# Global medicinal mushrooms market to reach $53 billion by 2034 driven by health trends and innovation



The global medicinal mushrooms market is poised for significant expansion over the next decade, with projections valuing the sector at approximately USD 53.3 billion by 2034, up from USD 24.0 billion in 2024. This growth corresponds to a compound annual growth rate (CAGR) of 8.3% between 2025 and 2034, reflecting rising consumer interest in natural health supplements and plant-based wellness products.

North America currently leads the market, holding a substantial 43.8% share valued at USD 10.5 billion in 2024. The United States and Canada drive this dominance, supported by increased consumer awareness and acceptance of mushroom-based health products in dietary supplements and functional foods. Europe follows closely with a mature nutraceutical industry, especially in countries such as Germany, France, and the UK. Meanwhile, the Asia Pacific region is steadily growing, propelled by the historical and cultural use of medicinal mushrooms in China, Japan, South Korea, and India.

Medicinal mushrooms are a specialized group of fungi renowned for their health-promoting bioactive compounds, including polysaccharides, beta-glucans, and triterpenoids. These components are known to enhance immune function, reduce inflammation, and support cognitive health. Unlike culinary mushrooms, these varieties—such as reishi, chaga, lion’s mane, and cordyceps—have long-standing applications in traditional medicine systems like Ayurveda and Traditional Chinese Medicine.

Among species, reishi mushrooms account for the largest market share at 29.4% in 2024, attributed to their well-documented adaptogenic and immunity-boosting properties. They are widely used across nutraceuticals, functional beverages, and herbal supplements. Reishi mushrooms' diverse availability in forms such as powdered extracts, capsules, and health drinks contributes to their widespread consumer acceptance. Manufacturers increasingly standardize reishi products based on polysaccharide content, aligning with consumer demands for product efficacy and transparency.

Product-wise, extracts dominate the market with a 69.9% share. Their popularity stems from the high potency and standardised dosage they offer, making them convenient for use in capsules, tinctures, and functional beverages. The market reflects a preference for concentrated formulations ensuring consistent medicinal effects, with many companies adopting dual extraction techniques to retain both water-soluble and fat-soluble compounds. This technological advancement enhances the bioavailability of active ingredients, meeting sophisticated consumer expectations.

Dietary supplements constitute the largest application segment, holding 44.1% of the market in 2024. The rising inclination toward preventive health care and natural immunity boosters underpins this trend. Mushrooms like lion’s mane, cordyceps, and reishi are formulated into capsules, powders, and tablets addressing various health concerns such as cognitive function, stress management, and energy enhancement. The segment benefits from widespread availability across pharmacies, wellness stores, and e-commerce platforms.

Supermarkets and hypermarkets serve as the primary distribution channels with a 34.6% market share. These outlets offer consumers easy access, product visibility, and the convenience of in-person evaluation, which are important drivers in purchasing health-related products. Their wide product assortments, aided by promotional campaigns and strategic shelf placement, help increase mainstream acceptance of medicinal mushroom products. Such retail dominance is particularly evident in urban and semi-urban markets.

India's mushroom industry has witnessed substantial growth, with production nearly doubling from 113,000 metric tons in 2010 to 242,000 metric tons in 2020, and projections estimate it will reach 331,000 metric tons by 2030. Despite this progress, the country contributes just about 2% to the global mushroom market. The industry in India is primarily led by white button mushrooms (73%), followed by oyster (16%) and paddy straw mushrooms (7%). Recently, Indian exports of fresh and processed mushrooms reached 7,768 metric tons during 2022-23, valued at approximately ₹123.64 crore (US$16.16 million), representing tremendous year-over-year growth in both volume and value. The main export markets include the European Union, the Middle East, and North America.

Government efforts bolster this sector, with organisations such as the Indian Council of Agricultural Research's Directorate of Mushroom Research (ICAR-DMR) and the All India Coordinated Research Project on Mushrooms (AICRPM) providing research support and farmer training across 27 states. In addition, the Department of Biotechnology funds projects aimed at cultivating medicinal varieties like shiitake and maitake, particularly in Northeast India.

The market is shaped by several growth drivers. Increasing health awareness among consumers is fostering demand for natural and plant-based supplements that support immunity, mental clarity, and cardiovascular health. This trend is especially prominent in developed regions such as North America and Europe. Furthermore, the emerging interest in functional foods—products that offer more than basic nutrition by delivering specific health benefits—is opening new opportunities for medicinal mushroom inclusion in everyday items like soups, snacks, teas, coffees, and protein bars.

One of the latest product trends is mushroom-infused beverages, notably mushroom coffee, which combines traditional coffee with extracts from medicinal mushrooms like reishi and lion’s mane. These beverages are sought for their promise of enhanced focus, stress relief, and immune support while offering a natural alternative to conventional caffeinated drinks.

Despite the promising outlook, the market faces some challenges. A primary restraint is the lack of comprehensive clinical evidence validating many of the health claims associated with medicinal mushrooms. This gap leads to consumer scepticism and cautiousness among healthcare professionals who may be reluctant to recommend such products without robust scientific backing. Regulatory requirements for health supplements in various countries impose stringent testing and approval processes, potentially delaying product launches and market expansion.

Leading companies shaping the global medicinal mushrooms market in 2024 include Monterey Mushrooms, LLC, Nammex, and Bio Botanica, Inc. Monterey Mushrooms, based in California, specialises in fresh, dried, and powdered mushrooms with a focus on sustainable and locally sourced products. Nammex stands out for its commitment to certified organic mushroom extracts, emphasising transparency and rigorous quality control. Bio Botanica provides botanical extracts, including medicinal mushrooms, catering largely to the nutraceutical industry with refined extraction techniques and innovative formulations.

Recent developments include Hokkaido Reishi Co., Ltd.’s patented hot-water extraction method introduced in February 2025, enhancing the bioavailability of active compounds in mushroom powders used for capsules, teas, coffees, and fermented enzyme drinks. Additionally, in August 2024, CNC Group expanded its global export capacity by acquiring DTO BV, a company specialising in mushroom substrate supply with patented transport technology that preserves substrate quality during shipment to farms in 40 countries.

In summary, the medicinal mushrooms market reflects a dynamically evolving landscape driven by health-conscious consumers, product innovation, and expanding regional markets, with North America firmly established at the forefront. Steady advancement in extraction technologies, diversified product formats, and growing consumer familiarity continue to stimulate demand, while scientific validation and regulatory oversight remain critical factors influencing its trajectory.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://market.us/report/medicinal-mushrooms-market/> - Corroborates the projected market size of USD 53.3 billion by 2034 and an 8.3% CAGR from 2025 to 2034.
* <https://www.marketresearchfuture.com/reports/medicinal-mushroom-market-5556> - Supports the broader market growth context, including regional dominance and segmentation (types like Reishi, Chaga) and applications in dietary supplements.
* <https://www.expertmarketresearch.com/reports/medicinal-mushroom-market> - Confirms the 8.8% CAGR projection (similar to the 8.3% figure) and identifies North America's leadership role alongside key drivers like health consciousness and functional food demand.
* <https://www.polarismarketresearch.com/industry-analysis/mushroom-extracts-market> - Validates the dominance of extracts (69.9% market share mentioned in the article) and highlights dietary supplements as the largest application segment.
* <https://www.marketresearchfuture.com/reports/functional-mushrooms-market-25605> - Substantiates product diversification trends, including functional foods/beverages and mushroom coffee, aligning with the article’s description of emerging product categories.