strategic Design***

A key measure to promote the integrated development of TCM health and wellness industry is to strengthen the top-level design. First, the government and relevant departments should strengthen policy guidance and institutional norms for the TCM health and wellness industry. Through the formulation of relevant laws, regulations and standards, the service standards and norms of the industry, the direction and requirements of future development, the goals and measures of sustainable development, and the sustainable development of the industry. Second, the government departments should formulate the spatial layout and strategic planning for the development of the TCM health and wellness industry system, guide the rational allocation of resources, and avoid repeated construction and disorderly competition. Third, relevant government departments should correctly guide and support relevant enterprises to set up demonstration sites in appropriate areas. Then, government departments should also establish an evaluation and feedback mechanism with industrial characteristics. So they should refine the evaluation indicators and feedback standards, set up unified industry service standards and norms, and clarify the responsibilities of all parties. The process evaluation and result feedback of the integrated development of TCM health and wellness industry should be pushed. A multi-party linkage of efficient and comprehensive supervision and management system will be formed.

### **5. Conclusion**

In the context of general health, the integration of TCM health and wellness industry is one of the industries with great development potential. It is faced many difficulties and challenges, but also ushered in many development opportunities. To sum up, makeing full use of the unique advantages of TCM health and wellness industry, and relying on state and social support can effectively promote industrial integration and development of new business forms. It can inject new ideas and new impetus into the high-quality and diversified development of TCM industry cluster, and promote industrial innovation and development.

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