

Voluntary Report – Voluntary - Public Distribution

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Report Name: Health Consciousness Drives Ginseng Demand

Country: China - People's Republic of

Post: Guangzhou ATO

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Report Highlights:

China is the largest producer, consumer, and trader of ginseng. Rapid product innovation and increasingly diversified retail channels are supporting a shift from raw roots toward higher-value processed, functional, and branded products. Thanks in part to rising health consciousness among Chinese consumers, demand for premium, traceable American ginseng continues to grow - with ginseng imports reaching 4,673 tons in 2025.

Summary

This update on China's ginseng market has six sections:

- Section One outlines consumption trends – including sales channels and available product formats in the market;
- Section Two provides a market overview;
- Section Three covers China's domestic ginseng production – which includes Asian ginseng (*Panax ginseng*) and American ginseng (*Panax quinquefolius*);
- Section Four maps out China's imports and exports of ginseng over the past 5 years;
- Section Five deals with marketing – covering the marketing strategy of the Ginseng Board of Wisconsin in China as well as the key market players;
- Section Six recommends trade shows in China relevant to ginseng.

Section One: Consumption Trends

China is the world's largest market for American ginseng, with annual consumption estimated to exceed 6,000 metric tons across medicinal, food, and beverage applications. For American ginseng-based health supplement products, the market value was estimated to be around \$ 7 billion in 2025 and is expected to grow at 5 percent annually between 2025 and 2029, according to one industrial source. Although China is also one of the world's largest ginseng producers, 70 percent domestic demand of American ginseng remains dependent on imports from North America, namely the United States and Canada.

Demand for American ginseng is expected to continue to grow, driven by factors including China's aging population, increasing health awareness among younger consumers, ongoing innovation in American ginseng-based products, and government policies that encourage the use of American ginseng as a food ingredient in addition to its traditional medicinal applications (Please refer to the GAIN report [American Ginseng Officially Approved for Use as A Food Ingredient in China](#)).

While senior citizens and white-collar professionals facing high workplace stress remain important consumer groups – purchasing American ginseng for personal health maintenance and gifting purposes – consumers in their 20s and 30s now account for more than 40 percent of total consumption. This shift reflects the success of marketing strategy that has consistently promoted American ginseng's anti-fatigue and immune-supporting benefits.

Sales Channels

American ginseng has traditionally been sold through pharmacies as a traditional Chinese medicine (TCM) ingredient, a health supplement, or as a prescribed medicine in hospitals. However, as product applications and formats have expanded, sales channels have diversified beyond pharmacies and hospitals to include supermarkets, e-commerce platforms, and social media platforms.

E-commerce platforms – such as Taobao, Tmall, and JD.com – have become the dominant retail channel estimated to account for approximately 60 percent of American ginseng sales in China. Leading distributors, including Cai Zhi Lin, Tong Ren Tang, and Lei Yun Shang, operate flagship stores on these platforms, offering a wide range of American ginseng products (sliced, whole root) and ginseng-derived products (tea, extracts) directly to consumers.

Livestreaming and social media platforms, particularly Douyin and RedNote, have also emerged as increasingly important sales and marketing channels. Distributors either sell products directly through these platforms or collaborate with influencers to promote and market their ginseng products to targeted consumer segments.

Meanwhile, "new retail" channels are gaining market share by integrating online ordering with rapid delivery. For example, Meituan's Elephant Supermarket enables consumers to have ginseng products delivered to their doorsteps, typically within 30 to 40 minutes, making these platforms increasingly attractive for consumers.

Despite the rapid growth of online sales, offline channels are estimated to still account for roughly 40 percent of total American ginseng sales. These include pharmacy chains with outlets nationwide such as Guoda Drugstore and Tong Ren Tang, supermarket chains including Sam's Club, and hospitals that dispense prescribed ginseng products. Sam's Club has become a particularly important retail channel. Distributors compete aggressively for shelf space in its stores, which currently carry both U.S. and Canadian ginseng products supplied by a range of distributors.

Product Formats

The most common forms of American ginseng available in the Chinese market are whole roots and sliced ginseng packaged in gift boxes, with ginseng powder available to a lesser extent. Consumers usually use these products to brew herbal teas by blending them with other ingredients such as chrysanthemum, red dates, or dried rose buds, or incorporate them into home-cooked dishes such as ginseng chicken soup.

Chinese food manufacturers have also developed a wide range of innovative products containing American ginseng, including candies, pastries, and beverages such as coffee, tea, and beer. These products are regulated as conventional foods and are not permitted to make medicinal or health benefit claims unless they have been approved by the State Administration for Market Regulation (SAMR) as health foods under the "Blue Hat" certification system. The "Blue Hat" logo is China's official regulatory mark for registered or filed health supplement foods, indicating that the product has met SAMR's requirements for safety, quality, and substantiated health functions. Only products bearing this certification may make approved health function claims in the Chinese market.

Between 2020 and 2024, among all registered health supplement products in China, the share of ginseng-based products increased from 6.8 percent to 7.1 percent, reflecting growing market demand and the industry's increasing efforts and investment in R&D for ginseng-based health supplement products. As of the end of February 2025, ginseng capsules accounted for more than 48 percent of all registered ginseng-based health supplement products in China, making them by far the most prevalent product form due to their convenience and ease of consumption. Ginseng pills represented 17.35 percent of registered products, followed by oral liquids (9.51 percent), ginseng liquor (6.63 percent), granules (6.03 percent), and ginseng tea (4.09 percent). Capsules and pills are the most popular formats, reflecting consumer preference for portable and convenient dosage forms.

In terms of functional claims, 50.7 percent of ginseng-based health supplement products are positioned to support immune system, while 45.7 percent emphasize anti-fatigue benefits. Other claimed functions, such as blood glucose regulation, blood lipid reduction, and improved resistance to hypoxia, are featured by a smaller proportion of products.

In addition to being used in medicine, food and beverages, and health supplement products, American ginseng is also used as an ingredient in skincare (facial creams and masks) and personal care (shampoo) products in the China market.

Below are photos showing some American ginseng products, one of which is a developmental FAS China product:



American ginseng roots on the shelf of a Sam's Club outlet in Guangzhou, with the GBW seal on the packaging
Source: Photo taken by ATO Guangzhou staff



American ginseng tea bags sold by Cai Zhi Lin on Tmall, with the GBW seal on the packaging
Source: Cai Zhi Lin's flagship store on Tmall app



American ginseng sparkling water – a developmental product co-developed by FAS China And a Chinese brewery – unavailable in the market
Source: Photo taken by ATO Guangzhou staff



American ginseng coffee capsules sold on Taobao
Source: Taobao App

Section Two: Market Overview

China remains the world’s largest producer, consumer, and trader of ginseng; this is supported by a deep cultural affinity for ginseng, diversified product formats, and a rapidly evolving industry structure. The market is shifting from traditional raw-root sales toward higher-value, branded, and deeply processed products, reflecting broader consumer trends and industry modernization.

Consumption growth has moderated in recent years due to macroeconomic pressures, softer discretionary spending, and elevated inventories. Still, demand for premium, traceable, and imported ginseng — particularly U.S.- and Canadian-origin ginseng — remains resilient among higher-income consumers. China produces both American ginseng (*Panax quinquefolius*) and Asian ginseng (*Panax ginseng*). Even though it is the world’s third-largest producer of American ginseng, domestic supply of high-quality roots remains insufficient, driving imports to more than 4,000 tons in 2025.

The industry is transitioning from a model dominated by primary agricultural products and medicinal raw materials toward expanded deep processing. Processing rates are rising from 45 percent toward 60 percent, with product categories now spanning ginseng foods, pharmaceuticals, health supplements, cosmetics, and biopharmaceutical applications. The inclusion of American ginseng in China’s medicinal and edible homology list in November 2023 significantly broadened access to mass-market channels, accelerating innovation in consumer formats such as ginseng beverages, snacks, coffee, and even ice cream.

Although China leads global production, the market remains fragmented, with no nationally recognized brand dominating consumer mindshare. An aging population and rising interest in immunity support, combined with younger consumers’ pursuit of wellness and functional nutrition, continue to expand demand and drive product diversification.

Section Three: China's Domestic Production

China's ginseng cultivation area remains stable at approximately 40,000 hectares, with annual output consistently exceeding 110,000 metric tons – Asian ginseng (*Panax ginseng*) and American ginseng (*Panax quinquefolius*) combined. Production is concentrated in Jilin, Heilongjiang, and Liaoning, with Jilin firmly dominating due to its extensive cultivation base and a well-developed processing industry. As the country's core production region and largest trading hub, Jilin accounts for around 60 percent of national output. Within the province, Fusong County hosts the Wanliang Ginseng Market, the world's largest national-level ginseng trading center.

More than 95 percent of domestic output comes from cultivated ginseng, which includes standardized field-grown ginseng and forest-grown simulated wild ginseng. However, forest protection requirements and land-use restrictions have reduced forest cultivation acreage, tightening supplies of forest-grown raw materials. At the same time, rising consumer interest in naturally grown and traceable products has strengthened demand and contributed to higher prices.

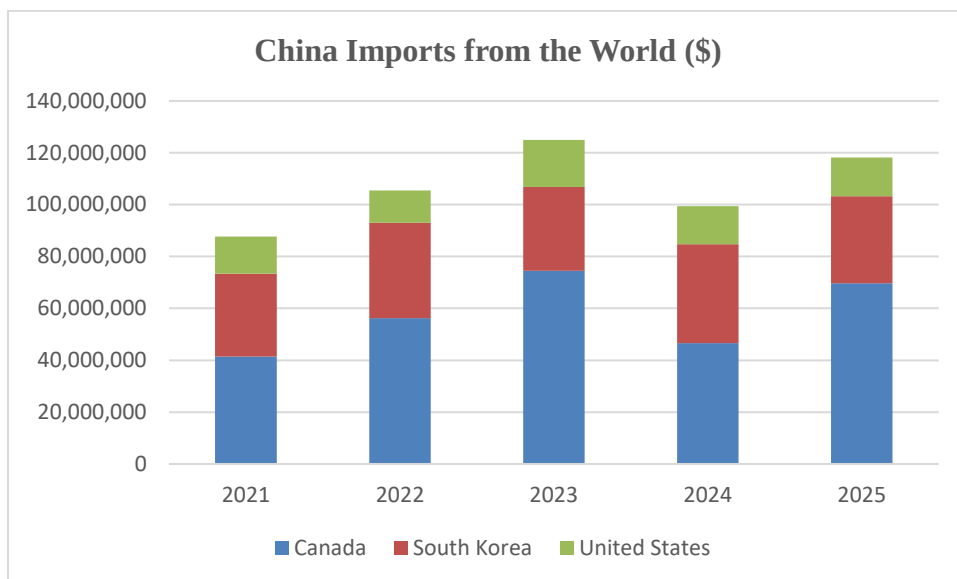
Quality variation remains significant due to weather conditions, disease pressure, and differing cultivation practices. Producers report that high inventories have placed downward pressure on farm-gate prices, while rising labor, land-leasing, and regulatory compliance costs continue to constrain margins and accelerate industry consolidation.

Section Four: Trade

Imports

China is the world's largest ginseng importer, and import demand continues to expand alongside growth in the domestic health-product market. In 2025, mainland China imported 4,673 metric tons of ginseng — more than five times the volume imported by Japan, the second-largest global importer. China's American ginseng imports are primarily sourced from Canada and the United States, reflecting long-standing supply relationships and the strong reputation of American ginseng in the Chinese consumer market.

Regulatory changes have further supported import growth. Following China's 2023 decision to classify American ginseng as a food ingredient, customs clearance and inspection procedures for shipments intended for food use have been streamlined. As a result, an increasing number of Chinese ports have begun handling American ginseng imports under the food-ingredient category, reducing administrative burdens for importers and improving logistics efficiency.

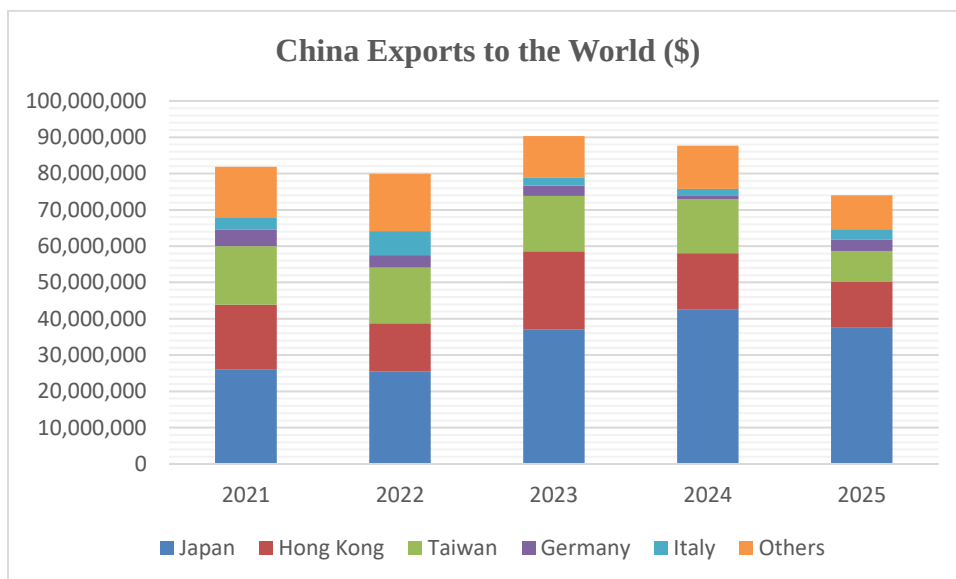


Source: Trade Data Monitor, LLC.

Exports

China exported 1,978 tons of ginseng worldwide in 2025, with Japan remaining the dominant market and accounting for nearly 40 percent of total outbound shipments. Export prices have shown a modest upward trend in recent years but overall remain stable, averaging \$37 per kilogram, depending on product form and quality.

China introduced new, dedicated import and export tariff codes effective as of January 1, 2026, specifically for wild ginseng grown under forest canopies. The new classifications — 1211.2031 for fresh wild ginseng (excluding American and Russian varieties) and 1211.2032 for dried wild ginseng (excluding American and Russian varieties) — provide clearer product differentiation and reinforce the premium positioning of China's high-end forest-grown wild ginseng in international markets. By distinguishing these products from conventional cultivated ginseng, the policy enhances pricing power, strengthens recognition of product value, and supports China's efforts to expand exports of differentiated, higher-margin ginseng products.



Source: Trade Data Monitor LLC.

Section Five: Marketing

The Ginseng Board of Wisconsin (GBW) has an in-country representative office based in Shanghai. It maintains a Chinese-language [website](#), which serves to educate and engage Chinese consumers on the value of Wisconsin ginseng. GBW's marketing efforts in the Chinese market focus on the Wisconsin origin and the GBW Seal Program, which together serve as the foundation to assure product authenticity and quality in the marketplace.

Currently there are seven authorized GBW seal users in mainland China and Hong Kong. These authorized Wisconsin ginseng dealers either sell their ginseng products directly to Chinese consumers through retail/distribution channels or sell ginseng ingredients to third-party food processors.

- Cai Zhi Lin (a subsidiary under the state-owned Guangzhou Pharmaceutical Holdings, headquartered in Guangzhou)
- Tongshang Zidao (Shanghai)
- Yi Neng Da (Nanjing)
- Shanghai Renyi (Shanghai)
- Heil Ginseng (Shanghai)
- Great Neck (Hong Kong/Shanghai)
- Prince of Peace (with offices in Hong Kong, Shanghai, and Guangzhou)



Seal of Ginseng Board of Wisconsin
Source: GBW website

Intellectual property protection remains an important consideration for U.S. ginseng exporters in China. Although GBW has successfully enforced its registered certification mark against unauthorized use of its seal, reducing direct trademark infringement in the marketplace, misleading origin claims remain a challenge. Some products continue to imply U.S. or Wisconsin origin through packaging, imagery, or marketing claims despite containing non-U.S. ginseng or blended ingredients. Because the botanical origin of processed ginseng products can be difficult to verify, exporters should register trademarks and certification marks in China, actively monitor the market for infringement, and work closely with trusted importers and distributors to protect brand integrity.

Major domestic brands such as Cai Zhi Lin (authorized GBW seal user), Tong Ren Tang, Lei Yun Shang, Tongshang Zidao (authorized GBW seal user), Hu Qing Yu Tang, Kangmei Pharmaceutical, Yunnan Baiyao, and Jiuzhitang, are key players in China's American ginseng market, leveraging strong consumer trust, nationwide retail and distribution networks, and huge processing capacity. These brands source U.S. or Canadian-grown ginseng, or domestically grown ginseng, and market it under their own brands, offering a vast variety of product formats from ginseng roots to tea and capsules. In addition, American ginseng companies such as Hsu's Ginseng, which promotes Wisconsin-grown American ginseng, have established a notable presence among consumers seeking authentic imported products. All the above-mentioned brands operate online outlets on e-commerce platforms such as Taobao or JD.com. Brand reputation, country of origin, product appearance (particularly root size and slice grade), and perceived quality are key purchasing factors, especially for gift purchases, allowing well-established brands to command price premiums.

Section Six: Recommended Trade Shows

FAS China recommends the following trade shows for American ginseng exporters and traders seeking to enter the China market, expand sales, or build up brand image and reputation. Two of the trade shows below are USDA-endorsed shows, with U.S. exhibitors organized by FAS China to exhibit under a USA Pavillion to amplify visibility and impact.

Event Name	Dates (2026/2027) (chronological order)	Location	Organizer	Remarks
PharmChina	Oct. 21-23, 2026	Beijing (China International Exhibition Center, Shunyi)	SinoPharm, China Association of Pharmaceutical Commerce	Leading professional trade show for the pharmaceutical and healthcare industry.
China International Import Expo (CIIE)	Nov. 5-10, 2026	Shanghai (National Exhibition and Convention Center)	China's Ministry of Commerce, Shanghai Municipal Government	Increasingly important for foreign agricultural and health product exporters.
Food Ingredients China (USDA-endorsed show)	March 17-19, 2027	Shanghai (National Exhibition and Convention Center)	China Food Additives & Ingredients Association	Most important ingredient-focused event encompassing food and beverage, nutraceuticals and health supplements, etc.
SIAL China (USDA-endorsed show)	May 18-20, 2027	Shanghai (Shanghai New International Expo Center)	Exposium-Sial Exhibition Co., Ltd.	Good for retail products and packaged consumer goods. For bulk ginseng, FIC (above) might be more valuable.
CPHI and PMEC China	June 16-18, 2027	Shanghai (National Exhibition and Convention Center)	Informa Markets, China Chamber of Commerce of Medicines and Health Products Importers and Exporters	Asia's largest pharmaceutical sourcing event across pharma ingredients, natural products, biotech, TCM, etc.
Healthplex Expo/Natural and Nutraceutical Products China (HNC)	June 22-24, 2027	Shanghai (National Exhibition and Convention Center)	Informa Markets, China Chamber of Commerce of Medicines and Health Products Importers and Exporters	Premier trade show in the health and nutrition industry encompassing nutraceuticals, natural products, dietary supplements, etc.

Further Information

FAS China has published the following GAIN reports regarding American ginseng to be used as health food ingredients in China:

[PRC Inclusion of American Ginseng in Health Food Ingredient Catalog](#)
[Technical Requirements for Health Food Products with American Ginseng as Ingredient](#)

For more information, please contact the following USDA Foreign Agricultural Service offices in China.

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Attachments:

No Attachments.