

# Legitimation of unwanted, dispersed, hidden innovations



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## Abstract

The goal of this research was to identify which factors contribute to the legitimation of unwanted, dispersed, hidden innovations by evasive, dispersed, hidden institutional entrepreneurs in the Netherlands. Entrepreneurs that work with psychedelic substances are chosen as unit of analysis, because they work with this type of innovations. Those entrepreneurs were asked about their legitimation strategies and also outsiders of the sector were interviewed to examine how they view these legitimation strategies. After analyzing the interviews, a new theoretical model was formed explaining the pathway how entrepreneurs legitimize unwanted, dispersed, hidden innovations. This model consists of three phases which happen consequently. The first phase consists of various hidden, dispersed entrepreneurs working with psychedelic substances and they all had their own innovative activities, vision and not much communication was going on between the organizations. The second phase regards the emergence of professional organizations that connected through social media and social events to different important stakeholders, such as investors, different media outlets, scientists and thought leaders with many followers. They also linked to already existing professions, like psychologists, psychiatrists, and certified therapists to get more legitimacy from the public. All these collaborations resulted in the formation of an isomorphic field and an umbrella organization emerged with the goal to create standardized work protocols. This umbrella organization was also meant to lobby for the legitimacy of the psychedelic organizations. Nevertheless, most underground organizations remained underground, but are now more connected to the whole psychedelic community. The four main factors that contributed to the legitimation of these innovations were (1) professional organizations were able to exist through the exploitation of gaps in regulations, (2) events that led to the collaboration of different actors, (3) collaborating with already legitimate professions in order to legitimize their own profession, and (4) the formation of an umbrella organization from delegates of all professional and underground organizations to work on collective innovation and legitimation strategies.

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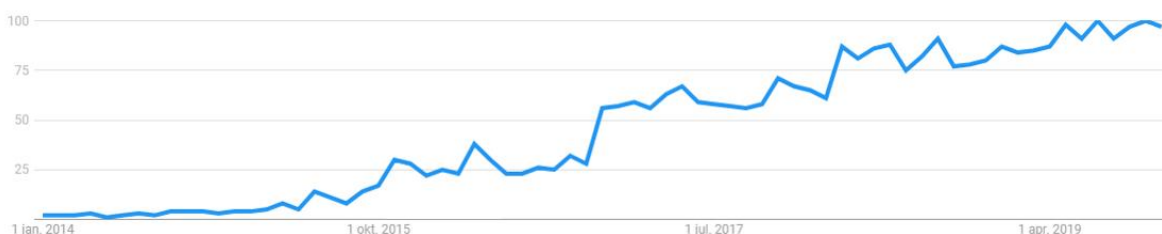
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# 1. Introduction

A growing amount of entrepreneurial activities is being observed in the health and well-being domain concerning the use of psychoactive substances (Carhart-Harris & Goodwin, 2017; Eischens, 2019; Hupli et al., 2019; Nichols, 2016). However, the entrepreneurs working with these substances face institutional barriers as most of these psychoactive substances have been scheduled as illicit substances as they are deemed to have no therapeutic or social value and would cause harm to the user, to others and to society (Gahlinger, 2003). Thus, the entrepreneurs have to legitimize their actions in order to continue or start off their activities (Battilana et al., 2009). But since these substances are assumed to be unsafe and without value, they lack legitimacy, which constrains entrepreneurs from exploiting their activities (Gahlinger, 2003). However, a growing amount of recent studies seems to indicate that the use of these substances is safe and does have medical and therapeutic benefits where traditional Western medicine do not work, which creates a window of opportunity for the entrepreneurs (Carhart-Harris et al., 2016; Carhart-Harris & Goodwin, 2017; Palhano-Fontes, 2019; Tupper et al., 2015).

One of the trends concerning psychedelic substances is called *microdosing* and has been gaining attention in Silicon-Valley where these substances are used in very small amounts to increase work productivity (Glatter, 2015; Vernon, 2019). The term 'microdosing' is defined in this research as: the consumption of sub-perceptual doses of a psychedelic substance such as psilocybin or LSD (Fadiman, 2011).

Since a few years more information has come available on online platforms and an increase in research projects can be observed (Hupli et al., 2019; Kuypers et al., 2019; Polito & Stevenson, 2019). For example, the number of subscribers to the online microdosing sub-forum of Reddit over the last few years has been rising exponentially and, accordingly, Figure 1 shows the increase in Google searches for microdosing, which indicates the relative interest over time in percentages. From the research by Hupli et al. (2019), Kuypers et al. (2019) and Figure 1, it seems to indicate that microdosing with psychedelic substances, such as psilocybin or LSD, have become more of interest, which can be a result of the increasing legitimation of the topic.



**Figure 1.** Increase in interest for microdosing according to Google trends from 2014-2019.

Another trend concerning psychedelic substances can also be observed, which is called *psychedelic therapies*. Within this sector, organizations offer therapeutic sessions with the use of psychedelic substances (Carhart-Harris & Goodwin, 2017). However, these entrepreneurs face the same institutional barriers as the entrepreneurs working on microdosing (Eischens, 2019). Nonetheless, *psychedelic therapies* is already a more matured sector and more organizations are present (Eischens, 2019; Krebs & Johansen, 2012; Sessa, 2015;

Psychedelic Experience, 2019; Winkelman & Sessa, 2019). The organizations, that deal with the legitimation of psychedelic substances, will be regarded as entrepreneurs in the emerging psychedelic sector.

It can be assumed that entrepreneurs working with microdosing and psychedelic therapies face similar institutional barriers to legitimize their innovations. The innovations concerning the use of psychedelic substances for microdosing and therapies will be regarded as *unwanted, dispersed, hidden innovations* in this research. First, both are considered *innovations*, because entrepreneurs introduce and exploit new business models regarding different ways of using psychedelic substances with the social goal to add value to the health and well-being domain (Carhart-Harris & Goodwin, 2017; Eischens, 2019). Moreover, innovation does not always have to be on product level, but can also apply to the way of administering a substance or offering new types of services (Oke, 2007), which is the case for psychedelic substances. Second, they are *unwanted innovations* according to authorities as entrepreneurs are exploiting illicit substances, which is against the law (Overheid, 2019). Third, microdosing and psychedelic therapies are *dispersed innovations*, because these innovations happen in small organizations that all want to legitimize the use of psychedelic substances, but are not resourceful and act rather individually than in an organized way to legitimize these substances (Hoegl & Muethel, 2007; Hupli et al., 2019; Szkudlarek & Romani, 2016). Thus, meaning that the entrepreneurs are developing converging innovations in different locations at once while not much interaction between the organizations is taking place and organizations do little effort to mainstream their activities towards other organizations and the larger institutional environment (Bommert, 2010). Here, the institutional environment is defined as the laws, norms, and values in which entrepreneurs act (Battilana et al., 2009). And fourth, they are *hidden innovations*, since the innovations are not delegated in a top-down way, but rather happen in a bottom-up way, making it difficult to detect the innovative activities by outsiders, such as regulators (Garud & Ahlstrom, 1997; Harris et al., 2007).

Unwanted, dispersed, hidden innovations can be considered as relating concepts, since unwanted innovations are illicit and therefore cannot be too much out in the open and, thus, need to happen in hidden ways. Also, the entrepreneurs build their legitimacy in small networks in an unorganized way and do not communicate much about their activities outside their organization (Elert & Henrekson, 2016; Eischens, 2019; Hupli et al., 2019). In the cases of microdosing and psychedelic therapies it does not matter much for the entrepreneurs that they are hidden as they have a specific client base and know that they can be found by this special client base (Eischens, 2019). However, some entrepreneurs want to upscale their business to reach a larger client base and to be able to treat more people, but being hidden might become a constraint when upscaling (Harris et al., 2007). This means that the entrepreneurs need to engage in legitimation activities in order to come out of their hidden positions and reach a larger public.

There is some literature on unwanted, dispersed, and hidden innovation that describes these concepts separately (Antonopoulos & Mitra, 2009; Battilana et al., 2009; Hermans, 2013; Jolly, 2016; Söderberg, 2016). These articles explain the way entrepreneurs legitimize their innovations either in hidden or dispersed ways, or how innovations develop in a hidden or dispersed manner. Antonopoulos & Mitra (2009) describe how unwanted, hidden innovations affect the economy negatively with their case on cigarette bootlegging in Greece, but they do not touch upon the legitimation processes of these innovations. Also, their research does not

include whether these innovations happen in a dispersed or collective manner. Battilana et al. (2009) show how entrepreneurs induce institutional change. However, they do not mention how entrepreneurs induce institutional change in hidden and dispersed ways, and how these entrepreneurs engage in legitimation strategies for unwanted, hidden, dispersed innovations. Hermans' (2013) research concerns dispersed entrepreneurship in the agricultural sector in the Netherlands and Jolly's (2016) research concerns dispersed innovation and entrepreneurship in the wind energy sector in Finland and India, but both studies do not examine entrepreneurs that stay hidden and work with unwanted innovations. Söderberg (2016) describes how a subculture does unwanted innovation regarding drug production and the way these innovations are developed and communicated. However, this research does not include the legitimation of the innovations towards the wider institutional environment.

The previous mentioned articles focus on either unwanted, dispersed, or hidden innovations (Antonopoulos & Mitra, 2009; Hermans, 2013; Jolly, 2016; Söderberg, 2016). There is also research that focuses on institutional entrepreneurship by Battilana et al. (2009). However, the articles do not combine the concepts of unwanted, dispersed, hidden innovations, institutional entrepreneurship, and how legitimacy is created for these innovations. The main gap in the literature thus concerns the synthesis of institutional entrepreneurship with the legitimization of unwanted, dispersed, hidden innovation. Therefore, the cases of the legitimation of psychedelic substances will be appropriate to fill this gap as these innovations are unwanted, dispersed and hidden of nature. Since there is no literature yet on the legitimation of this type of innovations, this research explores the factors that contribute to the legitimization of unwanted, dispersed, hidden innovations. Accordingly, this research aims to answer the following research question:

*What factors contribute to the legitimation of unwanted, dispersed, hidden innovations by entrepreneurs in the Netherlands?*

To answer the research question, this research attempts to explore ways microdosing and psychedelic therapies have been gaining legitimacy in the Netherlands by examining entrepreneurs that work with psychedelic substances and comparing this to the available literature. The Netherlands has been relatively tolerant to the use of psychedelic substances, which makes it an environment where entrepreneurs are less constraint in performing activities with these substances (Tylš, Páleníček & Horáček, 2014). These entrepreneurs can be seen as institutional entrepreneurs, as they want psychedelic substances to be legitimized.

Answering the research question will expand on the institutional entrepreneurship theory by adding the creation of legitimacy regarding unwanted, dispersed, hidden innovations, so that these innovations eventually become legitimate through entrepreneurial activities. Furthermore, the hidden innovation theory gets also further expanded by including entrepreneurs that are working on the legitimization of hidden innovations in an unorganized and dispersed way. This will give a deeper understanding of strategies of entrepreneurs that put active institutional work in the legitimation of these innovations. The social relevance of this research will entail knowledge and guidance for entrepreneurs to legitimize unwanted dispersed innovations in order to develop their entrepreneurial activities. Moreover, it will consider strategies for entrepreneurs to legitimize their businesses and it will show how entrepreneurs can induce institutional change from the bottom-up. Furthermore, this research will be useful to raise awareness for policy makers to consider entrepreneurs developing

hidden, dispersed innovations as potential sources of innovation and it will show strategies policy makers can pursue to trigger innovation from the bottom-up. This research might convince policy makers, who are opponents of unwanted, dispersed, hidden innovations at first, that these innovations eventually have the potential to have economic and social impact when they are no longer hidden.

The remaining parts of this research proposal will use the following structure: section 2 will discuss the theoretical framework for this research and from this a new theoretical framework will be build, and section 3 concerns the methodological approach for answering the research question. Section 4 contains the results of the interviews and analysis for the revised theoretical model. Then, section 5 and section 6 concern subsequently the discussion and the conclusion.

## 2. Theoretical framework

This section clarifies further on the theories that will contribute to the formation of a theoretical framework and model. Since the use of psychedelic substances for microdosing and psychedelic therapies is not yet fully legitimized, entrepreneurs are working in dispersed and hidden manners. This is part of the institutional work that is being done to legitimize the actions of the different entrepreneurs. The concept of legitimacy will be defined according to Suchman (1995, pp. 574): *Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.* Four theoretical perspectives that concern the legitimation of innovations through different forms of entrepreneurship will be discussed. These theories are subsequently the institutional entrepreneurship theory according to Battilana et al. (2009), evasive entrepreneurship by Elert & Henrekson (2016), dispersed institutional entrepreneurship by Szkudlarek & Romani (2016), and the hidden innovation theory according to Harris et al. (2007). These theories are relevant to answer the research question, because they propose factors that, when combined, will give insights in how unwanted, dispersed, hidden innovations are legitimized through institutional entrepreneurship.

The institutional entrepreneurship theory by Battilana et al. (2009) proposes a framework for entrepreneurs to legitimize their activities. The evasive entrepreneurship theory by Elert & Henrekson (2016) sheds light on the activities that are done by entrepreneurs who try to circumvent the existing institutional framework. Furthermore, the dispersed institutional entrepreneurship theory by Szkudlarek & Romani (2016) and the hidden innovation theory by Harris et al. (2007) will be included to give a deeper insight in how relevant entrepreneurs innovate in unorganized ways while staying under the radar. Finally, the section ends with a theoretical model combining all four theories that will be used in this research.

### 2.1 Institutional entrepreneurship

Battilana et al. (2016) present factors that contribute to institutional change, which includes how entrepreneurs legitimize their innovations and activities. These factors allow institutional entrepreneurs to change the field-level conditions they act in, meaning that they change certain norms and values in order to legitimize their activities and be able to exploit those. For this research field-level conditions will be called *institutional environment*. There are two enabling conditions for institutional entrepreneurship, which are the institutional environment and the entrepreneurs' social position. The institutional environment encompasses all the rules, and cultural norms and values of the daily work and routines. This can either stimulate or block entrepreneurial activities. In the case of microdosing and psychedelic therapies, the institutional environment is still emerging, meaning that both are not fully institutionalized practices yet and need to be created by institutional entrepreneurs. In order to establish such an institutional environment the entrepreneur needs a strong social position, which can mean that the entrepreneur already has a strong social position with many followers or that the entrepreneur collaborates with an actor that has a strong social position. However, since most of these entrepreneurs stay hidden and dispersed, they do not have a strong social position at first (Hupli et al., 2019; Söderberg, 2016). Entrepreneurs working with psychedelics, thus, need to create and communicate a strong vision that appeals to potential allies that will help developing the new institutional environment. This also includes the legitimation of their



actions in the eyes of major stakeholders that they would need as allies for financial resources or social status.

The research by Battilana et al. (2009) focuses on entrepreneurs that do not perform innovation in a hidden way in the beginning, but are more outgoing in the early phases so they can be seen as the heroes of the new innovation. Thus, actively engaging with outsiders to persuade them of the legitimacy of their innovative activities. However, in the case of microdosing and psychedelic therapies, the entrepreneurs are less outgoing and try to legitimize it in more hidden ways in the beginning due to the contradictory nature of their activities (Eischens, 2019). The cases of microdosing and psychedelic therapies are classified as dispersed and hidden institutional entrepreneurship, because of the unorganized way the entrepreneurs interact with each other, but the research by Battilana et al. (2009) does not mention dispersed or hidden entrepreneurs. Hidden and dispersed entrepreneurs aim to legitimize their innovative activities, which can be done through the communication of a strong vision and obtaining a strong social position through mobilizing allies. Therefore, these concepts from the theory by Battilana et al. (2009) will be used in the theoretical model.

## **2.2 Unwanted innovation**

Elert & Henrekson (2016) connect the concept of institutional entrepreneurship by Battilana et al. (2009) to unwanted innovations. Institutional entrepreneurs that work with unwanted innovations are called *evasive entrepreneurs* (Elert & Henrekson, 2016). Evasive entrepreneurs try to evade or circumvent the existing institutional environment by exploiting inconsistencies in regulations within that environment, called institutional contradictions. Such institutional contradictions make it unclear whether an activity is illicit or not and as a result no clear sanctions are related to the activities, which increases the likelihood of evasive entrepreneurship (Elert & Henrekson, 2016). For example, when the entrepreneur is questioned by authorities and is able to present a clear reasoning for the activities and knows how to exploit legal loopholes and inconsistencies, there will be no consequences for the entrepreneurial actions.

According to Elert & Henrekson (2016) evasive entrepreneurs usually create new and disruptive activities regarding the existing institutional environment. However, these activities do not have to be necessarily profit driven, but evasive entrepreneurs can also act as social entrepreneurs and thus having more of an ideologically driven incentive. Either way, the evasive entrepreneurs try to exploit the institutional contradictions to increase their entrepreneurial activities. Moreover, when these activities are viewed as welfare enhancing, they might become legitimized on a broader scale and create positive feedback loops towards the larger political institutional environment. As consequence, the existing institutional environment might become obsolete and the evasive entrepreneurs have changed the institutional environment in their favor (Elert & Henrekson, 2016). Unlike Battilana et al. (2009), Elert & Henrekson (2016) argue that the evasive entrepreneurs do not actively work on changing the institutional environment in organized ways. However, the evasive entrepreneurs each have their own vision which they communicate to their peers and in this way try to create a better social position by gaining allies.

In the case of microdosing and psychedelic therapies, the use of psychedelic substances are mostly illicit and thus entrepreneurs working with them try to exploit the institutional contradictions in order to continue their activities. Moreover, the use of psychedelic substances is being promoted as alternative healing methods from traditional therapies (Eischens, 2016) and the entrepreneurs hope to eventually change the existing institutional environment in their favor as result of the increasing interest (Glatter, 2015; Patterson, 2019). For this research, the exploitation of institutional contradictions by entrepreneurs, in order to continue their innovative activities, is a relevant concept and will be used in the theoretical model.

### **2.3 Dispersed innovation**

According to Battilana (2009) entrepreneurs should be collaborating to increase their ability to change the institutional environment. However, it can be seen that most entrepreneurs working with psychedelic substances act in an unorganized way without collaborating even though they share a similar vision (Hoegl & Muethel, 2007; Hupli et al., 2019). Therefore, the dispersed institutional entrepreneurship theory according to Szkudlarek & Romani (2016) will be useful to give a deeper understanding of the way innovation takes place through dispersed institutional entrepreneurship. Moreover, the dispersed institutional entrepreneurs are not collectively engaging with the public, making it harder to legitimize all the dispersed activities (Szkudlarek & Romani, 2016).

Innovation through dispersed institutional entrepreneurship follows a bottom-up process where individual entrepreneurs compete with each other on converging strategies and products (Szkudlarek & Romani, 2016). This means that entrepreneurs innovate individually using locally available resources. The competition is not necessarily noticed by the dispersed entrepreneurs as the communication between them lacks and they are not fully aware of each other's activities (Szkudlarek & Romani, 2016). There are no large central actors in the dispersed networks, but rather all peripheral acting entrepreneurs. In general, entrepreneurs working with psychedelic substances can be classified as dispersed institutional entrepreneurs as they are neither resourceful nor have a clear organizational structure. The individual survival of dispersed entrepreneurs is weak and vulnerable as it depends heavily on convincing the legitimacy of their actions towards the public (Szkudlarek & Romani, 2016). However, all the individual legitimation efforts of the entrepreneurs result eventually in an isomorphic outcome, creating an institutional environment where the actions of the entrepreneurs gain more legitimacy. According to Szkudlarek & Romani (2016) *"this isomorphism is foremost an organic outcome of continuous independent day-to-day efforts of individual entrepreneurs who construct similar strategies to address the problems present in the organizational field."* (Szkudlarek & Romani, 2016, p.101). The isomorphic outcome can be defined as a field where the practices of the entrepreneurs become more homogeneous and some standardized processes are formed. The creation of this isomorphic field legitimizes the new practices of the entrepreneurs that have the expertise, which results in the emergence of a new type of profession (Szkudlarek & Romani, 2016). Dispersed entrepreneurs will be used as concept in the theoretical model as entrepreneurs that develop innovations in a bottom-up way and who are not connected to each other in the institutional environment. Furthermore, the formation of an isomorphic field will be used as outcome of all the entrepreneurial legitimation efforts.

## 2.4 Hidden innovation

Besides the observation that entrepreneurs working with psychedelic substances innovate in an unorganized way, they also innovate in a hidden manner. This means that their innovations stay under the radar as the entrepreneurs do not care much to spread their innovations out in the open, because they know that their specific client base will find them anyway (Eischens, 2019). Hidden innovations are developed through hidden entrepreneurship, because the entrepreneurs prefer to stay hidden while performing their innovative activities. Thus, little communication takes place between the hidden entrepreneurs and the public (Harris et al., 2007). Hidden innovations are defined as innovations that are difficult to distinguish for outsiders as they take place under the radar and aimed at a small client base. However, when the hidden innovation gains more legitimacy, it has the possibility to be upscaled and eventually become of more impact (Harris et al., 2007). Moreover, hidden innovation usually happens at multiple places at once as information about the innovations spreads online and entrepreneurs use this information, making it difficult to observe where the activities come from and what the innovative activities exactly are (Harris et al., 2007). Also, the hidden entrepreneurs do not actively communicate their innovative activities to the public and they make sure their activities are only known by their small network.

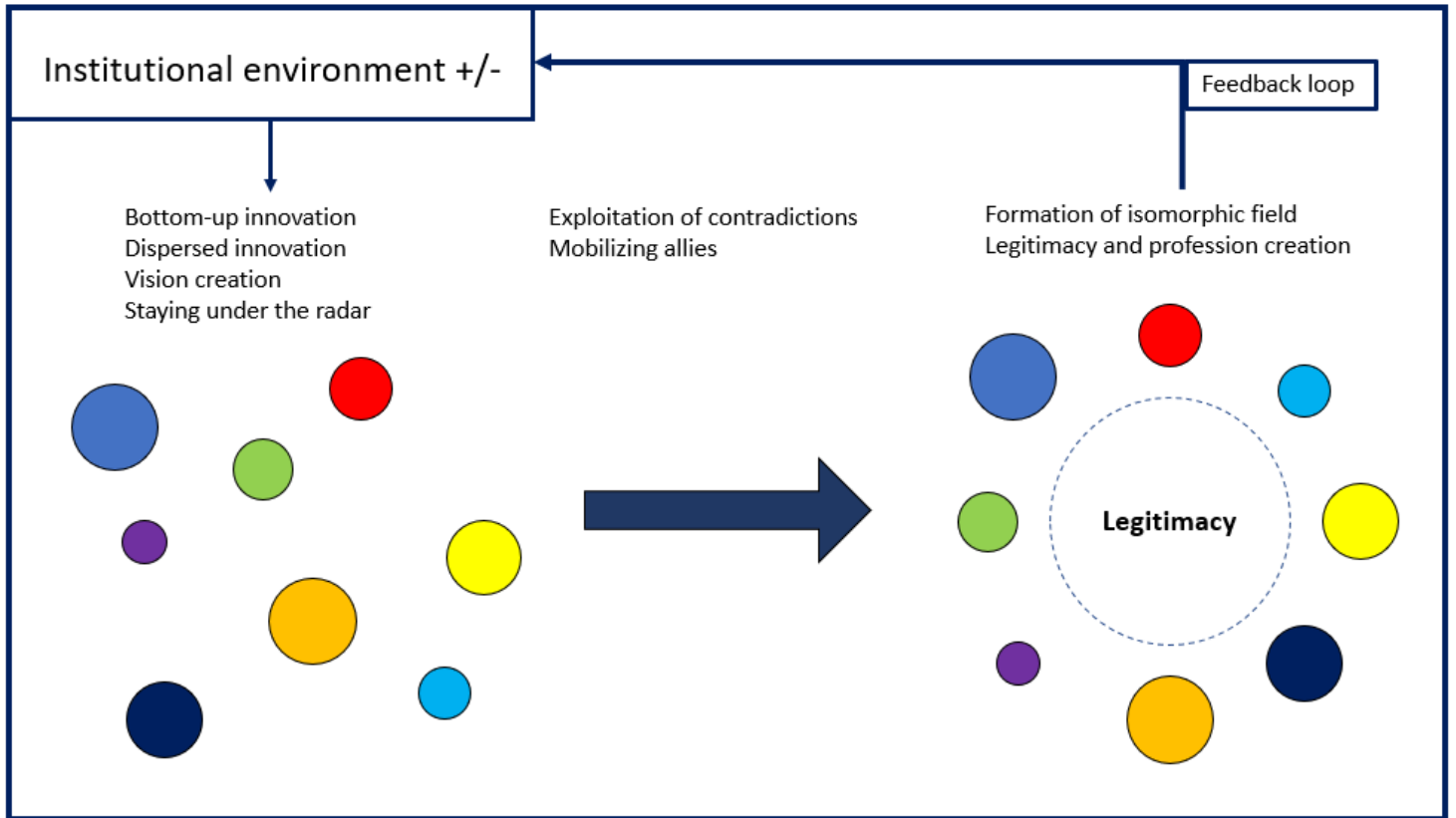
Two types of hidden innovation can be distinguished within the field of microdosing and psychedelic therapies (Harris et al., 2007). First, those practices are a recombination of non-innovative components that lead to new services. The ideas of microdosing and the use of psychedelic substances with a therapeutic intention have existed for a very long time, but the way these entrepreneurial organizations are turning these concepts into a new type of business model can be seen as hidden innovation, since the entrepreneurial activities that went prior to the formation of these organizations cannot be observed through traditional innovation metrics. Second, the innovations are incrementally developed on a small scale and stay unnoticed by other entrepreneurs and sectors (Harris et al., 2007). This links to the concept of dispersed innovation where entrepreneurs do innovations that go unnoticed by other entrepreneurs, meaning that the innovations cannot be clearly observed.

Furthermore, like unwanted innovations, hidden innovations are stimulated or blocked by the institutional environment, such as regulations or wider political conditions, beliefs, and taboos (Harris et al., 2007). The policies that stimulate or block innovation are seldom considered to be innovation policies, but still influence hidden innovative activities. For example, in the Netherlands there are no clear policies on the sale and use of psilocybin containing truffles, which allows practitioners to setup different type of organization related to them, and thus stimulates the innovative activities. Like dispersed entrepreneurs, hidden entrepreneurs will be taken as basis concept for the theoretical model relating to how the entrepreneurs stay hidden while innovating in the institutional environment.

## 2.5 Theoretical model

It can be argued that the process of legitimizing microdosing and psychedelic therapies is done through *evasive, dispersed, hidden, institutional entrepreneurship*. Firstly, because the legitimation of unwanted innovations is being done through evasive entrepreneurship. Furthermore, microdosing and psychedelic therapies are considered dispersed and hidden innovations and are being generated through hidden and dispersed entrepreneurship. The entrepreneurs working with these substances aim to legitimize their actions which is part of the institutional entrepreneurship. In Figure 2 the previously mentioned theories are synthesized into one model. The arrows in the model indicate that one concept leads to certain actions.

In this model there is a given institutional environment in which dispersed and hidden entrepreneurs with different visions, resources and social positions act in the periphery of the institutional environment, meaning that there are no central actors in this sector (Battilana et al., 2009; Elert & Henrekson, 2016; Szkudlarek & Romani, 2016; Harris et al., 2007). Moreover, these dispersed and hidden entrepreneurs stay under the radar while innovating in bottom-up ways in the institutional environment (Szkudlarek & Romani, 2016; Harris et al., 2007). This institutional environment can either stimulate or block the entrepreneurial activities, due to regulations or policies (Elert & Henrekson, 2016). Since the entrepreneurs work with unwanted innovations, they need to legitimize their actions if they want to continue and expand their activities (Battilana et al., 2009; Elert & Henrekson, 2016). They do this by exploiting contradictions within the institutional environment that allow them to operate their activities, and the entrepreneurs do this through mobilizing allies with strong social positions and relevant resources ((Battilana et al., 2009; Elert & Henrekson, 2016). Eventually homogeneity emerges around the entrepreneurial activities and legitimacy is created, which results in the isomorphism of the institutional field concerning the work with unwanted, dispersed, hidden innovations. This homogenic field then creates a feedback loop towards the larger institutional environment as a result of the dispersed institutional work the entrepreneurs put in (Szkudlarek & Romani, 2016). This theoretical model will be used to test whether the synthesis of current theories regarding dispersed, hidden innovations will hold in the cases of the legitimation of psychedelic substances or whether the model needs to be adjusted for these cases.



**Figure 2.** Theoretical model for evasive, dispersed, hidden, institutional entrepreneurship.

### 3. Methodology

#### 3.1 Research design

The aim of this research is to identify factors that contribute to the legitimation of unwanted, dispersed, hidden innovations by entrepreneurs in the Netherlands. In order to do so, a case is chosen that allowed to identify the legitimation of unwanted, dispersed, hidden innovations, namely the case of the legitimation of psychedelic substances. To answer the research question, entrepreneurs working with psychedelic substances are interviewed to identify ways how they legitimize their activities and outsiders of the psychedelic organizations are interviewed about their views on the legitimation activities of the entrepreneurs. The interviews are done in a semi-structured way so that there is more freedom for the interviewer to go in deeper detail. For this research, a semi-inductive and semi-deductive approach are chosen as this allows to explore the theoretical model formed earlier. This means that a model is synthesized with concepts from literature and then further expanded through interviews. Thus, the model will be explored by linking the concepts derived from the interviews with entrepreneurs to the concepts derived from literature in the model (Bryman, 2012; Yin, 2013). The linking of concepts will either confirm the model or the model needs to be adjusted to align with the findings. Furthermore, such an approach allows for a deeper understanding of legitimation strategies of entrepreneurs working with unwanted, dispersed, hidden innovations. Thus, meaning that incentives of the entrepreneurs' behavior are looked for rather than numerical data (Bryman, 2012). Since all data is gathered at a single point in time rather than over a long period, a cross-sectional research design was used (Bryman, 2012). This design allows to find the current legitimation strategies of the entrepreneurs. Entrepreneurs are also questioned about how they approached their strategies in their early phases.

#### 3.2 Research context

The context of the research will concern the way entrepreneurs act in their institutional environment in order to legitimize the use of the unwanted innovations regarding microdosing and psychedelic therapies. As stated in section 1, microdosing is defined as the use of sub-perceptual doses of psychedelic substances on a regular schedule. The most common microdosing schedule can be seen in Figure 3. The user experiences no hallucinogenic effects, but still benefits from the substance in terms of concentration, motivation, creativity and mood enhancement during the dose day and the day after (Anderson et al., 2019; Polito & Stevenson, 2019). The third day has been put there as a rest day, which has been suggested to be the most effective to maintain the benefits and to be the safest (The Third Wave, 2019). Microdosing is a broadly used phenomenon as businesspeople, students and artists do it (Begley, 2018; Sahakian, 2018). The psychedelic organizations are defined as entrepreneurial organizations that use psychedelic substances in therapeutic ways.



**Figure 3.** Most common microdosing schedule (The Third Wave, 2019).

### 3.3 Sampling strategy

For this research, the unit of analysis will be entrepreneurs and entrepreneurial organizations that are working on the legitimation of unwanted, dispersed, hidden innovations in the Netherlands. The Netherlands has overall a tolerant culture towards the use of some psychedelic substances, which might be the cause of the high entrepreneurial activity in the Netherlands concerning microdosing with psychedelics and psychedelic therapies (Tylš, Páleníček & Horáček, 2014). Nine psychedelic organizations were interviewed of which six were a group discussion, so that multiple employees of an organization were interviewed at once. They were either found through their website or by joining private social media groups and forums. Central in the analysis are the individual legitimation strategies of the entrepreneurs as the unit of observation and these were received through interviews. The sample for this research was obtained through searching for organizations working with psychedelic substances regarding microdosing or psychedelic therapies. In most cases the head of the organization with other key stakeholders of the organization were then asked questions about their legitimation processes in an interview. This interview guide can be found in Appendix 1. As additional unit of analysis, five outsiders of the sector were interviewed to identify how the use of psychedelic substances for microdosing and therapies is viewed by them and to get a more neutral view on the topic of psychedelic substances. The outsiders comprised two clients of psychedelic organizations, a representative of the government, the founder of the largest de-stigmatization movement for psychedelics and a journalist. Also, complete outsiders to the psychedelic sector have been asked to take part in the interviews, however, they said to have no knowledge concerning this sector whatsoever and declined the request. An overview of the interviewees can be found in Table 1. The two clients consisted of one that is very familiar with psychedelic entrepreneurs and their activities and one client is unfamiliar with the psychedelic entrepreneurs and has done it only once. This would reduce the experience bias of both the users. The founder of the de-stigmatization movement was chosen, because legitimation can be referred to as de-stigmatization and, thus, actively works on the legitimation of psychedelic substances (Hirschfield & Piquero, 2010). An extra interview guide, based on Figure 2, was made for these outsiders that focuses on their awareness of these dispersed, hidden innovations and what they think would increase the legitimacy of these entrepreneurs, which can be found in Appendix 2. This was done to identify whether the legitimation strategies of the entrepreneurs align with the way outsiders perceive them. By interviewing both insiders and outsiders a more complete image is formed around the legitimacy of psychedelic substances. Furthermore, a snowballing strategy was used to find more entrepreneurs working with psychedelics and more key players that work on legitimation.

**Table 1.** Overview of interviewees.

Interview 1	Experienced user
Interview 2	Professional organization
Interview 3	Underground organization
Interview 4	Underground organization
Interview 5	Professional organization
Interview 6	Professional organization
Interview 7	Founder of the de-stigmatization movement
Interview 8	Professional organization
Interview 9	Underground organization
Interview 10	Inexperienced user
Interview 11	Professional organization
Interview 12	Representative of the government
Interview 13	Professional organization
Interview 14	Journalist

### 3.4 Data collection

Data was gathered from interviews of which some are face-to-face and some online if necessary. The location of the interviews was one that suited the interviewees the most. The interview sessions were audio recorded to ensure the validity of the data. Furthermore, interviews took between an hour and a half and four hours and were anonymized. Finally, the interviews were summarized according to the concepts of the theoretical model, which was the main outline for both interview guides. These summaries can be found in Appendices 3-16. In addition, online documents, such as blogs, forums and reviews about the Dutch psychedelic organizations were used to observe how users of the innovations react to these innovations. Both negative and positive reactions were considered to reduce the bias of this research.

The operationalization of the theoretical model can be seen in Table 2. Each concept from the model is divided in sub-concepts, which allows for more detailed information from the interviews. The sub-concepts are based on the literature from which the main concepts are derived. This operationalization was used to create the insider and outsider interview guides. Each concept is a section of the interview guide containing questions regarding the sub-concepts, meaning that there are six sections. The interview questions also consider the arrows between the concepts in the model so that the different parts of the model are linked to each other. Section one is the institutional environment and aims to get a clear view of the current state of the institutional environment and what factors within this environment stimulate



or block entrepreneurial activities. The second section is about activities how evasive, dispersed, hidden entrepreneurs act in this institutional environment and how they try to innovate and legitimize their activities. Section three of the interview guide concerns the way these entrepreneurs communicate their vision towards the public and how they want to create legitimacy through this communication for their actions. Section four is about how the entrepreneurs try to gain a good social position in which they are able to legitimize their activities. Then, section five concerns the way the entrepreneurs try to get resourceful allies. Finally, section six aims to achieve information on how isomorphism is created within the psychedelic sector and whether this occurs at all. It was also asked how the efforts of the entrepreneurs are impacting the bigger institutional environment.

**Table 2.** Operationalization of the theoretical model.

<b>Concept</b>	<b>Sub-concepts</b>	<b>References</b>
Institutional environment	<ul style="list-style-type: none"> <li>- Regulations</li> <li>- Institutional contradictions</li> <li>- Stimuli to work with psychedelics</li> <li>- Barriers to entrepreneurial activities</li> <li>- Social acceptance</li> </ul>	Battilana et al. (2009), Elert & Henrekson (2016)
Evasive, dispersed, hidden, institutional entrepreneurship	<ul style="list-style-type: none"> <li>- Strategies to remain hidden</li> <li>- Innovative activities</li> <li>- Outreach to clients</li> <li>- Growth of business</li> <li>- Communication with other organizations</li> </ul>	Battilana et al. (2009), Elert & Henrekson (2016), Szkudlarek & Romani (2016), Harris et al. (2007)
Vision	<ul style="list-style-type: none"> <li>- Formation of vision</li> <li>- Communication of vision</li> </ul>	Battilana et al. (2009), Elert & Henrekson (2016)
Social position	<ul style="list-style-type: none"> <li>- Connection with key actors</li> <li>- Size of social network</li> </ul>	Battilana et al. (2009)
Mobilizing allies	<ul style="list-style-type: none"> <li>- Strategies to mobilize allies</li> <li>- Types of mobilized allies</li> </ul>	Battilana et al. (2009), Szkudlarek & Romani (2016)
Isomorphism	<ul style="list-style-type: none"> <li>- Sharing of ideas among entrepreneurs</li> <li>- Work to create isomorphic field</li> <li>- Noticeable changes in bigger institutional environment</li> </ul>	Elert & Henrekson (2016), Szkudlarek & Romani (2016)

### **3.5 Data analysis**

The first step in the data analysis is summarizing the interviews based on the different sections of the interview guide. Semi-structured interviews do not always follow the same patterns, which makes it more difficult to compare them. Therefore, organizing the interviews in a structured manner in the summaries allowed for a more clear-cut analysis. From the summaries, the six sections were analyzed to find the sub-concepts that are key for that particular section. Quotes from the interviews that show remarkable examples or controversial findings are added in the summaries. The final step in the coding of the interview data was aggregating all the findings from the summaries into the analysis to provide insights for the research question.

The interview data was used to test the theoretical model and to confirm the model and/or expand the model by adding concepts from the interviews that could not be found in the literature. The entrepreneurs were asked how they try to legitimize their activities regarding unwanted, dispersed, hidden innovations, which is a new topic in literature. Therefore, the summaries were compared to the theoretical model derived from literature. Furthermore, the interviews were used to eventually form a new model which will be a combination of the theoretical model in Figure 2 and the data derived from interviews.

The first section of the summaries presents the state of the institutional environment the entrepreneurs are acting in and what the opportunities are for entrepreneurs in this environment. Factors are highlighted which are detrimental for the legitimation of unwanted, dispersed, hidden innovations and are compared to the institutional entrepreneurship theory by Battilana et al. (2009), and the evasive entrepreneurship theory by Elert & Henrekson (2016). The second section of the summaries serves to identify the way evasive, dispersed, hidden, institutional entrepreneurship is executed within the institutional environment in order to legitimize certain entrepreneurial activities. This expands the theoretical model as this is not yet described in literature. This part tries to identify main characteristics of the institutional work put into the legitimation of unwanted, dispersed, hidden innovations. Then, sections three, four and five are also compared to the institutional entrepreneurship theory by Battilana et al. (2009), evasive entrepreneurship theory by Elert & Henrekson (2016), dispersed innovation theory by Szkudlarek & Romani (2016) and hidden innovation theory by Harris et al. (2007). So, how evasive, dispersed, hidden, institutional entrepreneurs communicate their vision to stakeholders, whether and how they try to get a strong social position or not, and how they mobilize allies compared the entrepreneur described in the theoretical model. The final section is intended to identify whether the entrepreneurs do notice changes in the institutional environment from the work they put in.

## 4. Findings

A clear distinction was found during the interviews between the psychedelic organizations, namely they can be divided in professional organizations and underground organizations. The professional organizations are often ran by multiple people in a structured way and the underground entrepreneurs work rather alone or with one partner. For example, the professional organizations work approximately with between 6 to 30 employees and each have their own role in the company, such as corporate tasks, medical tasks, facilitator tasks and management tasks. The underground organizations generally work with between 1 or 3 people that do every task in the organization. Both types of organizations use psychedelic substances in their psychedelic sessions.

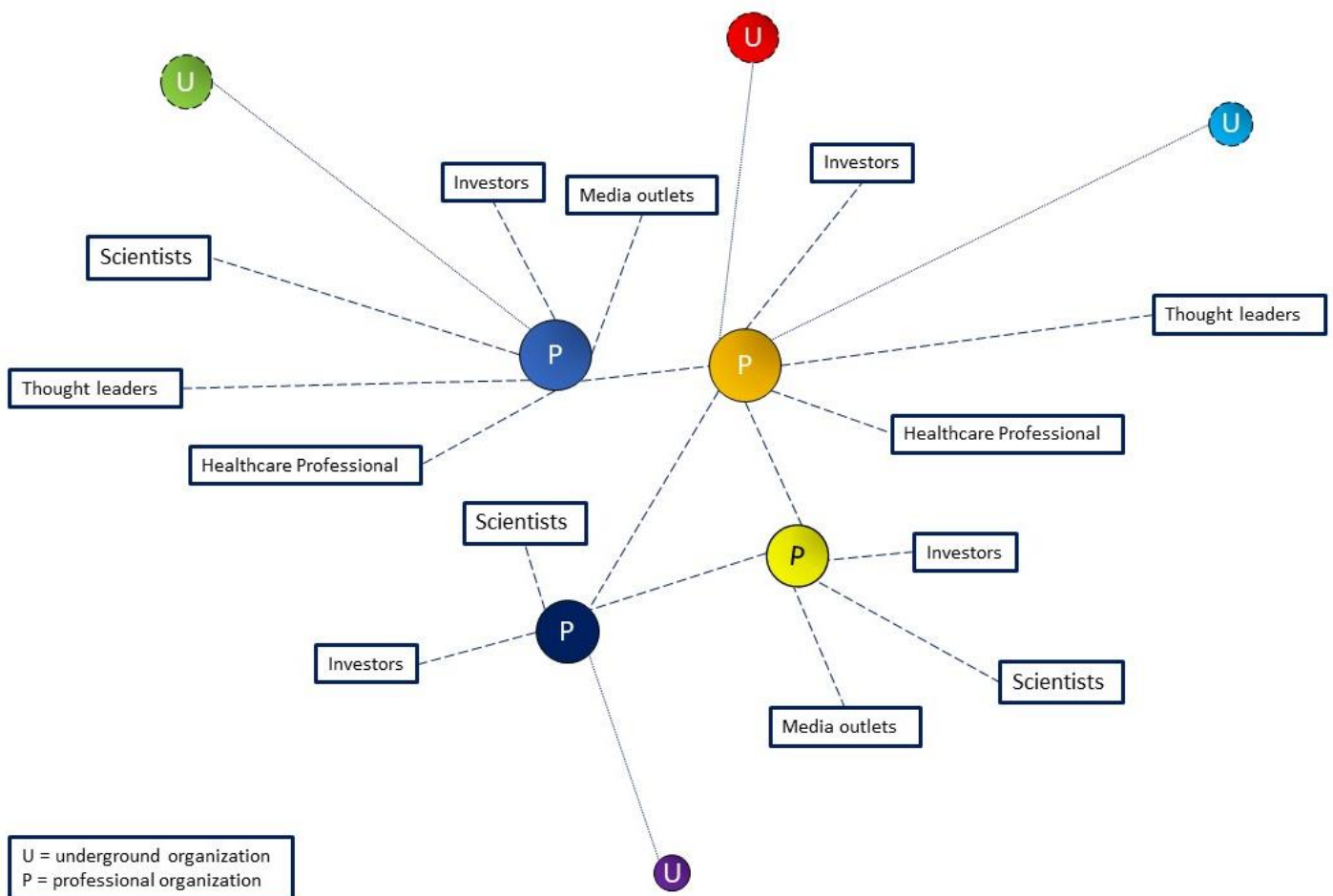
Moreover, some professional organizations are created by formerly underground entrepreneurs that saw the potential to use legal magic truffles to create a larger legal organization that had the ability to reach and treat more clients. But there are also professional organizations created by entrepreneurs that were new to the sector and that saw the possibility to create a structured organization, because they had more organizational knowledge and saw potential to grow as an early organization in this emerging sector. However, these outside entrepreneurs were clients of underground organizations, so they were already somewhat familiar with the psychedelic sector.

The professional organizations use only the legal magic truffles, whereas the underground organizations use multiple illegal psychedelic substances, such as magic mushrooms, LSD, Ayahuasca, MDMA or DMT. Even though magic truffles also contain the illicit substance psilocybin, they are allowed by the Dutch government, but can be seen as grey area products. The service both professional and underground organizations provide is generally speaking a guided session where the client consumes the psychedelic substance and goes through their own experience in the presence of a guide. These sessions aim for the client to have a mentally healing or mystical experience. The psychedelic sessions of the professional organizations tend to be longer (sometimes multiple days) and in groups compared to the underground sessions where they last only a few hours and with very small groups or individually. This is because the professional organizations, in most cases, have a facility where they can organize these sessions of multiple days and the underground organizations usually work at home or on the location of their clients.

The clients for these retreats are usually not Dutch and come from different places across the world, because The Netherlands is one of the few countries where these sessions are legal and *“...the clients feel more at ease when something is legal.”* These clients for the professional organizations are often gathered through targeted advertising and by making an appearance on different media outlets, such as popular newspapers, blogs, social media, and documentaries. The underground organizations get their clients through people, who went to their sessions and recommend these organizations to their network. The clients of the professional organizations apply through a form on the website of the organization and are then going through a medical screening. The clients of the underground organizations usually apply by email or through a phone call and then also receive a medical screening.

Furthermore, the psychedelic sector consists of various actors that collaborate with each other in order to legitimize the activities of the entrepreneurs. The professional organizations have to deal with other professional organizations, such as accountancy, finance, and government bodies, and thus want to work only with legal substances to prevent getting turned down by these organizations. Other important allies for these professional organizations are healthcare professionals that can collaborate with the psychedelic organizations, such as psychologists or psychiatrists. They are referred to by the psychedelic organizations to do the after care of the clients. Furthermore, media outlets that reach a large audience, thought leaders that have many followers, investors that support the psychedelic organizations, and scientists that research psychedelic substances and publish their research are valuable allies for the professional entrepreneurs. The underground organizations work alone and do not care for these other organizations as allies, because they are not reliant on them for their own survival. A schematic overview of the actors in the psychedelic sector can be seen in Figure 4.

Moreover, the professional organizations have formed an umbrella organization, called the Guild of Guides, to act as lobby group and advocate for the use of psychedelic substances in therapeutic session. This umbrella organization is also formed to create a shared vision, discuss strategies to legitimize their profession, such as collaborating with scientists and thought leaders, and to create standardized protocols for their business. In this umbrella organization a few entrepreneurs per organization are active and gather with each other on a regular base. However, they do not have an office for the umbrella organization yet and no employees outside of their own organizations are part of it. Underground organizations are also loosely linked to this umbrella organization, but are less active with the creation of these protocols and legitimation strategies within the organization. An analysis follows below based on the interview data and media articles, which follows the structure and phases of the theory section.



**Figure 4.** Schematic overview of the actors in the psychedelic sector.

## 4.1 Institutional environment and evasive entrepreneurship

### 4.1.1 Regulations

All entrepreneurs said to be very aware of regulations regarding the use of psychedelic substances. In the Netherlands people are allowed to use magic truffles, which contain the psychedelic compound psilocybin. However, the entrepreneurs are not allowed to advertise with psilocybin, because that substance itself is on the list of illicit substances. As stated by one of the professional entrepreneurs: *“We cannot use the word psilocybin, because that is illegal, but we can use magic truffles, because they are legal.”*

Furthermore, the entrepreneurs are not allowed to use the term *therapy* for their activities, because they are not certified therapists and the psychedelic therapies are not established and standardized yet. *“We have to be careful with how we phrase our activities, because we cannot use the words psilocybin and therapy.”*

All interviewees with professional organizations are constantly adjusting to the law and making sure that they do nothing that is against the law. They do this with the help of each other and with legal advisors. So, they have to make sure that the phrasing of their activities is correct

with the law and they do not claim anything that has not yet been scientifically proven. They want to be completely transparent and within the law to prevent authorities from interfering with their business. Moreover, the organizations are afraid that when they make a wrong move, their whole business can be shut down by the government, which would mean the end of all psychedelic entrepreneurs. Also, the entrepreneurs that run an educational platform have to make sure they do not promote the use of any substance and they should purely provide information on these substances.

The underground entrepreneurs carry out activities that are against the law, because they make use of illicit substances, such as magic mushrooms, LSD or DMT. However, one of the underground entrepreneurs said to feel uncomfortable with the growing demand and doing illegal business: *“Because of the potential risk it brings, I will probably stop doing the underground work and start a legal and more professional business.”* The other underground entrepreneurs said not to be afraid of authorities, because they do their best to stay hidden by being very careful with who they share their activities with and by keeping themselves anonymous. Remarkable was that one professional entrepreneur uses illegal substances in their legal business, but only on request of the client and the client should bring this themselves. This was an exception, because the professional entrepreneurs are usually very transparent in their activities and keep nothing hidden.

#### **4.1.2 Institutional contradictions**

The professional entrepreneurs make use of institutional contradictions. They make use of magic truffles, which are grey area substances, because they contain the active compound psilocybin, which is illegal in the Netherlands. However, these truffles are part of the food regulations and can be sold as consumable, but their psychedelic effect is not really considered in these regulations. An example of the way an interviewee uses this institutional contradiction for their therapeutic sessions is: *“We just sit with the client while they consume the magic truffles and go through their psychedelic experience basically.”* By doing this, the entrepreneur does not directly promote the use of the psychedelic substance, and is able to guide the client through their journey, which has no legal consequences. Another entrepreneur said: *“The lawmakers are becoming more aware that these therapeutic sessions are being held and are unsure how to respond to them.”* In the meantime, there are no restrictions related to the activities of the entrepreneurs. The professional organizations try to be very transparent in what their activities entail and what type of substances they use by openly describing on their websites what they do and by explaining their business on different media outlets.

Very few professional and underground entrepreneurs are actively searching for new and unregulated substances that can potentially be used for their therapeutic sessions, but this behavior is sort of looked down upon by other professional and underground entrepreneurs, because these substances are relatively new and there is not much information on their safety.

The underground entrepreneurs do not care much to search for new ways to continue their activities legally, because they will continue their activities also when the substances are illegal. The underground entrepreneurs have always worked with illicit substances and did not encounter any problems with regulators so far, which makes them decide to continue the way they have always worked. *“It doesn't really matter what the law says, because we will get our clients either way.”* Because they work underground, they do not have to deal with any

organization related to accountancy, finance, or any authorities. The professional organizations deal with the regulators by showing them that they are abiding by the law and adjusting to any new regulations that are introduced. However, there is not any control on these organizations yet by authorities or medical inspection.

#### **4.1.3 Stimuli to work with psychedelics**

All entrepreneurs said that they had very meaningful experiences themselves and people they know on psychedelics. They would like to share these experiences with other people as they believe they can have a very positive impact on people, that struggle with mental health problems or unhappy feelings, when used in the right way. *“I want to create the circumstances in which the chances are high that people have a meaningful experience.”* A big stimulus is this ideological basis for the entrepreneurs where they do not feel the need to earn a lot of money, but rather help people. After the entrepreneurs had their psychedelic experiences and felt an improvement in their own personal wellbeing, they decided they wanted to share this with many others. The high amount of entrepreneurial activity in the Netherlands is because the use of magic truffles is allowed and the culture is very open towards these kinds of organizations.

Furthermore, one of the professional organizations said that investors are one of the most important stimuli for these organizations to survive and continue. There are various investors, such as venture capitalists, pharmaceutical companies, or investors that do it out of goodwill for the psychedelic sector. The professional organizations are careful with who they chose as investor, because this also influences their legitimacy. Some of their clients would be disappointed if they would chose large investors that are profit oriented and the organizations would lose their legitimacy of these clients, but on the other hand they would gain legitimacy from other legal organizations. This can be considered a conflict of interest within the professional psychedelic organizations.

#### **4.1.4 Barriers to entrepreneurial activities**

Different barriers were mentioned by the entrepreneurs. One of the most prominent barriers are financial resources, especially the professional organizations. They have big plans for the future, such as multiple facilities, training more healthcare professionals and diversifying their therapeutic trajectories, but they need money for this. *“If I would have more budget, I would be training more psychologists and doing more sessions.”*

Another big barrier that prevents the sector from growing is the stigma around psychedelics. *“Even though research has shown positive results, people still are skeptical about the results.”* The entrepreneurs that work professionally notice the stigma in different ways, such as certain financial, accounting, and legal actors not wanting to collaborate because of the ground of their activities. Also paid advertisements do not allow for terms related to psychedelic drugs, which makes it really hard to find ways to reach their clients. Creative use of search terms and phrasing of the activities is needed in order to make these advertisements work. Moreover, payment providers, like credit card companies, also do not want to do business with the psychedelic organizations. Only few payment providers want to do business as one entrepreneur stated: *“Some high-risk payment providers do want to do business, but they ask very high fees per payment, which causes high prices of the psychedelic sessions.”* One

outside interviewee that had experienced this, confirmed the statement: *“The least acceptance I noticed is among professional organizations that have nothing to do with the use of psychedelics, such as banks or other financial businesses. I think this is the case because these organizations are afraid to lose credibility by their customers or partners.”*

For the underground entrepreneurs, the main barriers concern the law and staying hidden with their activities. Their clients want to tell their network of their experience, but the entrepreneur tries to stay hidden and only known by people in small networks.

On a further notice, foreign psychedelic organizations that want to start a business in the Netherlands experienced resistance from already established Dutch psychedelic organizations. *“People get territorial.”* For example, the established organizations were suspicious of the activities of the foreign organizations and disagreed with their way of work, because these established organizations thought they were only in it for the money. According to these established organizations this incentive was a threat to the legitimacy of the sector, because they might go for large quantities of clients without really considering all their safety protocols and dangerous incidents could happen. Moreover, they were also suspicious, because the foreign organizations did not want to join forces with them in an umbrella organization. The foreign organizations thought they wanted to control their activities though standardized protocols.

#### **4.1.5 Social acceptance**

According to the interviewees there are both groups that are pro and against their activities. However, none of the entrepreneurs engages with the groups that are against their activities. *“Why waste my valuable time on these groups when I can also use it to treat all the requests I get.”* They think that over time these groups will eventually change their mind. Since the entrepreneurs keep getting high amounts of requests for their psychedelic sessions and the demand keeps growing, they do not notice much from the groups that are against them. The only thing one entrepreneur has noticed is from certain spiritual groups who that said that psychedelic substances should not be used by lobbying with some political parties against the use, but this had no impact on the activities of the entrepreneur. When the entrepreneurs think that people would be against their activities, they would just not mention it to those people.

The underground entrepreneurs are way more careful with who they share their activities with, because they do not want authorities to know. These entrepreneurs know there is a stigma concerning psychedelic substances and, therefore, they are very careful with communicating their activities face-to-face and online, because they do not want any trouble.

In general, the entrepreneurs come from a background and network in which the use of psychedelic substances is accepted.

The clients, journalist, the representative of the government and the founder of the de-stigmatization movement are also aware that there are different groups in society with different opinions on psychedelics. However most do not engage with groups that have a different opinion. Except one interviewee: *“...I have seen them change their mind when they were engaged in a conversation.”*



## 4.2 Dispersed, hidden, institutional entrepreneurship

### 4.2.1 Strategies to remain hidden

The professional organizations try to be out in the public as much as possible, because they need clients in order to survive. These organizations do this through paid advertisements and being present in multiple social media groups and forums. *“We try to be present as much as possible to reach as many clients as we can. We really need them for our survival.”* What another interviewee mentioned was common in all professional organizations: *“We are mentioned in newspapers, videos and other popular websites with international reach.”* The entrepreneurs try to reach a large audience through different media platforms as well. They think being out in the open and transparent with their activities help with the de-stigmatization of psychedelic substances. From the interviews, a trend can be seen where the more professional an organization becomes, the more they try to become publicly known. This was also observed in all the positive online blogs and articles written about these organizations.

The underground entrepreneurs that work with illegal substances want to stay hidden with their activities. They do this by telling their clients to not spread their name too much and talk about their experience with people they trust. *“I tell my clients to keep me anonymous, but when they have someone in their network that is really interested, they can connect us.”* Staying anonymous and sharing their activities with very few people is a representative example of how the underground entrepreneurs stay hidden. The outsiders know of these organizations through their social network and through different social media groups. They learn from these sources about the activities of the organizations.

The organizations that work professionally are aware that their business is still very fragile and can be shut down very quick. The interviewees point to the example of the Ayahuasca organizations in the Netherlands. These were organizations that also organized psychedelic sessions with the indigenous psychedelic Ayahuasca. The death of one client led to the shutdown of the whole sector in 2019. The majority of these organizations are closed and only some underground ones remained. Staying underground can be seen as a way of survival, because they do not have to deal with the legal institutions like the professional ones. For them, their business continues as usual. *“It does not really matter what the law says, because we will get our clients either way.”* And: *“We think that staying hidden is also a way to survive, because if it all becomes illegal, we still have our business running like usual. We saw this with the ayahuasca practitioners, who were all going publicly and then it became illegal and now only few survive in the underground.”*

### 4.2.2 Innovative activities

All entrepreneurs are constantly busy trying to improve their service (like a better client experience or better facilities) through feedback from their clients, such as online reviews, and from their own experiences. Also, by communicating with other psychedelic entrepreneurs and sharing their experiences they improve their activities. Most of the professional entrepreneurs try to make their activities more legitimate by linking to other professionals as well, such as certified therapists, psychologists, or psychiatrists. They do this by actively approaching these professionals online or on conferences and asking them if they would be interested in collaborating. Furthermore, the professional entrepreneurs are working on safety protocols

and manuals for their psychedelic sessions in order to improve the legitimacy of these sessions.

The underground entrepreneurs only focus on incremental improvements based on the feedback of their clients and their own experience. All entrepreneurs have in common that they think the better their service is, the more legitimate their activities will become. Due to the limited legal psychedelics, the professional entrepreneurs stick with the legal magic truffles for their sessions and do not focus on product innovation. The underground entrepreneurs also do not focus on product innovation and use a bit more diverse set of psychedelics for their sessions, which are illicit, such as magic mushrooms, LSD and DMT.

#### **4.2.3 Outreach to clients**

Professional entrepreneurs reach their clients through paid advertisements mainly and also by making an appearance in different media, meetups, and conferences. But one quote is common for all entrepreneurs: *“We are in this lucky position where we do not have to do much to get clients, they sort of come by themselves.”* Most entrepreneurs are not very sure how they get all their clients, but they think it also comes from mouth-to-mouth advertisement, which is especially the case for the underground entrepreneurs. Also, the clients are mostly international and come from many different places. After their clients reach out to the entrepreneurs through their website, they go through a medical screening about their mental state and other medical preconditions. Based on this screening, the entrepreneurs decide whether it is safe to accept the client or not, because they do not want anything to happen that would hurt the client and the legitimacy of the psychedelic sector. In some cases, the entrepreneur even asks for a doctor approval from the client to get an overview of the prescription drugs of the client. However, this screening process is not yet standardized and has many different forms among the entrepreneurs, which could be harmful to the legitimacy of their organizations.

#### **4.2.4 Growth of business**

A clear difference can be seen between professional organizations and underground entrepreneurs. As could be expected, the professionals want to grow their business and have big ambitions to have more retreat facilities and treat as many clients as possible. Therefore, it is important for the professional organizations to have many clients now and external funding that would bring in the money to make that happen.

The underground entrepreneurs have no ambition to grow their business and they would rather keep it small, because they do not have the capabilities to treat many people and they are afraid they become too known when they start growing. Obviously, this also counts for the entrepreneurs that have illegal activities besides their legal activities concerning psychedelic substances.

#### 4.2.5 Communication with other organizations

Dutch psychedelic organizations have different ways of communication with each other compared to foreign psychedelic organizations that settled in the Netherlands. The Dutch organizations created an umbrella organization that is meant as a lobby group to advocate for psychedelic organizations, but also to create standardized protocols for the screening of clients and safety of clients in general. All new entrepreneurs that want to join the psychedelic sector are invited in this group and taught about their activities. However, the foreign organizations did not want to adhere to these rules made by the umbrella organization and wanted to be free in their activities. They did not want to be controlled by others and thus kept some distance from this organization. According to multiple Dutch entrepreneurs are these entrepreneurs a threat to the legitimacy of the sector: *“...foreign psychedelic practitioners that come to the Netherlands to work with the magic truffles form the largest threat to the legitimacy of the sector, because they are not yet so familiar with the Dutch regulations and might do irresponsible things that can shut down the sector.”*

The Dutch organizations perceive no competition from each other, because they all have their own specialties, which makes each unique and not really up for competition. Such specialties are, for example, entrepreneurs that focus on larger psychedelic group retreats, other entrepreneurs that focus more on intimate sessions that last only a day or entrepreneurs that focus on specific mental health issues. When an entrepreneur thinks that a client would be more fit for another entrepreneur, they recommend the client to go to that other entrepreneur. On the other hand, the foreign organizations perceive more competition, because they feel less welcomed in the sector and not free to do what they want. However, there is no aversion to each other and they still get along.

The underground entrepreneurs mainly link to the professional organizations by volunteering there and just building trust relations. They usually know each other through meetups or their similar networks and the professional organizations can use all the extra help they get from volunteers. Because the underground entrepreneurs have knowledge in the sector already, they are good fit as volunteers. Even though professional organizations do not always agree with the free mind of the underground entrepreneurs and their less strict selection process of clients, they all make sure to form a large network where everyone in the psychedelic sector somewhat knows each other. *“Community is the foundation of everything.”* A large and homogenous community has more potential to create legitimacy according to most entrepreneurs. The goal of the umbrella organization is to create this community and reach out to every new and emerging psychedelic organization.

Another remarkable observation was that employees of psychedelic organizations are active in multiple organizations related to psychedelics and collaborating with each other in trust-based relations, making the boundaries of the organizations less clear. This is especially the case for professional organizations collaborating with underground organizations. Information flows freely between organizations and competition is not yet a big issue, because the organizations act mainly out of ideology driven incentives.

## 4.3 Vision

### 4.3.1 Formation of vision

Even though not all entrepreneurs have a clear vision, they all aim for the same thing, which is: “... to help people through psychedelic guided sessions and do this in a safe way, because it has the potential to transform people their mindset in a positive way and make them have certain insights to live a happier life.” This vision usually comes from people their own healing or mystical experiences, which they want to share with other people. Some professional organizations also want to act as training center for health professionals, such as psychologists and psychiatrists that want to work with psychedelic substances in their therapies.

### 4.3.2 Communication of vision

Organizations that are part of the umbrella organization all share their visions with each other through their meetings to eventually form a homogeneous vision. Outside of this organization, the entrepreneurs do not really share their vision that much unless someone specifically asks. In that case, they share it with different media, investors and people that want to collaborate.

The entrepreneurs engage people in their vision by just being very honest and transparent about their activities and relate it to science. There are some psychedelic research institutes, such as MAPS and OPEN Foundation, that research the effects of psychedelic substances and how they can be used in healthcare. These research institutes, but also researchers from other institutes, have published scientific articles that show the potential benefits psychedelic substances can have and the entrepreneurs refer to these published articles as a way to legitimize their activities towards the people they want to engage in their vision. Also, the outsiders agree with this strategy as a way to gain more legitimacy.

## 4.4 Social position

### 4.4.1 Connection with key actors

Not all entrepreneurs had the same idea about what key actors are in the psychedelic sector and whether they dictate what is regarded as legitimate. However, the general consensus was that key actors entail already existing professionals, like psychologists and psychiatrists, investors, scientists and thought leaders that can reach large audiences at once, such as writers or podcasters. The professional entrepreneurs actively engage with the investors and scientist by approaching them and by going to conferences and building on their network. The thought leaders that have a large audience have the potential to change people their opinion and thus can create legitimacy around psychedelics according to some entrepreneurs. *“Michael Pollan, who has a big following, wrote a book about the potential benefits of psychedelics. This book has been sold a lot and has gotten many good reviews. I have noticed that these types of events help towards the de-stigmatization of psychedelics in different groups of society.”* These entrepreneurs actively engage with these prominent people to help spread their vision through them and make them part of the psychedelic community as sort of

ambassadors. As another entrepreneur added: *“These people are important parts of the network, because they can reach so many people at once.”*

The professional psychedelic organizations engage actively with scientists, because they think that through science they can gain more legitimacy for the psychedelic sector when positive results are found. They do this by approaching these scientists online or during conferences and discussing new research topics concerning psychedelic substances.

Overall, the professional organizations aim for a central position in their network by making as many connections with key actors as possible, because they think that having many linkages to actors increases their legitimacy and visibility towards more clients and key actors. The underground entrepreneurs, however, stay more at the periphery of the network by connecting only to professional organizations instead of key actors, because they want to stay hidden to the public. The underground entrepreneurs do not really care about key actors in the sector as long as their clients keep finding them. One of the underground entrepreneurs also added that money is not needed as much as professional organizations do, because of the underground and low-key sessions.

#### **4.4.2 Social network**

Through social media groups, forums, online advertisements, and their clients telling their networks, the entrepreneurs try to grow their social networks. They mainly grow their network online through social media groups and their website, which leads them to new clients and allies. The social network of the psychedelic entrepreneurs is very dense, meaning that most people know each other and there are many trust-based relations. They think that this will create a strong community where everyone knows each other and together they will have more potential to legitimize the psychedelic sector. New people that join the network tend to be open to meeting more like-minded people and this way the network grows very quickly according to the entrepreneurs.

The entrepreneurs aim for a central position in their network by linking to many different stakeholders that are important to them, such as healthcare professionals, media outlets, scientists, users, psychedelic practitioners, and legal and financial professionals.

### 4.5 Mobilizing allies

#### **4.5.1 Strategies to mobilize allies**

Most professional entrepreneurs try to connect different actors with each other. They try to gain as much allies as possible that have the potential to help their organization survive. Most of these connections are made during conferences and meetups and in some cases the entrepreneurs are actively contacting their potential allies. The professional entrepreneurs have ambitions to collaborate with the medical community, so that they can refer clients to each other, because in the current situation the entrepreneurs only refer to other entrepreneurs within the psychedelic sector without the interference of outside actors. The professional entrepreneurs refer to each other when they cannot help a client, but they think another entrepreneur would be a better fit. Also, the underground entrepreneurs refer to professional organizations in some cases. However, they do not grow their network actively

and they try to stay hidden, by being very careful who they share their activities with and sharing it only with their small network.

The emergence of the professional organizations was partly fueled by large international conferences that were organized by different psychedelic stakeholders. During these conferences, scientists, psychedelic practitioners, activists, users, investors, and other interested people come together and lectures are given about the most recent developments in the sector. Before these professional events, underground entrepreneurs met each other during meetups where they had informal discussions and bonded with each other. The conferences are organized by scientist, de-stigmatization movements and professional psychedelic entrepreneurs around the world to bring more scientists, psychedelic guides, practitioners, and other professions together. These events lead to new ways of working within the sector, new protocols, new science, and de-stigmatization strategies, like social media hashtags, documentaries, demonstrations, and news articles. As also mentioned by one of the largest de-stigmatization movement founders: *“The goal is to create a large international platform where all people working with psychedelics, healthcare institutions and professionals, researchers and users can come together to openly talk and meet up with each other to form new ideas.”* They think that when a strong and open community is created, new ideas will flow from this that all help with the legitimization of the psychedelic sector.

#### **4.5.2 Types of mobilized allies**

According to the interviews it is important to link to allies that provide resources and legitimacy for the psychedelic organization to survive. Such allies are trained psychologists for example: *“Since most clients are foreigners, they have little to no support for their experiences at home and this is the reason we are training psychologists all over the world and mainly where our clients come from to support them in the integration process of their experience at home.”* Other very important allies, mentioned by all professional organizations, are investors, legal advisors, certified therapists, and marketing experts. These professions already have more legitimacy for the general public, so the entrepreneurs think that their legitimacy will increase when these people refer their clients to psychedelic practitioners. The psychedelic organizations will get more legitimacy when the entrepreneurs can tell their clients that they are working with healthcare professionals.

One entrepreneur added: *“There are some investors that are investing for a very long time in the health and wellbeing sector. Being financed by them is important for the organization and this will also help to legitimize our activities. These investors often have good advice as well.”* According to the professional entrepreneurs, the current investor are investing out of good belief in the psychedelic sector and eventually expect to get some returns, but they make very clear that it will take a while before these returns will be possible. The professional organizations have investors, but they are very cautious with who funds their business and what their incentives are, meaning that they are not going for a purely profit generating business. This comes from the more ideological background of the psychedelic entrepreneurs. However, there are no large and long existing psychedelic organizations yet in which can be tested whether that ideological driven vision is maintained. All psychedelic organizations are not yet profit generating and all income goes back into the business, but the current investors' goals are not to make profit, but rather to contribute to the health and wellbeing sector.

Furthermore, other allies that are mentioned by the professional entrepreneurs are scientists, such as dr. Robin Carhart-Harris, dr. James Fadiman and dr. David Nichols, media platforms, universities, and prominent people with a large reach, such as Michael Pollan or Paul Stamets.

The underground entrepreneurs do not link much with allies, but they do work together with the more professional organizations in order to learn from them and to volunteer at their psychedelic sessions. Because the underground entrepreneurs usually run their organization next to their regular job, their income is not reliant on their organization and being underground takes less resources than being a professional organization, because they have few employees, they do not have to deal with legal agencies, they have no facility to hold their sessions and they do no marketing. So therefore, they are not reliant on other parties to survive and since they do not care to grow, they can handle it on their own as long as they keep getting clients.

## 4.6 Isomorphism

### 4.6.1 Sharing of ideas

The professional entrepreneurs think it is necessary to share ideas with each other and do this through the umbrella organization. Ideas such as how to progress the legitimation of the psychedelic organizations and how to work safely and consistently. As stated by one of the entrepreneurs in this organization: *“Sharing and discussing our vision with other entrepreneurs helps to create a field where we, more or less, think the same way. I think that the clearer the vision and science is communicated to public and politics the more legitimacy will be created.”* They think that the sharing of ideas contributes strongly to the formation of a homogeneous field, but only if their visions are aligned. Furthermore, this organization works towards a more structured and standardized way of working like already existing therapies have.

### 4.6.2 Creating an isomorphic field

The umbrella organization was setup to increase the legitimacy of the psychedelic sector and destigmatize the use of psychedelic substances for health and wellbeing purposes. Through this organization, standard protocols are created for the psychedelic sector. These standard protocols concern working methods, how to handle clients on psychedelic substances and how clients can be safely selected for their sessions. These protocols are formed in a democratic way and everyone in the umbrella organization can contribute their knowledge in the creation of these protocols. Furthermore, the entrepreneurs discuss each other's way of work by sharing their experiences and working methods, and try to find the safest way of working with psychedelics. The umbrella organization also advocates for psychedelics towards the government and provides science-based arguments on why they should be allowed to continue their activities. The organization also discusses with different parts of the government and lawyers about ways to legitimize their activities. However, not all organizations agreed to join this umbrella organization, because they did not want to be controlled by others and they had their own safety protocols already, but these did not fully align with the protocols of the umbrella organization. So, there is still no standard among all entrepreneurs. One of the outsiders thinks that it is important to have these standards: *“I think that the unprofessional are more likely to decrease the legitimacy of psychedelics, because*

*they might not be aware of all safety measures or protocols, which can be dangerous. Even though these people probably have the right intentions and just want to share a nice experience with their clients, I think they form a danger for the legitimacy.”*

The underground entrepreneurs are somewhat linked to this umbrella organization, because this organization reaches out to everyone working with psychedelic substances and they are part of the same community. However, they are not very active within this organization and they do not obey to all the written protocols.

According to the entrepreneurs the most important factors that will lead to more social and political acceptance are safety of the therapies and clients telling their social network about their experience, because they see that as a form of de-stigmatization from the bottom-up. This is also called community building by multiple entrepreneurs: *“The larger the community is, the more people will think microdosing and using psychedelics is something normal to do.”* This is also confirmed by all outsiders that have used psychedelics: *“I think legitimacy for psychedelics comes from the bottom-up.”* Meaning that the clients who had positive experiences share these with their network and provide in that way more clients and legitimacy. The psychedelic organizations try to stimulate these positive experiences by making sure the sessions take place in safe ways and by selecting the right clients for their sessions. Meaning no people with mental preconditions, such as psychosis or schizophrenia, or clients with relatives with mental illnesses. However, not all organizations have the same safety protocols and standards, making it a diverse sector, where some organizations doubt the safety of the sessions of other organizations. The organizations are worried that these different safety protocols can cause harm to clients and decrease the legitimacy eventually. The representative of the government thinks that legitimacy comes from prove of the effectiveness of the psychedelic sessions and strict safety guidelines.

#### **4.6.3 Noticeable changes institutional environment**

For the most part, the entrepreneurs do not really notice any large changes in the institutional environment, because they think that it has always been accepting towards their activities. When confronted with the ayahuasca case, where ayahuasca became illegal and all the businesses were shut down, the entrepreneurs said that this was one of the reasons for the creation of the umbrella organization to work on safety protocols to prevent the magic truffles from becoming illegal. Since there is still a large demand for these psychedelic sessions, the interviews think there is already an openness to psychedelics. However, a concern of a professional entrepreneur is that: *“The government does not really intervene with these companies for now, but the increase in these organizations can cause the government to become an influencing factor.”* This might indicate that the entrepreneur is still afraid to become too large of an organization and noticeable by the government, who could try to shut down their business.

One professional entrepreneur mentioned something remarkable: *“There are some study programs in America currently where people can get a degree in psychedelic therapy. However, since psychedelics are legal there, these people have to get their experience from the underground circuit. But this is already a step towards more acceptance of the sector.”* According to them, these people come to the Netherlands to get their experience for their degree.



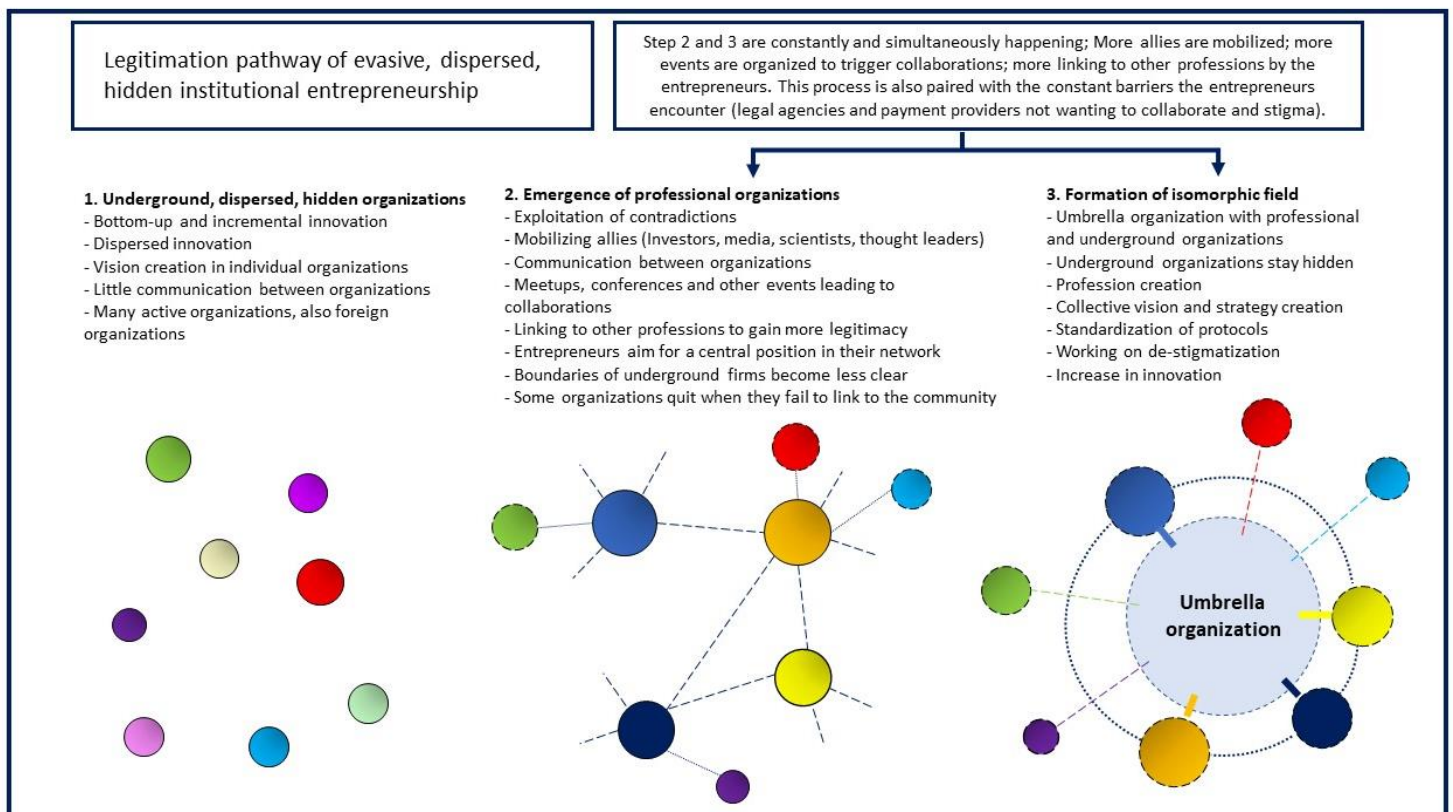
## 4.7 Synthesis of the new model

Three phases of the theoretical model can clearly be distinguished from the interviews. These phases are shown in Figure 5 and can be viewed as a timeline of events, that were deemed important by the entrepreneurs, and played a part in the emergence of the isomorphic field. This figure is the new theoretical model representing the legitimation strategies of evasive dispersed hidden institutional entrepreneurship. However, the transition between phases is not actively done by the entrepreneurs, but rather happen because of the first event of a new phase, which caused a new set of events to emerge. First, there are multiple unorganized organizations working by themselves. These organizations made sure to work underground for their own safety, because they made use of illicit or grey area substances. Moreover, they all worked on their own innovations incrementally and each had their own vision. As stated by some of the professional organizations: *“In the beginning there were many underground organizations working with psychedelics, but all in their own way and without much interaction between each other.”* Another added: *“A few years back, the psychedelic sector could be seen as very unstructured.”* And: *“There are still organizations that prefer to work underground, but now there is more communication going on between most organizations.”* So, in the beginning phase there were different underground entrepreneurs working in the psychedelic sector, but they all had their own innovative activities, vision and not much communication was going on between the organizations.

Secondly, professional organizations emerged by already existing underground entrepreneurs and new entrepreneurs with organizational and institutional knowledge and this went together with the emergence of the isomorphic field. These professional organizations were able to exist by the exploitation of institutional contradictions that allowed them to continue their business. This exploitation of institutional contradictions entailed the use of the magic truffles, which are considered to be grey area products and they are not yet clearly regulated. These professional organizations were created as legal organizations by entrepreneurs that were either new to the sector or by entrepreneurs that worked underground at first. Because of the increase in social events, such as meetups and conferences, the communication between organizations increased, which led to multiple collaborations and initiatives. The entrepreneurs also aimed for a central position in their network that allowed them to link multiple important allies with each other and to be able to link to many different stakeholders, such as investors, different media outlets, scientists and thought leaders that had many followers. Moreover, they also linked to already existing professions, like psychologists, psychiatrists, and certified therapists to get more legitimacy from the public. Because so many collaborations were going on and the underground organizations were being approached to collaborate with the professional organizations, the boundaries of the organizations became less defined and information flowed freely between those organizations. Organizations that failed to connect to the emerging psychedelic community eventually ceased to exist. This community consisted of all above mentioned actors that have met each other during meetups and conferences, underground entrepreneurs that are linked to these actors and want to contribute to the psychedelic sector, and people that are outsiders, but also want to help to legitimize the sector, such as recreational users of psychedelic substances and clients of the psychedelic sessions. The community exists mostly online on social media groups and forums, but people meet each other in person on meetups and conferences. It could be argued that the actors that organize most of these events have the most power, because they have the more central positions in

the network. However, the network should rather be seen as a tangle of many different links and actors and there is not much of a hierarchical structure.

Finally, the isomorphic field was formed with the help of an umbrella organization to create standardized protocols for the course of the psychedelic sessions concerning safety and wellbeing of the client, a collective vision for the sector and psychedelic related events to bring people together. The organization is also working on creating a new profession that relates to psychedelic guide or practitioner. While the underground organizations were linked to the professional organizations, they stayed hidden because of safety reasons, but not dispersed as in the beginning. The increase in communication and the increased flow of information between the professional and underground organizations led to an increase in innovative activities in the psychedelic sector. The expansion of the psychedelic community through more events and linking to more allies, and the increase in legitimation activities are simultaneously and constantly happening phases. This model shows the consecutive steps the entrepreneurs have taken over time to create legitimacy around unwanted, dispersed, hidden innovations and the events that happened during this period.



**Figure 5.** Revised theoretical model for evasive, dispersed, hidden, institutional entrepreneurship.

## 5. Discussion

The aim of this research was to investigate how entrepreneurs legitimize unwanted, dispersed, hidden innovations in the Netherlands. Literature was not yet clear on how entrepreneurs legitimize this type of innovations and neither have these terms been combined (Battilana et al., 2009; Elert & Henrekson, 2016; Szkudlarek & Romani, 2016; Harris et al., 2007). The new theoretical model shows that this research adds to existing literature by providing additional strategies these entrepreneurs have taken to legitimize their unwanted, dispersed, hidden innovations. These strategies entail the linking to important allies, reaching out to key actors, collaborating with each other through social events, and the creation of an umbrella organization where protocols are made and a collective vision is formed. Following, the four theories from the theory section will be compared to the results from this research subsequently.

First, the communication of a strong vision and obtaining a strong social position through mobilizing allies were important concepts from the institutional entrepreneurship theory by (Battilana et al., 2009). The results of this research showed that the communication of such a vision was deemed important by the professional entrepreneurs. However, according to Battilana et al. (2009), the entrepreneurs work on collective vision creation, but this was only the case in the later phases when the collaboration between entrepreneurs was established and an umbrella organization was created. In the early phase, the entrepreneurs were working dispersed and no clear visions were shared, but individually rather. This suggests that a shift from individual entrepreneurship to collective entrepreneurship takes place in the case of the legitimation of unwanted, dispersed, hidden innovations. This shift happened because of the emergence of the professional organizations that actively engaged with different actors, such as investors, thought leaders, media outlets and scientists by organizing meetups and conferences. Also, the linking to existing professions, such as healthcare professionals was mentioned as important by the professional entrepreneurs to increase their legitimacy. This shift was mentioned by most of the entrepreneurs that have been active in the psychedelic sector since the early phases. This linking to important allies also aligns with the institutional entrepreneurship in emerging sectors theory Maguire et al. (2004), who say that entrepreneurs in emerging sectors do link to existing professions that already have wide legitimacy.

Some professional organizations emerged from underground organizations when the entrepreneurs saw opportunities to upscale. Since the underground entrepreneurs already have experience in the psychedelic sector, they would have an advantage over new entrepreneurs in the sector as well. This concept of experiential knowledge is also regarded as a valuable source of knowledge by Caron-Flinterman et al. (2005) who observed that the experience of patients can be an important source of knowledge in the biomedical sector.

Some other professional entrepreneurs were first clients of the underground entrepreneurs and decided to join the sector as new professional organization, because they had knowledge on how to run a business and saw potential to grow in this new sector. This idea of the user-entrepreneur is also observed in the research by Shah & Tripsas (2007), who show that the knowledge of a user can be a valuable source of knowledge for creating a new organization.

Both concepts of the underground entrepreneur becoming a professional entrepreneur and the user-entrepreneur can be related to the article of Haefliger et al. (2010), who say that user-

entrepreneurs first start as hidden entrepreneurs and learn and develop relevant skills, and then eventually commercialize their activities. So, the psychedelic entrepreneurs gained a lot of experience while they were an underground entrepreneur or as a client and eventually created a professional organization when they saw enough potential to join the sector.

Second, the evasive entrepreneurship by Elert & Henrekson (2016) was used to identify how the entrepreneurs exploited institutional contradictions to work on their business and how they created an isomorphic field. This research confirms the theory in the sense that the entrepreneurs use institutional contradictions to execute their activities. There are no clear regulations yet that concern their business and the grey area products they use, thus, there are no consequences to their psychedelic sessions. Also, the research by Tracey et al. (2011) shows that new types of entrepreneurs search for opportunities to exploit their new business in an existing institutional environment, which aligns with the exploitation of institutional contradictions of the entrepreneurs. However, Elert & Henrekson (2016) argue that entrepreneurs are not actively working on changing the institutional environment regarding the legitimacy of the new entrepreneurial activities. While this is true in the early phases of the underground psychedelic entrepreneurs, it is not the case for the later phases where the professional organizations do actively engage with external partners to increase the legitimacy of the psychedelic organizations and create an isomorphic field.

Third, the dispersed entrepreneurship theory by Szkudlarek & Romani (2016) explained how entrepreneurs develop innovations in a bottom-up way while they are not connected to each other in the institutional environment. In the early phases of the psychedelic entrepreneurs, when they were working underground and each in their own way, this theory was confirmed. However, with the emergence of the professional organizations, the underground and professional organizations became more connected with each other and this was seen as an important factor for the legitimacy of the sector. So, it is important to consider the value of an umbrella organization for the shift from dispersed entrepreneurship towards collective entrepreneurship.

Finally, the hidden entrepreneurship theory by Harris et al. (2007) concerned strategies and reasons of entrepreneurs to stay hidden while innovating in the institutional environment. Like with the previously mentioned theory, this theory confirms the early phases of the psychedelic entrepreneurs, because the underground entrepreneurs worked constantly on improving their business while staying hidden for the public. In the later phases, the underground entrepreneurs still stay hidden for the public, but the professional organizations are actively engaging with the public through media outlets and advertisements. The difference in strategies is that the underground entrepreneurs are not actively working on legitimizing their activities, whereas the professional entrepreneurs actively work on their legitimacy by connecting to different actors mentioned before and by communicating their activities to the public. Therefore, this theory still relates to how the underground entrepreneurs innovate in the institutional environment in hidden ways. However, they are not disconnected to the sector anymore, making them less hidden than in the early phases, before the professional organizations existed.

Moreover, the characteristics of early innovators and early adopters according to Rogers (2010) can be reflected in some parts of the psychedelic community that prefer the sector to stay somewhat underground and niche. This can especially be seen in the underground

entrepreneurs and the long-term clients that enjoy the small and intimate community of the psychedelic sector. They rather prefer the sector not to become too large and mainstream. It would also mean that, if the sector grows too large and the early and late majority join in, the entrepreneurs will lose legitimacy from the early innovators, which is also investigated in the research by Garud & Ahlstrom (1997). However, the professional organizations have the ambition to grow the sector and become more accessible for a larger audience, which is contradictory to the vision of the underground organizations. This is a conflict of interests in the psychedelic sector and it should be investigated how this should be balanced within the sector.

To get deeper insights on evasive, dispersed, hidden institutional entrepreneurship, future research can focus on comparing the Ayahuasca case with the current psychedelic entrepreneurs. Because Ayahuasca used to be a grey area product, like magic truffles, with no clear regulations, entrepreneurs were able to run their underground or professional businesses by exploiting the institutional contradictions, just like the entrepreneurs that work with magic truffles. Nevertheless, the Ayahuasca organizations failed to legitimize their activities enough to prevent the whole sector from being shut down. This comparison should include all the underground and professional organizations that worked with Ayahuasca and follow a similar structure as this research to identify more important factors for the legitimation of unwanted, dispersed, hidden innovations. Moreover, such a comparison can expand on the theoretical model by either confirming or adding strategies for the evasive, dispersed, hidden entrepreneurs.

Another sector that can be regarded as unwanted, hidden, dispersed innovation is the illegal sharing of transport services in low-middle income countries, such as Indonesia. These transport services are regarded as legitimate by many people, because they are used a lot (Fanggidae et al., 2016). It would be interesting to research for policy makers in Indonesia how they can create economic and social value out of these unwanted, hidden, dispersed innovations. The theoretical model of this research can be used as guideline how these underground activities can be turned into professional and structured activities.

It would also be interesting to research whether this hidden, dispersed innovation and entrepreneurship model applies to regular sectors, such as the medical sector. Hopkins (2006) describes the hidden and dispersed innovations that takes place in various hospitals concerning new surgery methods being applied, new medicine and new practices related to Advanced Therapy Medicinal Products (ATMPs). These are regarded as legitimate within the hospitals, but there are no clear regulations yet. On the one hand this gives freedom to the medical professional, but on the other hand a fatal incident could have big consequences regarding regulations. This is also the case with the use of psychedelic substances, where a fatal incident could mean the end for the whole sector.

Furthermore, a concern of the professional entrepreneurs was that the magic truffles might become illegal if a dangerous incident happens. This will also mean the shutdown of these organizations as they do not yet have a substitute product. Here, the resilience theory by Holbeche (2015) might come in useful to explore strategies for the evasive, dispersed, hidden entrepreneurs to survive their business. This theory describes how organizations can become resilient by having other products or services to fall back on when their current products or services can no longer be continued. For example, a ban on psychedelic substances would

be fatal for the sector as a whole and resilience strategies are needed to continue their activities, such as becoming an integrated and ingrained part of legitimate healthcare treatments. Since the entrepreneurs mentioned not to work much on just product related innovative activities, working on various product, service or business related innovative activities might be an important factor to acknowledge for them, considering their concerns about magic truffles becoming illegal and having to shut down.

A limitation of this research is its generalizability, because the choice for only Dutch psychedelic organizations might give a less diverse image than the inclusion of psychedelic organizations from various countries. Each country has their own institutional environment which influences the psychedelic entrepreneurs differently and, thus, different legitimation strategies might be pursued. However, choosing only Dutch organizations allowed for a more detailed understanding of legitimation strategies of evasive, dispersed, hidden entrepreneurs. Moreover, it remains also unclear whether the results from this research are generalizable to other businesses that dodge certain regulations or that do not comply with the institutional environment like Uber did with the taxi sector. One might think that these psychedelic businesses work rather in a slow pace compared to businesses that are meant for large scaling and who can get more investments because of the products or services they sell, because it is more difficult to legitimize activities that concern stigmatized activities and gain allies.

Another limitation was the investigation of underground entrepreneurs, which are difficult to find and reach, since there is no database that tracks all underground activity, so it remains unclear whether an inclusive image is presented of all underground entrepreneurs. Nevertheless, a diverse set of underground entrepreneurs was found by searching on different forums and social media groups. Since data saturation occurred in the final four interviews, it was assumed that enough entrepreneurs were interviewed. Despite mentioned limitations, this research contributes to science by expanding on existing literature with deeper knowledge about factors that contribute to the legitimation of unwanted, dispersed, hidden innovations.

This social value of this research regards how it is possible for entrepreneurs to organize their businesses by working within and around the laws. In the way they structure their business, both visible as underground, these pioneering entrepreneurs make it possible to organize in small lobbies and work on changing the regulations surrounding the use of psychedelics from the bottom-up. Furthermore, this research can be of use for policy makers to consider the strategies of evasive, dispersed, hidden, institutional entrepreneurs as sources of innovation. When such activities are deemed to be economically and socially beneficial, policy makers might legalize the entrepreneurial activities or reduce enforcement. Lowering control of such activities should be paired with the focus on increasing safety measurements and standardized protocols that guarantee consistent results of the therapies. Moreover, this research shows certain important factors, such as organizing events to trigger collaborations between different professions, which the policy makers can stimulate in order to increase the entrepreneurial and innovative activities of this type of entrepreneurs.

## 6. Conclusion

This research aimed to answer the following research question: *What factors contribute to the legitimation of unwanted, dispersed, hidden innovations by entrepreneurs in the Netherlands?* Based on the findings presented earlier, it can be concluded that there are multiple factors that contributed to legitimization of unwanted, dispersed, hidden innovations. The legitimation of this type of innovations happens through evasive, dispersed, hidden institutional entrepreneurship. Moreover, these entrepreneurs can be divided in professional entrepreneurs and underground entrepreneurs, where the professional entrepreneurs can be distinguished by their structured organization and their proactive approach compared to the underground entrepreneurs. These professional organizations actively work on the legitimation of their activities and building a network by collaborating with different allies. The underground entrepreneurs, however, stay hidden by keeping their network small and their activities unknown to the public.

As current literature does not include the legitimation pathway of unwanted, dispersed, hidden innovations, this research fills this gap by creating a framework that explains this pathway. First, there were only underground organizations working with psychedelic substances in hidden and dispersed ways. There was not much communication going on and they were not actively engaging in legitimation strategies. Later, when the professional organizations emerged by formerly underground entrepreneurs or formerly clients, the communication between the organizations increased. This shift happened, because the entrepreneurs saw opportunities to expand their businesses and becoming more professional by exploiting gaps in regulations. Events were organized where entrepreneurs could meet each other and form collaborations, which lead to a stronger community. Also, these entrepreneurs actively engaged with already legitimate actors, such as investors, scientists, media outlets and healthcare professionals, to increase their own legitimacy. Eventually an umbrella organization was formed including most of the psychedelic organizations to advocate for the legitimacy of their activities and, thus, the isomorphic field emerged with a homogeneous vision and standardized protocols.

However, the legitimation of unwanted, dispersed, hidden innovations is paired with the constant encounter of barriers, such as financial and accountancy related organizations not wanting to collaborate, because they fear their own legitimacy towards their partners and customers. Another barrier is the stigma around the psychedelic substances they use, which causes the entrepreneurs to be careful and selective with who they share their business-related activities with. Despite the difficulty to legitimize their unwanted, dispersed, hidden innovations, the entrepreneurs persevere their legitimacy activities because of their ideologically driven incentives.

Another interesting remark was the friction between underground and professional entrepreneurs. The professional entrepreneurs are working on standardized safety protocols regarding the psychedelic sessions, but not all underground entrepreneurs adhere or agree to these protocols, because they think their experience is enough to guarantee safety. This way of thinking worries the professional entrepreneurs in the umbrella organization, because they think that it increases the risk of a dangerous incident, which can harm the sector.

To answer the research question; the most important factors for the legitimation of unwanted, dispersed, hidden innovations are (1) the emergence of the professional organizations through the exploitation of institutional contradictions, (2) the conferences and meetups that led to the collaboration of different actors, (3) collaborating with already legitimate professions in order to legitimize their own profession, and (4) the formation of an umbrella organization to work on collective innovation and legitimation strategies.

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## Appendix 1. Interview guide insiders

### Section 1 - Institutional environment - Evasive entrepreneurship

*Getting a clear view of the current state of the institutional environment and what factors within this environment stimulate or block entrepreneurial activities.*

#### **Regulations/laws**

- Are you aware of any regulations or laws concerning the use of psychedelics?
- Are there any regulations or laws that help or stimulate your work concerning psychedelics? What kind of regulations/laws?
- How do you respond to them?

#### **Institutional contradictions**

- Are there gaps in the law that you use to continue your activities? Which ones?
- How do you search for ways to (legally) continue your activities?
- Have you encountered problems with the law/regulations?

#### **Stimuli**

- Are there any stimuli for your work with psychedelics? Which ones?
- What do you feel like motivates you to work in the field of psychedelics?

#### **Barriers**

- Are there any factors that can be considered barriers for your activities? What are those?
- Do you think the barriers have a big impact on the activities? Why?

#### **Social acceptance**

- Are you aware whether there are groups in society that are pro your activities and groups that are against your activities? What kind of groups?
- Can you talk openly about your activities with others?

### Section 2 - Hidden, institutional entrepreneurship

*How evasive, dispersed, hidden entrepreneurs act in this institutional environment and how they try to innovate and legitimize their activities.*

#### **Hidden entrepreneurship**

- Do you actively try to stay under the radar with your activities? Or do you promote your activities and try to make them openly known?
- How do you do this?
- Are you trying to be known by many people? How and why? Do you rather want to be known in the underground scene or more publicly? Why?

### **Ways to improve business (How to innovate?)**

- Do you try to improve your services/activities? And how? Do you also try to improve on the products you are using? How?
- Are you actively engaging in innovation within your organization? How?

### **Outreach to customers**

- How do you try to find your customers?
- How do you reach your customers?
- How do you select your customers?

### **Growth of business**

- Is growing your business important to you? Why?
- Do you try to grow your business? Why? And if yes, how?

### **Communication with other organizations**

- Is it important for you to engage with other organizations related to your activities?
- Are you in contact with other psychedelic organizations? Why?
- Are you actively engaging with other entrepreneurs? Why?
- What do you do/share with other organizations?

## **Section 3 - Vision**

*The way the entrepreneurs communicate their vision towards the public and how they want to create legitimacy through this communication for their actions.*

### **Formation of vision**

- Do you have a clear vision of why you do what you are doing with your organization?
- What is your vision with your organization?
- How did you come to this vision?

### **Communication of vision**

- Do you communicate this vision clearly to others? If yes, how and to whom?
- Do you try to communicate this vision on a broad scale or keep it close?
- How do others perceive your vision?
- What do you do to engage others in your vision?

## **Section 4 - Social position - Hidden and dispersed entrepreneurship**

*How the entrepreneurs try to gain a good social position in which they can legitimize their activities.*

### **Connection with key actors**

- Do you think it is of importance to connect with different people that help your organization survive?
- Do you connect to important people in the psychedelic scene for the survival of your organization? If yes, what type of people? Are there core people that dictate what is regarded as legitimate in the psychedelic scene?

### **Large social network**

- Do you have a large social network that is aware of your business?
- Are you trying to grow your social network or not? Why? And how?

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

*The way the entrepreneurs try to get resourceful allies.*

### **Strategies of gaining allies**

- Are you trying to gain allies for your psychedelic organization and connect them with each other? Why and if yes, how (with which activities)?

### **Type of allies (relevant resources)**

- What type of allies are important to you? Why?
- Are you searching for others that have the possibility to grant you resources, such as location, materials and services for your retreats or are able to grant money in order to grow/survive as organization?

## Section 6 - Isomorphism

*How isomorphism is created within the field of psychedelics and whether this occurs at all. It will also be asked how the efforts of the entrepreneurs are impacting the bigger institutional environment.*

### **Sharing of ideas among entrepreneurs**

- Do you think sharing your vision with other entrepreneurs in the psychedelic field will help create a stronger position towards social acceptance? Why?

### **Work to create isomorphic field**

- Do you engage in creating collective strategies towards social acceptance of your activities? Why and how?
- What do you think will help create a larger acceptance by politics and society?
- Are there meetings where people working with psychedelics meet up and share their ideas for the acceptance of their business?

### **Noticeable changes in bigger institutional environment**

- Do you already notice changes in the political agenda towards psychedelic organizations?
- Do you notice an increase in social acceptance towards psychedelic organizations?

## Appendix 2. Interview guide outsiders

### Section 1 - Institutional environment

*Identify how outsiders see the institutional environment and how this affects their opinion on the entrepreneurial activities regarding psychedelic substances.*

- What are your views on psychedelics regarding your private life and your profession?
- What do you think the current public opinion is towards the use of psychedelics?
- How would this affect the organizations working with psychedelics?
- Does this stigma influence how you view psychedelic substances?

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

*Whether outsiders are aware of entrepreneurs working with psychedelic substances and whether they are aware if innovation is taking place and to what degree.*

- Are you aware that multiple organizations are working with psychedelic substances for microdosing and therapeutic use? If yes, how?
- Do you know what they exactly do?
- How do you think that staying under the radar affects the legitimacy of an entrepreneur?

### Section 3 - Vision

*Whether outsiders are aware of a clear vision of entrepreneurs working with psychedelic substances. And whether a clear vision contributes to the legitimacy of the entrepreneurs.*

- Do you know of any vision the organizations working with psychedelics have? If yes, how?
- Do you think that having a clear vision gives the entrepreneurs more credibility? Why?

### Section 4 - Social position

*Whether the social position of the entrepreneur is an important factor for outsiders for legitimacy.*

- If you are aware of people working with psychedelics, do you know if they have a strong social position? (Many connections/big network)
- Do you think having such a position will increase the legitimacy of the business of that person towards a larger public?

### Section 5 - Mobilizing allies

*Not of relevance for outsiders*



## Section 6 - Isomorphism

*Whether and how outsiders have changed their opinion based on the knowledge they have about entrepreneurial activities concerning psychedelic substances.*

- Do you think the amount of entrepreneurial activities concerning psychedelic substances will increase its legitimacy more towards the larger public?
- What do you think will help create a larger acceptance by politics and society?

## Appendix 3. Interview 1 – Experienced user

### Section 1 - Institutional environment

The interviewee has used psychedelics multiple times in different settings. In her profession she has nothing to do with psychedelic. She views them as very beneficial when used in the right setting, because else things can get pretty scary. She is very open to them and thinks it should not be a taboo to talk about these experiences.

She thinks the current opinion differs a lot per group, because she notices how different people she knows react to her experiences. Some people are very open and others think you should stay away from them no matter what circumstances. She thinks these people are afraid of what they have heard from stories and the word 'drugs'.

This could be a problem for the organizations working with psychedelics in the long run, but for now they are always fully booked, she says.

When she was younger, she had also stigma, but because of friends telling about their experiences, she got interested herself and tried psychedelics and it changed her idea about them very fast.

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

She is aware that there are a lot of different people working with psychedelics currently. Both in a professional organization and underground. She knows them through friends and from social media groups.

The interviewee is aware what they exactly do, because she went to many of these sessions herself.

According to the interviewee staying under the radar is not that great for the legitimacy of the entrepreneur for the outside world, but within their network it would not really matter because they get their clients anyway. She says that these sessions are more intimate, which she prefers.

### Section 3 - Vision

The interviewee is not aware of the vision of these entrepreneurs, because they never really talk about that. They just provide a safe and quiet environment. But she thinks that for more professional organizations a clear vision would be more important to attract more partners and allies.

### Section 4 - Social position

The interviewee knows a few people that work with psychedelics that have a big network of people they know, but not everyone in that network is aware of their activities. So, they keep it underground most of the time.

She thinks that having a large network can contribute to the legitimacy of the business, but it is also important to look what type of people are in that network. When they have some thought leaders it would make it way easier to change people their minds about their activities.

## Section 5 - Mobilizing allies

*Not of relevance for outsiders*

## Section 6 - Isomorphism

The interviewee says that the more people working with psychedelics the more legitimate it will become. She thinks that it will become more of a standard if it happens a lot.

The interviewee thinks that the increase of acceptance comes from people telling their network and a few try these sessions and they tell their network and so on. This is also what she noticed in her network. *"I think legitimacy for psychedelics comes from the bottom-up."*

## Appendix 4. Interview 2 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee said to be aware of all regulations concerning psychedelics. However, he had made mistakes when he was in the Netherlands by using wrong terms and claiming things that were not scientifically proven. The entrepreneur tried to adjust to these laws with the help of legal advisors by changing their business in such a way that authorities could not interfere.

#### **Institutional contradictions**

According to the interviewee magic truffles are completely legal in the Netherlands and can thus be used in any way. So according to him, there are no legal gaps he makes use of in the Netherlands. Therefore, he does not continue to search for ways to continue his activities legally. Once a client ran away during a session and he got lost. With the help of the police this client was brought back to the facility without further consequences. So, the interviewee did not have any trouble with the law.

#### **Stimuli**

The interviewee feels motivated to work with psychedelics, because he had very meaningful experiences with them and wants to share this with others. The Netherlands was a logical option to go to, because he could legally work with psychedelic truffles.

#### **Barriers**

Paid advertisements do not allow for terms related to psychedelic drugs, which makes it hard to find ways to reach their clients. Creative use of search terms and phrasing of the activities is needed to make these advertisements work.

Another barrier was the resistance from other psychedelic organizations that were suspicious of their activities and who disagreed with their way of work, because these organizations thought they were only in it for the money. These organizations formed this bond together and they said that new organizations should ask for permission to enter the field, but the interviewee did not want that, so he just started his business without their agreement. He felt some competition in the field towards new actors. "People get territorial".

Also, financial factors were a barrier, because it makes it really difficult to grow large.

#### **Social acceptance**

Some people in retreat centers did not like the use of substances, so they did not allow the entrepreneur to use their centers. Other organizations did not like unqualified practitioners, so they gave critique on them for not having the right qualifications.

In the Netherlands, the interviewee could openly talk about his activities, but he did not really talk with people that would not understand, so he used his energy only on people that would understand his activities. He would just not mention it to people who would be against it.

## Section 2 - Hidden, institutional entrepreneurship

### **Hidden entrepreneurship**

The interviewee does not stay under the radar with his activities, but rather tries to reach a big as possible audience. He does this by advertising, making an appearance in podcasts, magazines, videos, and social media groups. *“We try to be present as much as possible to reach as many clients as we can. We really need them for our survival.”*

First it was about taking as much people as possible in, but this later switched to less people per session. So, more quality over quantity. He wants to be known by as much people as possible, so that he gets many clients that help his organization survive.

### **Ways to improve business (How to innovate?)**

He always tries to improve his service that he provides to his clients by improving the facilities and the space his clients were in. He wrote manuals and protocols for his volunteers and employees about work ethics and safety guidelines. These improvements were based on feedback from their clients, their own psychedelic experiences and just by doing it a lot.

### **Outreach to customers**

*“I do not find my customers, but they find me.”* He makes sure it is very hard to not see him within the psychedelic scene. He makes an appearance in many different media and that is how his clients see his organization.

The interviewee got a huge number of requests, that he cannot all accept, so this caused his selection process to become stricter. At first, he selected anyone who could pay, but now it is more about the intention of the client to come and how the entrepreneur feels about this.

### **Growth of business**

It was important to the interviewee to become a large organization. So, doing more retreats and treating more clients. But for now, it is already growing by itself. It was important to grow, because he had to hire people and he needed more money to survive as organization.

### **Communication with other organizations**

The interviewee had some contact with other psychedelic organizations, but mainly through a volunteering platform from which they heard what is happening within the psychedelic sector. With some organizations he exchanged notes and some people working at other organizations also helped with his organization. This all had the goal to create a growing community regarding psychedelics. *“Community is the foundation of everything”*. This would all help to grow the sector by people telling their relatives and friends about their experiences.

He would share all his experiences and protocols with other organizations. Not all financial data, but more work-related things. The interviewee tried to make his safety protocols the standard in the sector, but did not accept the protocols from the bond of other organizations.

## Section 3 - Vision

### **Formation of vision**

The entrepreneur did not really have a very clear vision with his organizations. He wanted to grow and make the business survive, but his vision remained rather abstract.

### **Communication of vision**

With some organizations from which they did not feel competition, they shared some sort of vision about how to move on and what good steps would be towards. Everyone that wanted to help him, he felt like did agree with his vision and the others might not agree and therefore do not help his organization.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

There are some organizations across the world that are being funded by some large venture capitalists and have a large reach. These can be regarded as key actors, because they can influence many people. They also run the conferences and organize lots of other events. Also, leading scientists can change what is regarded as legitimate. For the interviewee it is important to connect to these people, but he does only connect to the ones that have a similar type of business and do psychedelic retreats.

### **Large social network**

Through social media they connect with many different people and their network grows very large. They get many clients a day and they all form new connections to new people. So, by just doing the work, their network grows as well. He also reaches out to people that he thinks would be interested in his activities and that can give good advice.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The interviewee tries to gain many allies and connect them with each other. Mainly creating a platform of people that guide clients through their psychedelic experiences.

### **Type of allies (relevant resources)**

For the interviewee mainly financial allies are important, because they are the ones that directly help his organization survive. Also, his employees and volunteers are important to guide his clients and keep the retreats running. Also, the facilities that allow the entrepreneur to do his psychedelic group sessions are necessary.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The interviewee thinks that sharing ideas is important to create a homogeneous field which also leads to more safety and eventually more acceptance.

### **Work to create isomorphic field**

The entrepreneur tried to share his safety protocols with other organizations, but these organizations already had other measurements and some disagreements with the entrepreneur. The interviewee thinks that by having clear safety measures the risks are decreased and thus helps with the survival of psychedelic organizations.

The interviewee spoke only a few times with the larger psychedelic organizations, but they had different ideas and they did not match each other. According to the interviewee social and political acceptance will grow by just continuing all these activities and making sure they happen in a safe way. Clients will spread their experiences with parts of their network and like this acceptance will grow from the bottom up.

### **Noticeable changes in bigger institutional environment**

The interviewee does not really notice extra changes in the field, but he notices there is already a huge demand for his activities and this demand keeps growing. So, he thinks it still is moving towards more acceptance as more and more clients attend these sessions.

## Appendix 5. Interview 3 - Underground organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee is aware of that his current activities are against the law, because he uses substances that are illegal. Since his network keeps growing, he feels less comfortable continuing his activities and is switching towards the use of legal substances for therapeutic use in a more holistic approach. "Because of the potential risk it brings, I will probably stop doing the underground work and start a legal more professional business." Within this new company psychedelic substances are just one of the many tools for the therapy sessions. He does this, so that when psychedelics might become banned in the Netherlands, he would still have a business related to all the other therapies that are completely legal. With this new company he wants to be very transparent and out in the open, but with his illegal activities he wants to stay hidden for the public.

#### **Institutional contradictions**

The gap within the law for the legal psychedelics considers the use of truffles, because they are still in a somewhat grey area. The interviewee searches for more ways to continue his activities by looking for similar substances that are safe and legal. But these substances are often in the grey area. So far, he had no problems with any regulations other than that he works underground.

#### **Stimuli**

The reason the interviewee works with psychedelics is mainly his own experience with them. He had very meaningful experiences and he would like to share these with other people. He thinks they have a very high potential to heal people.

#### **Barriers**

The main barriers for the illegal activities by the entrepreneur are the law and trying to stay hidden. Barriers for his legal activities concern more financial factors. He wants to grow, but that costs a lot of money that he does not have. These barriers pose a big impact, because it really limits his potential to grow.

#### **Social acceptance**

The interviewee notices no people that are against his activities. He thinks there are people that are against them, but they do not engage with him and the other way around. This way he created a network in which his activities are completely legitimate. He is careful with who he talks about his underground activities, but he talks openly about his new legal business.



## Section 2 - Hidden, institutional entrepreneurship

### **Hidden entrepreneurship**

The interviewee stays actively under the radar with his illegal activities by telling his clients to not spread their experiences too much, but only with real close relatives that they trust will not tell others. He tries to keep his network as small as possible with his illegal activities. However, with his legal activities he wants to promote his activities to the public once it launches. He does not really want to be known in the underground scene, because he thinks he stays the most underground that way. He does talk about his activities within the underground scene, but only with people he really trusts. He wants to be known with his legal activities through paid advertisements mainly.

### **Ways to improve business (How to innovate?)**

The entrepreneur improves his illegal activities mainly through feedback from clients and own experiences. He has experimented with alternative products and setups for his sessions, but with no success so far, so he stays with his original methods. He does not actively engage in innovation and his improvements are all based on incremental improvements. For his legal organization he still needs to find out how it goes when it launches.

### **Outreach to customers**

The interviewee finds his clients in his network, but mainly his clients find him through friends who recommend him. He selects his clients based on their previous psychedelic experiences and their mental conditions through a video call.

### **Growth of business**

It is not important to grow his illegal business, because that would make it less safe to work with illegal substances. Once his new business launches, he wants to grow a lot and create multiple centers where he can hold his therapies, so that he can treat as many people as possible.

### **Communication with other organizations**

The entrepreneur does not engage with other psychedelic organizations and entrepreneurs, because he thinks that his type of work does not really relate to their activities and would therefore not align visions. He does work with other health coaches to add their expertise to his business. With his illegal activities he communicates his work methods to many different people he feels like are capable of doing it, so that when he stops his illegal activities, these other people can continue the work in their name and the movement continues.

## Section 3 - Vision

### **Formation of vision**

The vision of the interviewee is to heal people using psychedelics and with his new legal organization he wants to heal people in a holistic way of which psychedelics are one of the assets.

### **Communication of vision**

The entrepreneur only communicates this vision to people he wants to collaborate with. He does not communicate a clear vision through his illegal activities. He knows others perceive his vision as legitimate when they want to collaborate and else, he loosens the links with the people that are viewing his vision as illegitimate. He tries to engage people by just being very open about it and then let them decide what they think of it.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

The interviewee thinks there are some core people that dictate what is viewed as legitimate in the psychedelic scene. The people/organizations that can reach a large audience at once and the people/organizations that also have followers who are not yet in the psychedelic scene and are able to reach those as well.

### **Large social network**

With this new organization, the entrepreneur tries to create a large social network with many different expertise and professionals. He wants to be in a broker position by running the center and connecting all these people to create this holistic therapy. He connects with these people by searching for them on different websites and meeting them at conferences.

For his illegal activities, the entrepreneur tries to keep his network as small as possible and he asks his clients to avoid his name during conversations.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

For the legal organization, the entrepreneur works hard with his partner to gain many allies, because he wants to help as many people as possible.

### **Type of allies (relevant resources)**

The interviewee thinks that it is important to connect with people that help his legal organizations survive. Such as financial help, facilities where the sessions can be held, professional team of health coaches and marketing and legal experts. He does not so much link with purely psychedelic organizations, because he thinks they have a different kind of business.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The entrepreneur thinks that sharing ideas with other entrepreneurs will help a stronger position towards social acceptance, but this is only when they share similar ideas. Because

he is so busy with his own organization and he thinks that his ideas do not align with the people in the umbrella organization, he does not yet engage with those other entrepreneurs.

#### **Work to create isomorphic field**

The interviewee does not work on collective strategies with other entrepreneurs in the field, because he wants to do his activities the way he wants and does not want to be controlled by others. He feels like that would put restrictions on his methods and that he would not be completely free in his activities.

The interviewee thinks that information on safety and people sharing their experiences in their network are important factors that will create a larger acceptance.

#### **Noticeable changes in bigger institutional environment**

The interviewee never really noticed any people that were against these activities, because his network was already open to this and people that are strongly against it are probably in different networks. He noticed for himself that he is careful with who he talks about psychedelics.

## Appendix 6. Interview 4 - Underground organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The entrepreneur is aware of all regulations concerning psychedelic substances and they know that they use substances that are against the law, because they think these have more potential to heal people. "It does not really matter what the law says, because we will get our clients either way." They do not follow the rules, because they think that what they do is already safe.

#### **Institutional contradictions**

The interviewees think they do not have to find gaps in the law, because they work underground and only invite people they trust and accept what they are doing. Therefore, they do not search for ways to continue their activities. So far, they did not encounter any problems with the law.

#### **Stimuli**

After experiencing a lot of healing sessions themselves, they decided to host these sessions themselves. Also, people in their network recommended them to do so, because they would be very fit for the job. They want to share these positive experiences with everyone.

#### **Barriers**

The main barrier is that they must stay hidden according to the interviewees. They cannot spread too much what they are doing and they have to host very small sessions, because they do not have a lot of space for groups. They do not think these barriers have a very high impact on their activities, because they get good responses and they think that their customers will come either way.

#### **Social acceptance**

The interviewees come from a background where psychedelic substances were very accepted and they grew up in a network where people were very open about them. So, they never noticed people that were against the use. Now they are more careful with who they talk to about psychedelics and they keep their activities still very hidden.

### Section 2 - Hidden, institutional entrepreneurship

#### **Hidden entrepreneurship**

The interviewees try to stay under the radar by only inviting people from the psychedelic community to their sessions, because they think that these people can be trusted and that they will share it only with people that will not judge about it. They also try to stay anonymous,

so that they cannot be traced down. So, they keep their network very small and close to themselves. *“We think that staying hidden is also a way to survive, because if it all becomes illegal, we still have our business running like usual. We saw this with the ayahuasca practitioners, who were all going publicly and then it became illegal and now only few survive in the underground.”*

### **Ways to improve business (How to innovate?)**

The interviewees send after their sessions a feedback form to their clients and based on that they improve their sessions. However, the improvements are all very minor things.

### **Outreach to customers**

The interviewees get their clients from friends and their friends, but they keep their circle very small. They select their clients based on a motivation mail and a form about their previous experiences and medical preconditions.

### **Growth of business**

Growing of the business is not important to the interviewees, because that would make them need another facility and they want to keep doing small sessions with few people. They are also afraid that when they grow too big, their illegal activities will be revealed to people that could end their business.

### **Communication with other organizations**

The interviewees engage with other organizations and entrepreneurs by going to meetups and community gatherings, because they are all part of the same community. Almost everyone knows each other. They share almost everything, because they trust the people that work with psychedelics. They learn from each other and they share stories and it is also about creating a stronger community.

## Section 3 - Vision

### **Formation of vision**

The interviewees want to share the positive experiences they had with their clients by creating an environment in which they might also have such an experience. They got this vision by helping some people at first and decided they want to continue this.

### **Communication of vision**

The interviewees do not clearly communicate their vision or try others to follow their vision, but they just do what they do, because they think it is good what they do. People are always very positive towards their sessions and their approach, so they think people perceive their vision as good.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

Key actors in the psychedelic scene are according to the interviewees prominent people with a big reach. Because they can reach so many people at once and their followers probably change their mind faster when they say something. They do not connect actively with these people, but they know that the bigger organizations do connect with them and they think that they have the power to reach large amounts of people. Because the entrepreneurs try to stay hidden, they are more observing and not actively engaging in legitimacy creation.

### **Large social network**

The interviewees try their best to keep a small network that is aware of their activities, but they have themselves a large network that is also called their psychedelic community. This is growing as more people join this community, but not everyone has to know about their psychedelic sessions. Only when people specifically ask.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The interviewees are not searching for allies for their organization. They can handle everything themselves and they do not need much resources to continue their activities.

### **Type of allies (relevant resources)**

The main allies that the interviewees need are customers, because they are not dependent on other allies in order to survive. Their sessions are very cheap and they see it not as main income source for their personal lives.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The interviewees think that a shared vision with the whole community will have more impact than all different incoherent visions. They think that they stand stronger as a group than as individuals. Therefore, they often go to these community gatherings where people discuss their ideas about psychedelics.

### **Work to create isomorphic field**

The interviewees do not engage in the creation of collective strategies, because they are more the observers, but they know that the Guild of Guides is working on those. However, they join some meetings and like to connect with different kinds of people that work with psychedelics. They think that social and political acceptance comes from the bottom-up when people tell their network about their experiences. It is also very important to make sure the sessions happen very safely, so the changes of bad experiences are very low.

**Noticeable changes in bigger institutional environment**

The interviewees do not really pay attention to how the acceptance changes, but they keep getting their clients, which they think is a good sign.

## Appendix 7. Interview 5 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee is aware of regulations concerning psychedelics in the Netherlands and follows them closely. Since his organization is an educational platform, he does not have to deal with regulations as much. He just has to make sure he does not promote the use of psychedelic substances. He is also linked to a webshop that sells kits for microdosing, which is closer to the grey area. But if this webshop needs to be shut down, he still has his microdosing platform.

#### **Institutional contradictions**

The webshop that is linked to his website is in a grey area, because he sells different psychedelic substances for microdosing. Some of these substances are relatively new and are not yet regulated, so therefore they can be sold. When such a substance becomes illegal, he takes it off the webshop. But so far, he did not encounter any problems with the law.

#### **Stimuli**

The interviewee was helped a lot by psychedelic substances himself and saw that people he knew also benefited from microdosing. He created this educational platform to help other people that are also interested in psychedelics.

#### **Barriers**

The interviewee does not experience really any barriers, because his platform is purely educational and he did not encounter problems with the law so far.

#### **Social acceptance**

The interviewee does not notice any people that are against his activities, but he thinks there are definitely people that do not agree with the use of psychedelic substances. He just does not engage with those people and he thinks that those people also do not engage with him. He can talk openly about his activities to anyone he feels like, but he does not do it, because some people would not really understand and he does not want to waste his time.

### Section 2 - Hidden, institutional entrepreneurship

#### **Hidden entrepreneurship**

The interviewee does not actively stay under the radar with his activities, but he does not use paid advertisements. He has a Facebook page and group with many followers and he gets his clients from there. It has become sort of a natural process where his network keeps growing and he keeps getting clients. He stays active on social media to help as much people as possible.



### **Ways to improve business (How to innovate?)**

The interviewee is constantly updating his educational website with the newest science and microdosing information. He also tries to find new ways of microdosing and applies them in his coaching. However, he does not really have a business where many improvements can be made.

### **Outreach to customers**

The interviewee is approached by his clients mainly through social media and his website. He thinks that being present on social media causes all his customers to reach out to him that are interested in microdosing.

### **Growth of business**

It is not important to grow his business, because he cannot handle that much people with very few colleagues. However, his website does have a big reach and is visited a lot. So, by sharing all this information, he can grow the concept of microdosing.

### **Communication with other organizations**

In the guild of guides the interviewee communicates with other organizations. But because he does not really give psychedelic sessions, he is not so active in this group. He knows most people in the psychedelic community though, because he thinks that it important to create a large community with a similar vision. He shares all information with everyone, so he keeps no secrets.

## Section 3 - Vision

### **Formation of vision**

The vision of the interviewee is to provide people with actual science-based information on how microdosing can help with certain things and how it works. He got this vision after he and people in his network experienced the benefits themselves.

### **Communication of vision**

In the guild of guides the interviewee shares his vision with other entrepreneurs, even though he is not as present in this group as others. Through his website he shares his vision on a broader scale. He thinks people agree with his vision, because he gets a lot of requests from people that want to start microdosing and ask for his advice.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

According to the interviewee, the key people in the psychedelic scene are scientists, because they are the ones that show facts, which have the potential to change people their minds. There are a few scientists who work with psychedelics that have a large network and can

reach many people. These are the ones that he connects with, because he thinks they can change the stigma.

### **Large social network**

Because the interviewee is very active on social media and keeps connecting to new people, he is growing a network pretty fast. Also, his presence in different media makes him and his platform known for a wider public.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The entrepreneur thinks allies are important in the psychedelic scene, because it helps to create this large community that is able to grow by adding allies. The interviewee also connects people with each other to strengthen the network and form more links between people in the network. He says that most people, active in this network, do this. They refer each other if they think another entrepreneur is more fit to treat a client than they are. Most connections are made during conferences and meetups.

### **Type of allies (relevant resources)**

The interviewee makes sure he makes a presence in different media, such as documentaries, research, newspapers, and other articles. These people all become part of his network which helps to de-stigmatize the use of psychedelic substances.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The interviewee thinks that creating a large community with a shared vision helps a lot with the acceptance towards psychedelics. When this is based on science, people cannot really deny the legitimacy of the vision and community as a whole.

### **Work to create isomorphic field**

The interviewee does link to the group of entrepreneurs working on collective strategies, namely the guild of guides, but he is not so active in this group. He thinks that creating a community contributes most to the overall acceptance. "The larger the community is, the more people will think microdosing and using psychedelics is something normal to do."

### **Noticeable changes in bigger institutional environment**

The interviewee is not really looking at these changes, so he is not really aware of people are changing their minds. He is aware that he keeps getting new clients that are not familiar with psychedelics and want his advice. These clients have very different backgrounds and age, so this might be an indication for increasing acceptance.

## Appendix 8. Interview 6 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee is very aware of the regulations concerning psychedelics. Everything is done according to the law. This is because they think their whole business can be shut down pretty fast when the government does not like their activities. They are still aware of the stigma in the government. All their activities are discussed with legal advisers on how they can continue their activities and stay within the law. They are working towards an alternative healing center and eventually, in a later stage, as a mental healthcare center.

The interviewee also has a microdosing information platform, but there she has to be very careful not to recommend people to start microdosing. It has to be purely for educational purposes. They also linked to a webshop that sells microdoses, but when this is not allowed by law anymore, they can also stop collaborating with this webshop and continue as an educational platform.

The organizations working with psychedelics are not allowed to use the words psilocybin and therapy by the government. For this reason, they have to be very careful how to communicate their activities with the public. "We have to be careful with how we phrase our activities, because we cannot use the words psilocybin and therapy."

#### **Institutional contradictions**

Magic truffles are part of the food regulations in the Netherlands, but their actual psychedelic effect is not really considered in these regulations. So, this can be seen as a sort of gap in the regulations, which can be exploited for their activities. But the interviewee said not to be actively searching for gaps in regulations.

#### **Stimuli**

The healing of people with psychedelics motivates the organization to do this work. They think it is very rewarding to see people have these transformative experiences. The way they work is stimulated very much by financiers. Without them, they could not continue their activities on such a scale.

#### **Barriers**

Financial factors are mainly the biggest barriers for the organization to grow and continue activities. Another big barrier concerns payment providers that do not want to do business with an organization working with psychedelics. Here the stigma is still an impactful factor. "Some high-risk payment providers do want to do business, but they ask very high fees per payment, which causes high prices of the psychedelic sessions."

#### **Social acceptance**

There are different views on psychedelics in society, but the interviewee notices a general acceptance in her social network of family, friends, colleagues. She also is aware of people that are against the use of psychedelics as they are viewed as drugs, but she does not really engage in a discussion. And these people do not really engage with the organizations either.

She has very diverse people in her social media groups related to psychedelics from different parts of the Netherlands. Some of these people cannot talk openly about their experiences with their peers and these groups they have others to talk with. So, it is also about community creation.

## Section 2 - Hidden, institutional entrepreneurship

### **Hidden entrepreneurship**

The interviewee does not stay under the radar. They even do active advertising towards their customers on different social media platforms. *"We are mentioned in newspapers, videos and other popular websites with international reach."* When the activities are more openly known they can attract more customers, which helps the organization survive and with destigmatization.

For the educational platform, the interviewee has created Facebook groups in which people can openly talk about their experiences. However, she does not actively advertise with this platform.

### **Ways to improve business (How to innovate?)**

The interviewee said that the organization related to psychedelic therapy is very actively improving the business by creating better services for the clients. This is mainly based on their experiences and feedback from clients. The corporate team is actively thinking about those improvements constantly.

### **Outreach to customers**

Clients are found and reached through advertising on social media and by spreading the name of the organization on different media platforms and in multiple articles. *"We are in this lucky position where we do not have to do much to get clients, they sort of come by themselves."* Clients are selected through a screening process in which they are asked about their mental state and other medical conditions.

### **Growth of business**

It is important to grow the business, so more clients can be helped and make the retreats more cost-efficient, because for now the retreats are expensive, but the organization still runs at loss. But this is more of a long-term goal. For now, it is more about surviving the beginning phase of the psychedelic organizations.

### **Communication with other organizations**

Guild of guides is an umbrella organization, which is being created for the legitimization of psychedelic practitioners. Through this organization, they communicate with all other psychedelic organizations about strategies and together they have more strength financially and can be regarded as more legitimate. *"There are still organizations that prefer to work underground, but now there is more communication going on."*

The interviewee says the organization notices competition between some organizations, because they copy the way they work and they copy parts of their website. But she thinks there is enough room for this competition, because of the large demand for these psychedelic sessions.

They do not recommend their clients to other practitioners, because they do not know their way of working and thus are not fully sure if it would be responsible to send their clients to those other organizations. This is also one of the reasons they are working on standardized protocols for the organizations.

## Section 3 - Vision

### **Formation of vision**

The information platform is just for educational purposes related to harm reduction. The organization related to psychedelic therapy has as vision the psychedelic healing of their clients on science-based protocols in professional ways. The organization wants to make this available for as much clients as possible. They also want to act as training center for psychedelic practitioners and teach them about safety.

### **Communication of vision**

The vision is communicated and spread through different media and their website. The vision is also communicated through their clients, which they also view as their ambassadors. Their vision is viewed as perceived pretty well by others since they have financiers and are mentioned in many media. However, some other psychedelic practitioners do not agree with the high prices of the retreats. But these high prices are needed to save money for people with less money, so they can still go on retreat. Also, these prices are needed to act as a professional organization and training center, because this could not happen if it would be all voluntary work.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

According to the interviewee there are core people in the psychedelic scene that have the power to dictate what becomes regarded as legitimate. For example: *“Michael Pollan, who has a big following, wrote a book about the potential benefits of psychedelics. This book has been sold a lot and has gotten many good reviews. I have noticed that these types of events help towards the de-stigmatization of psychedelics in different groups of society.”* She also thinks that podcasters for example with a big following help to de-stigmatize on a large scale.

The educational platform is mainly to connect many allies with each other to create more of a standardized way of safely taking psychedelics. This network building is also to build trust between parties, because this helps a better way of working.

It is also difficult to already determine who are the core people that dictate what is legitimate. This might be easier to determine in a later stadium.

### **Large social network**

Everyone in the psychedelic field sort of knows each other and their relations are based on trust, because they have a similar vision.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The organization is constantly searching for allies, because they are very much needed for the survival of the organization. They find them through actively contacting them and meeting them at conferences.

### **Type of allies (relevant resources)**

They are taking most of the financing allies and allies with advice that would help the organization survive and continue their activities in any way. *“There are some investors that are investing for a very long time in the health and wellbeing sector. Being financed by them is important for the organization and this will also help to legitimize our activities. These investors often have good advice as well.”*

Furthermore, the organization is creating alliances with research centers, universities, and psychedelic training programs in different countries. They are working on an advisory board with different researchers to support and help with psychedelic research. Also thought leaders, with a big following, are important allies, because they have the ability to change people their minds and reach a very large group.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The interviewee thinks that sharing vision and ideas with other entrepreneurs in the field will help create a stronger position towards acceptance, because a more structured and standardized way of working will be introduced like more professional therapies have.

### **Work to create isomorphic field**

Through the guild of guides standard protocols are created for the psychedelic sector. They also discuss each other's way of work and try to find the safest way of working with psychedelics. This group is also formed to advocate for psychedelics towards the government and provide evidence-based arguments on why they should be allowed to continue their activities. The group also functions to talk with different parts of the government and lawyers to legitimize their activities.

The interviewee thinks that the biggest factors that will help create legitimacy for psychedelics are education and safety protocols for the psychedelic practitioners.

Also, the openness of people to share their experiences with their network will help with the legitimacy creation. Furthermore, documentaries and movies related to psychedelics will also help with this.

### **Noticeable changes in bigger institutional environment**

The interviewee especially notices changes in her environment towards the acceptance of psychedelics through large media that write about their practices and the book by Michael Pollan, which reached many different people.

*“There are some study programs in America currently where people can get a degree in psychedelic therapy. However, since psychedelics are legal there, these people have to get their experience from the underground circuit. But this is already a step towards more acceptance of the sector.”*

## Appendix 9. Interview 7 - Leading activist

### Section 1 - Institutional environment

The interviewee first had a stigma concerning psychedelics and tried to stay away from them, but the more people he met that had experiences with those substances, the more interested he became. After doing research himself, he thought it would be safe and went to a retreat and had a very profound experience. After this he decided to start to get more interested in the application of those substances in society. But he was also aware of the big stigma on psychedelics and that is why he started this de-stigmatization movement.

The interviewee works with organizations in different parts of the world and these organizations work with psychedelics in the name of research to legally continue their activities. There are actually few countries where the use is legal like in the Netherlands. However, because of the stigma it is difficult for organizations to really grow and emerge. But the interviewee also thinks that these organizations will get their clients anyway.

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

There are many organizations working with psychedelics also outside of the Netherlands. The interviewee knows about them through psychedelic conferences and from social media groups where these retreats are being advertised. He knows what they do, because he engages with those organizations with respect to his de-stigmatization movement. *“The goal is to create a large international platform where all people working with psychedelics, healthcare institutions and professionals, researchers and users can come together to openly talk and meet up with each other to form new ideas.”*

The interviewee thinks that these organizations working with psychedelics should be out in the open, because this will eventually change the way people perceive them. When organizations stay underground it will be looked down upon by certain groups and will always remain some sort of niche group.

### Section 3 - Vision

The interviewee spoke to many different people that work with psychedelics across the world during conferences and came up with those people that the biggest barrier between psychedelics and society is the stigma. He saw that all organizations have a similar vision of healing people with the use of psychedelics, but that they are all affected by the stigma, which hinders their activities.

Together with those people, the interviewee came up with the idea to create a way to come out together as a way of gratitude towards the plant psychedelics. This led to the creation of the hashtag that was used for people to come out and their social network would see this through social media. Their vision was to de-stigmatize use of psychedelics by spreading positive stories through social media and that this would cause a chain reaction from user to user and their social media followers and friends.

### Section 4 - Social position

Most of the psychedelic organizations are active in social media groups with many followers, but this still stays within the range of people that already have no stigma on psychedelics. Therefore, the interviewee thinks that people should also come outside of these groups and talk about the potential with people that are not aware of it. When many people can be targeted that are not aware of the benefits and they can be convinced of the benefits, then this will increase the legitimacy of the use and thus also the organizations. The interviewee noticed



that people sharing the hashtag on their social media accounts got messages from their friends or followers that got their interest triggered and wanted to ask questions. According to the interviewee this is a good step towards de-stigmatization. At first he was afraid of some friends and family that would judge him, but they were all supportive and he thinks that when people are close to the psychedelic user, they will automatically be more supportive and open.

## Section 5 - Mobilizing allies

The interviewee partners with many different organizations and entrepreneurs all over the world. Partnering it is now about sending messages to everyone and plan things together. This was first used to create events where all these organizations can meet each other and discuss ways of work. There are also many psychiatrists and psychologists on the platform that learn from these psychedelic organizations and eventually can be integrated in the psychedelic therapies.

The interviewee wants to create a strong and large platform where people can meet each other and discuss new ideas online. He thinks that by having a good platform, people will come by themselves as it will be recommended by their network.

## Section 6 - Isomorphism

The interviewee thinks that the amount of entrepreneurial activities will increase the legitimacy of psychedelics, because there is more room for people to experience and that they will spread these experiences in their network, which in turn will help de-stigmatize the use. For these meaningful experiences to happen, the psychedelic practitioners need good information on guiding people through these experiences and create a safe environment for their clients. The interviewee notices there is a strong increase in the interest for the use of psychedelic substances, which he sees in the quickly growing use of the hashtag and the followers of the social media page.

## Appendix 10. Interview 8 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws and Institutional contradictions**

The interviewee is aware of the regulations regarding the use of psychedelics. The use of magic truffles is allowed in the Netherlands, however the active ingredient, psilocybin, is illegal and cannot be used as selling point for the organization. Therefore, they use the term healing with magic truffles instead of healing with psilocybin. The use of other psychedelics such as magic mushrooms, LSD or DMT are not allowed in the Netherlands and are therefore not used by the organization. Since the magic truffles are legal in the Netherlands, many foreign clients come to the Netherlands for a session. *“We cannot use the word psilocybin, because that is illegal, but we can use magic truffles, because they are legal.”*

The interviewee said to respond to the laws by being as transparent as possible and not doing anything against the laws. Also not actively searching for gaps in regulations. “The lawmakers are becoming more aware these therapeutic sessions are being held and are unsure how to respond to them.” In the meantime, there are no restrictions related to the activities of the entrepreneurs.

#### **Stimuli**

The interviewee is motivated to work with psychedelic substances, because he sees many different people having very meaningful experiences during the sessions. He thinks it is very beautiful work to do and really believes in the positive impact it can have on people in the right professional setting.

#### **Barriers**

The biggest factor that prevents the entrepreneur from growing are financial resources. *“If I would have more budget, I would be training more psychologists and doing more sessions.”* Another big factor that prevents the field from growing and gaining more legitimacy is the stigma around psychedelics. *“Even though research has shown positive results, people still are skeptical about the results.”*

#### **Social acceptance**

According to the interviewee there are groups that are pro and against his activities. He says that the groups who are against view psychedelics as drugs and thus have a bad association with them. He is not really engaging with those groups and just leave them be for now and believes they will change their opinion by themselves. He is aiming more towards the government and change their opinion by showing science related to the psychedelics. He wants to talk openly about it and engage in the conversation, but does not actively do it himself. He thinks it is not his job to do as long as he keeps getting his clients.

## Section 2 - Hidden, institutional entrepreneurship

### **Hidden entrepreneurship**

The interviewee used to really stay under the radar, but now he has a website and he tries to reach people with this website. People can apply through the website, so there is not anything hidden going on anymore. The interviewee is not really trying to be a known person, but by linking to other entrepreneurs and joining the branch organization, he is known by multiple people in the field.

### **Ways to improve business (How to innovate?)**

The interviewee is actively trying to improve his business to become more perceived as legitimate by others. Such as training psychologists to help with the psychedelic sessions and after the sessions. He is also trying to innovate by organizing different types of sessions, such as sessions aimed at different disorders and intentions, group, or solo session. Most of the ideas for improvement come from other organizations and feedback from clients.

### **Outreach to customers**

The interviewee is reaching his clients through targeted advertising and they also find him through ways he is not sure about. Everyone is welcome for the therapies, however they first need to go through a screening to reduce the risk of anything happening to them. In some cases, the client needs an approval of their doctor and a list of their medication.

### **Growth of business**

The interviewee says that most of the income goes directly back into the organization and they live of a minimum from that income. Most of the money does not go per se in growing the organization by a lot, but more in the professional training of psychologists and buying a facilitation place. First, they want to have a stable position from which the organization can grow. The organization needs more clients in order to grow more.

### **Communication with other organizations**

The interviewee said that it is very important to communicate and engage with other organizations as it is still a fragile field that can be shut down easily. With other organizations you stand stronger against the lawmakers. *"In the beginning there were many underground organizations working with psychedelics, but all in their own way and without much interaction between each other."* Some of these entrepreneurial organizations started a branch organization which is not yet official, but is still in the process. This organization is called the Guild of Guides and is meant as a sort of lobby group for psychedelics. The goal of this branch organization is to open up a dialogue with the government about the potentials of psychedelic substances and their organizations. In this branch organization all visions are discussed, organizations give feedback to each other and they try to remain critical about each other's activities. Also new entrepreneurs that want to join the field are being invited into the branch and are being taught about their activities.

The interviewee thinks that many *"...foreign psychedelic practitioners that come to the Netherlands to work with the magic truffles form the largest threat to the legitimacy of the sector, because they are not yet so familiar with the Dutch regulations and might do irresponsible things, that can shut down the sector."*

The interviewee perceives no competition in the field, because they all have their own specialties, which makes each unique and not really up for competition.

### Section 3 - Vision

#### **Formation of vision**

The interviewee has a clear vision with his organization, which is: The healing of people with depression, PTSD, anxiety or eating disorders through psychedelic therapies. And being as professional as possible with the help of psychologists and psychiatrists.

#### **Communication of vision**

The interviewee especially communicates his vision to people that really ask for it, which are mainly investors that want to know how they operate. The investors are interested in the vision, because it is very clearly and transparently communicated according to the interviewee. The investors come from multiple different countries.

### Section 4 - Social position - Hidden and dispersed entrepreneurship

#### **Connection with key actors**

The most important people for the interviewee are clients, psychologists, and investors. Mainly, because these help the organization to survive and the psychologists are needed to create a better service for the clients. There are not particular people that dictate what is legitimate, it is rather the belief of everyone working in the field that it is legitimate. Mostly through own healing experiences that they want others to experience as well.

#### **Large social network**

Most of the network building is online, because that is how they want to target their clients. This mainly through targeted advertisements. It is more of a natural process, since most clients find them. It is not actively engaged by the interviewee.

### Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

#### **Strategies of gaining allies**

The interviewee tries to be the bridge between psychologists and people that are into spiritual healing. He thinks that by connecting them a better understanding is created towards the support for the clients that undergo therapeutic psychedelic sessions.

He also has collaborations with other organizations that offer psychedelic therapies, that he has not the capability to offer. Also, the other way around. So, clients can be exchanged between organizations. These collaborations rely mainly on the trust in each other's practices and not so much on competitive bases.

#### **Type of allies (relevant resources)**

The interviewee is training real psychologists to work with their psychedelic sessions. This will gain more legitimacy and it will create better support for their clients. *"Since most clients are foreigners, they have little to no support for their experiences at home and this is the reason*

*we are training psychologists all over the world and mainly where our clients come from to support them in the integration process of their experience at home.” This creates an internationally wide network for the entrepreneur.*

The collaborations are still unstructured. There are many collaborations, but they are not structured, because no clear rules and routines are established. It is in the process of getting more structured, but this will take a while according to the interviewee.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

The guide of guilds is created to work towards an isomorphic field and through this they hope to gain more legitimacy. *“Sharing and discussing our vision with other entrepreneurs helps to create a field where we, more or less, think the same way. I think that the clearer the vision and science is communicated to public and politics the more legitimacy will be created.”*

### **Work to create isomorphic field**

The interviewee does not particularly notice a big change in politics yet, but he keeps getting clients and they report good feedback. The same goes for other related organizations, so this could mean that there is an increase in social acceptance.

### **Noticeable changes in bigger institutional environment**

The interviewee thinks there needs to be a platform consisting of entrepreneurs and lawmakers where these practices can be discussed and become legitimate. *“The government does not really intervene with these companies for now, but the increase in these organizations can cause the government to become an influencing factor.”*

## Appendix 11. Interview 9 - Underground entrepreneur

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee is aware of the regulations concerning psychedelics. He knows that his activities are against the law because he works with psychedelics that are illegal, hence he works underground. So, these regulations do not block him from continuing his activities. "I believe so strongly in the power of psychedelics, but I have to keep it underground in order to continue".

#### **Institutional contradictions**

The interviewee is not really looking for ways to legally continue his activities, since he does all of his activities underground. So far, he has not encountered any problems with the law, because he is very cautious with his way of work and makes sure his activities stay hidden.

#### **Stimuli**

According to the interviewee psychedelics have very much potential to heal people when used in the right ways. He experienced it himself and saw people around him have positive transformations, and wants to share this with others as well.

#### **Barriers**

The interviewee sees the stigma regarding psychedelics as one of the biggest barriers for his activities. He was born in a place where psychedelics are very looked down upon and he was not able to talk about them with the locals over there. This is also the reason he came to the Netherlands as the culture is already more open there, he feels like. The law does not really feel like a barrier to him, because his clients still find him and he can just keep continuing his activities.

#### **Social acceptance**

The interviewee notices a larger general acceptance in the Netherlands towards psychedelics compared to most other places he travelled to. However, he still notices that some groups in the Netherlands are not open towards psychedelics and he views them as the more conservative people. But he does not really engage with those people and just puts his energy in people that will support his activities.

### Section 2 - Hidden, institutional entrepreneurship

#### **Hidden entrepreneurship**

The interviewee said to stay under the radar, because he uses illegal psychedelics for his sessions. However, he is sort of open about them to people he trusts and people within the psychedelic scene. Outside the scene he is more cautious with telling about his activities. He tells his clients to not really spread that they had a session at his place too much, but also with people they trust. *"I tell my clients to keep me anonymous, but when they have someone in their network that is really interested, they can connect us."* He does not actively try to be known by many people within the scene, but since he helps with a lot of retreats and links to

everyone in the psychedelic field, he has become kind of known by multiple organizations and fulfills different tasks for each organization.

### **Ways to improve business (How to innovate?)**

The interviewee tries to improve his sessions by volunteering at multiple psychedelic organizations and learn from their ways of work. Also, the feedback from clients is used to improve the ways of working. However, the interviewee does not really actively engage in innovation.

### **Outreach to customers**

The interviewee is not really trying to find his customers, because he gets them mainly from mouth-to-mouth advertisement from his previous clients who had positive experiences. He is very open about his activities to everyone that he believes can be trusted and he thinks that his clients are also reached through this.

The interviewee selects his customers after an intake interview where he asks about their intentions, medical and mental preconditions, and judges whether they are fit for a session at his place.

### **Growth of business**

Growing the business is not important to the interviewee, because he wants to stay underground and he thinks that growing means that the chance will increase that his activities are noticed by authorities, which he tries to stay away from. He thinks it is important to educate and inform many different people of the benefits of psychedelic substances so it can be practiced by multiple people. This is why he educates people on how to guide psychedelic sessions.

### **Communication with other organizations**

The interviewee is actively engaging with other organizations by volunteering for them and just helping them in general with their activities. He also sees this as learning experience for his own psychedelic sessions. His main reason to engage with different psychedelic entrepreneurs is to learn from them and connect to them. By connecting to entrepreneurs that are located in different parts of the world, the interviewee grows his network pretty wide, so that he has multiple places to stay where he can work. In each of these places he gets clients from having conversations with people that come to these psychedelic retreats and these people tell their friends again.

## **Section 3 - Vision**

### **Formation of vision**

The interviewee has as vision to heal people mentally through psychedelic guided sessions. He came to this vision after he experienced this healing himself and now wants to share this with others. *“I want to help people through psychedelic guided sessions and do this in a safe way, because it has the potential to transform people their mindset in a positive way and make them have certain insights to live a happier life.”*

### **Communication of vision**

He communicates this vision with everyone he talks to that he thinks he can trust and is somewhat open minded towards his activities. But he does not try to communicate this vision on a broad scale, because he wants to keep his connections close to himself and he does not have the ambition to grow with his business.

He says that he also communicates this vision to the people he educates about guided sessions and that they all have a similar vision as he has. He thinks the people he communicates his vision with are accepting to it and often have the same vision. However, some more professional organizations think that his ways are not so safe as their ways. But he tries to convince them that he does his sessions in similar safe ways as they do.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

According to the interviewee it is not of much importance to him to connect to important stakeholders in the field, because he works underground and his clients keep finding him no matter which country he stays in. Because the interviewee keeps his psychedelic sessions so low-key and underground, he does not need as much money as larger and more professional organizations. Therefore, he does not need as much clients to survive and he can offer psychedelic sessions on donation base.

### **Large social network**

The interviewee is very known by many people in the psychedelic scene, but his activities are not known by everyone. He tries to grow his network by volunteering at multiple psychedelic organizations, making friends in the scene during conferences and meetups and by traveling to many places where people work with psychedelics. "If people see me as a nice person, they will automatically connect with me, help me and trust me with my activities". The interviewee wants to grow his social network because he believes that a strong network where everyone is connected helps eventually legitimize the use of psychedelics in therapeutic ways towards the larger public.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The entrepreneur does not really try to make allies for the survival of his business, because he survives the way he works now. He links to many other organizations just for his own learning experiences and he works at different places so he has a legal income.

### **Type of allies (relevant resources)**

Therefore, he has not really important allies on which he has to rely. He only relies on people that grant him a place to stay and in return he works for them. This is most of the time in psychedelic related organizations, because these people have a similar vision and are often open to help him out according to his experiences.



## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

According to the interviewee, sharing your vision with entrepreneurs is important, because it creates a stronger position of the profession. If everyone is in line with what the profession entails, it will happen in better ways. However, this is not yet the case according to the interviewee.

### **Work to create isomorphic field**

Also, the interviewee does not really engage in creating collective strategies with other entrepreneurs towards more acceptance. Mostly he just volunteers at one of the organizations and does not really interfere with the organizational matters. He does learn from the ways of working within the organization and implements this in his own business. Furthermore, he attends meetings where people talk about psychedelics and connect with each other. However, this is not related to the business of the entrepreneur, but he says that some of his clients have found him through these meetups.

### **Noticeable changes in bigger institutional environment**

The interviewee still notices very diverse perspectives towards psychedelics, but he thinks people are slowly changing their mindset towards acceptance. He notices that the place he was born now is generally more accepting as is his family nowadays. In the Netherlands he notices an overall larger acceptance than in most other countries.

## Appendix 12. Interview 10 - Inexperienced user

### Section 1 - Institutional environment

The interviewee has used psychedelics in different settings throughout his life and he views them as very important parts of his life, because they helped him with mental issues. His profession has nothing to do with psychedelics.

He thinks that people can be pro or against the use of psychedelic substances, but he does not really worry about the people that are against, because they do not actively protest against the use he says.

As long as people that are against the use do not actively boycott these organizations, he sees not really any problem for the organizations, because they get so many customers already.

The stigma does not really influence how he thinks about psychedelics now after he tried them many times, but when he was younger, he was definitely afraid to try them because of what people told him.

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

The interviewee is aware of multiple organizations working with psychedelic substances through friends mainly. Also, by meeting people at psychedelic events.

He knows what they do, because he went to some of these psychedelic sessions as a client.

The interviewee thinks that staying under the radar does not really matter for these entrepreneurs, because the demand for their sessions is already too high, which shows that they are already very legitimate within their circles. But for the larger public it will probably be better to be very out in the open and transparent with their activities to be more legitimate.

### Section 3 - Vision

He knows from some people that they want to heal people with the use of psychedelic substances, but he is not sure if that is really their vision or just what they are doing. He does not think it is per se needed to have one clear vision for these entrepreneurs, because it is already clear what they do for people and what their intentions. Maybe that it would be good to have a clear vision for people that are completely new in the psychedelic community to give them some guidance.

### Section 4 - Social position

The interviewee does not really know if these entrepreneurs have a large social network, because he never really paid attention to that. But he thinks that it can be helpful to have a big network to rely on when you want to become more legitimate for the larger public. If you have many followers people will think you have expertise about something.

## Section 5 - Mobilizing allies

*Not of relevance for outsiders*

## Section 6 - Isomorphism

The interviewee thinks that it is good that there are so many working with psychedelics, because they can be beneficial to many people with mental issues. He hopes that people really focus on safety and not just on making a lot of money in this business. He thinks that if these sessions happen securely many people will have good experiences and they will tell their network and so it keeps growing.

## Appendix 13. Interview 11 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewee is aware of all the regulations concerning psychedelics. She works with both legal and illegal psychedelic substances. Because magic truffles are legal, she setup a legal business related to them. The illegal substances are more used underground and when a client specifically requests the use of one of those substances.

#### **Institutional contradictions**

Magic truffles are somewhat a grey area in the Netherlands, because the truffle itself is legal, but the psychedelic compound it contains, psilocybin, is illegal. "We just sit with the client while they consume the magic truffles and go through their psychedelic experience basically." The interviewee tries to stay within the law by making sure she does not do anything against the law. By doing this, she did not encounter any problem with the law so far. She also uses gaps in the law with her underground business. When a client has a substance in their body, it is not illegal anymore and another person can watch over this person and guide them. The client can also have a user amount on them, without any big legal consequences, because it just gets taken from them. The only illegal activity is obtaining the substance and taking it.

#### **Stimuli**

Because of personal experiences which helped her a lot, she wants to work with psychedelic substances and share this with other people. "I want to create the circumstances in which the chances are high that people have a meaningful experience."

#### **Barriers**

The interviewee is also not allowed to use the terms therapy and psilocybin, because she is not qualified to give therapy. Because of this, she has to reframe her business in guiding people while they are on psychedelic substances.

Search engines make it difficult to be found when the website is very much related to psychedelic substances, so this requires smart use of terms on the website to be found.

Also because of limited employees and limited space, she can treat not that many clients as she would like to. This is also partly caused by financial constraints. For poorer clients there are donation-based sessions, but this cannot be done too often, because the interviewee also needs to be able to pay her bills.

#### **Social acceptance**

The interviewee does not notice much resistance from groups towards her activity. She knows people that say that it would not be something they would do, but are not rejecting her activities. There are some religious and spiritual groups that say that substances should rather not be used, but she notices no resistance from them.

## Section 2 - Hidden, institutional entrepreneurship

### **Hidden entrepreneurship**

The entrepreneur is both underground and open about her activities. She is open about most of her activities on her website, social media groups and forums. She does not use paid advertisements, so most of the clients come through other clients, social media groups and by meeting her on meetups or conferences where she openly talks about her work.

Within the psychedelic community entrepreneurs point clients to each other when they think that another entrepreneur would be more fit for a certain client.

### **Ways to improve business (How to innovate?)**

The interviewee tries to improve her business based on feedback from clients when it makes sense and she feels like it would be a good improvement. Also doing this job often and more experiences give new ideas for improvement. The employees always talk about how it went and what could be improved after their sessions.

### **Outreach to customers**

The interviewee reaches her customers through talks on meetups and conferences, social media and through her previous clients.

Clients are selected through a medical and mental screening where they also have to state that they spoke the truth and are fully responsible.

### **Growth of business**

She does not really try to grow her business so much, because she really focuses on personal connections with her clients and good team culture and she thinks that keeping it relatively small can keep her work ethics. She is also not focused on profits, but on the service in general.

### **Communication with other organizations**

The interviewee is in contact with many different psychedelic organizations nationally and internationally nowadays. *"A few years back, the psychedelic sector could be seen as very unstructured."* She thinks that together they can reach a larger group of clients and grow this movement more. It helps the community by providing knowledge and services to each other. It is also about creating a standard way of working for the field in which everything happens safely. Communication with other organizations is also important for the field in general, because when a lethal incident happens and the field gets shut down, it could mean the end of the psychedelic entrepreneurs.

## Section 3 - Vision

### **Formation of vision**

The interviewee does not have a clear formulated vision with her organization. But it is mainly about helping people with psychedelic substances in a safe environment.

### **Communication of vision**

While communicating with other organizations and clients she always spreads her ideas about psychedelic substances. The interviewee is part of the guild of guides and there they work on a collective vision, that resonates with her own vision. Others perceive her vision good according to her, because she notices no resistance. Everyone that works with psychedelics is being invited to the guild of guides and asked to work according to certain safety guidelines. All entrepreneurs have their say and together they try to find a way that works for everyone or most of them.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

According to the interviewee there are key actors in the field. The people with a large reach and a lot of followers. Mainly everyone that can reach a large audience. As a whole community they also include these key actors and through them reach more people with their vision. "These people are important parts of the network, because they can reach so many people at once." Also, some policy makers and lawyers are active in the psychedelic field. Research foundations are also important actors to connect to, because through research the field can gain more legitimacy.

### **Large social network**

It is important to connect with many different players in the field to make a strong community that keeps on growing. The larger the community, the more acceptance it will gain according to the interviewee.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

For the organization, or field in general, it is very important to have connections with the many allies. They all help the field to survive.

### **Type of allies (relevant resources)**

The interviewee is working with clients with more mental health problems, because she is working with certified therapists. These therapists are important allies, because they make her organization more legitimate towards a wider public. They make it part of a therapeutic trajectory. The key actors are also important allies to connect to, because they are important parts of the network. Clients are also one of the most important allies, because they are the ones that make the organization survive.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

Within the guild of guides, all entrepreneurs share the same vision and ideas in a democratic way. When more people share the same vision and work in very safe ways, this will create more social acceptance, because it proves the safety of the substances.

### **Work to create isomorphic field**

The interviewee is part of the guild of guides in which collective strategies are made for the psychedelic field concerning safety and legitimacy as a profession. The guild of guides aims to become a lobby group in the future. Disagreements or people going for a more competitive approach of marketing are being talked to and corrected eventually. Together they keep the same vision going.

There are also some organizations that do not work according to the safety protocols of the guild of guides and do more unsafe things. The guild also tries to keep contacting these people and bringing them in into the community, so they can work with the same safety measures. The unsafe organizations can be dangerous for the field as a whole.

### **Noticeable changes in bigger institutional environment**

Some politicians work on the decriminalization of certain drugs. There are multiple decriminalization movements happening. And all these movements are growing, which means there is a change happening of people being open and supporting the use of these psychedelic substances.

## Appendix 14. Interview 12 - Representative of the government

### Section 1 - Institutional environment

In his private life he has nothing to do with psychedelics. He knows a few people who had taken them when they were younger. In his professional life he works on laws that sometimes concern psychedelic substances. According to the interviewee, science says that some of these substances are safe and thus have less strict regulations (such as the magic truffles), other substances that were involved in some accidents are regulated more strictly.

The interviewee thinks the use of psychedelic substances can be dangerous, hence they are classified as illicit substances and he knows there are very different opinions on them in the public debate.

He thinks these organizations should follow very strict safety guidelines, but the use of psychedelics has proven to work for some mental diseases he has seen.

The interviewee says that the stigma influences how he sees psychedelics, because he does not want to try them and he rather stays away from most substances.

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

The interviewee is aware that there are some organizations working with these substances, because he knows the ministry has been approached by a group of these people that want to legalize these substances, but the ministry is not so sure yet what to do with them. He is not very aware of what they do, but he thinks they guide people during their psychedelic experiences.

According to the interviewee, when all these organizations stay under the radar, they will never really get legitimacy of the authorities, because it will seem like some illegal business for people that want to get more insights, but cannot. He says they need to be very transparent, have clear safety protocols and some data that it works and is safe to become more legitimized.

### Section 3 - Vision

The interviewee is not aware of the vision of these organizations. He thinks that communicating a clear and substantiated vision will give more credibility to the entrepreneurs, because then he can see that it actually makes sense and that it is not some wishy-washy business.

### Section 4 - Social position

The interviewee thinks that the legitimacy of the business will increase if the entrepreneur does have a strong social network. He says that it is really important who the entrepreneur will have in his network. This entrepreneur would need people that can back up his credibility



through data and a strong business plan, so that it would become easily communicable with authorities.

## Section 5 - Mobilizing allies

*Not of relevance for outsiders*

## Section 6 - Isomorphism

The interviewee thinks that an increase in these entrepreneurial activities can increase the legitimacy if they work safely and according to certain guidelines and they can bring in data to show that it is safe and that it works. It can also decrease the legitimacy when these entrepreneurs do their own thing, work unsafe and incidents are happening.

## Appendix 15. Interview 13 - Professional organization

### Section 1 - Institutional environment - Evasive entrepreneurship

#### **Regulations/laws**

The interviewees said to be very aware and cautious of regulations. They know they can use magic truffles in the Netherlands, but no other psychedelic substances, since ayahuasca has been made illegal recently. Next to their truffle sessions, they do sessions with 5-MeO-DMT, which is not allowed in the Netherlands and therefore do these sessions in Portugal.

#### **Institutional contradictions**

Some substances they do sessions with are not yet on the list of illicit substances and fall under a gray area. As long as there are no laws concerning these substances, they can continue to use them. However, these substances will become illicit in a few months and from then on they will discontinue these sessions.

#### **Stimuli**

The interviewees are very stimulated to work with psychedelic substances because they see the positive impact it can have on people their lives when used in proper ways. They feel it is their calling to do this work.

#### **Barriers**

Main barriers according to the interviewees are the stigma around psychedelics, financial factors and lawmakers making these substances illegal. They feel like these barriers have a big impact on their activities.

#### **Social acceptance**

The interviewees only focus on groups that are open to their activities and feel like it is a waste of their time to engage with groups that are against their activities, since they act out of fear and follow the stigma. "Why waste my valuable time on these groups when I can also use it to treat all the requests I get."

### Section 2 - Hidden, institutional entrepreneurship

#### **Hidden entrepreneurship**

The interviewees promote their activities through Facebook and are not trying to hide them. They do not have the financial resources to advertise their organization, but their customers find them anyways. The interviewees try to be known by many people in the psychedelic scene in order to connect the whole movement by aligning visions and make it have more potential to break the stigma and gain legitimacy. They connect to people through conferences and meetups mostly.

### **Ways to improve business (How to innovate?)**

The interviewees are not actively engaging in innovation, but try to keep their main activities as they are. However, they do implement feedback when they feel like it makes sense. They do this through reviews.

### **Outreach to customers**

The interviewees do not really reach out to their customers, since the customers find them. They are not really sure how they find them, but they have their website on some forums related to psychedelics and they get messages through their website. Customers are selected through a screening, which is judged by the interviewees themselves based on the client's experience and medical preconditions.

### **Growth of business**

Growth is important to the interviewees, because they want to be able to help as many people as possible and for now, they are too small to help many people. They try to grow from donations and by forming a big network in which people are aware of their existence and share their vision.

### **Communication with other organizations**

It is important for the interviewees to engage with other organizations in order to set forward the movement of psychedelic substances. However, their vision is not aligned with all organizations in the field and are therefore cautious with who they want to engage with. They have some collaborations with other psychedelic organizations with a similar vision. With those organizations they share all information. By going to meetups, conferences, and other psychedelic events they connect with other entrepreneurs.

## Section 3 - Vision

### **Formation of vision**

The interviewees have a clear vision of their organization. They want to use psychedelic substances to heal or help people. They also want to give these sessions for free, because the psychedelic substances they use grow freely in nature. Through donations from others they try to make a living and provide the guided sessions for free. The clients are always free to donate what they think was appropriate to the experience.

### **Communication of vision**

By connecting to so many different people (entrepreneurs and scientists) they try to communicate this vision to as many people as possible. They get mixed responses, because some do not believe in free sessions and others think it is a great idea. They engage others in their vision by proving that it is possible and that they are still doing it.

## Section 4 - Social position - Hidden and dispersed entrepreneurship

### **Connection with key actors**

The interviewees think it is very important to connect to key actors in the field in order to be known by many different people. They think that the key actors are people with a big following

and that can reach a wide public. These are also the people that have the potential to dictate what is more regarded as legitimate and what is not. They all aim for safety and education as the main legitimizing factors.

### **Large social network**

The interviewees are in multiple Facebook groups with around a 1000 members and are mentioned in some psychedelic forums. They also help with research at multiple universities, because they think that research is one of the ways to de-stigmatize psychedelics. They want to grow their social network, but not per se their organization, because they want to push the psychedelic movement.

## Section 5 - Mobilizing allies - Hidden and dispersed entrepreneurship

### **Strategies of gaining allies**

The interviewees connect with allies through meetups, conferences, and other psychedelic events. They also work on some documentaries in which they connect with different people in the psychedelic scene. They also connect their allies with each other through social media and events. All with the goal to legitimize the use of psychedelics, so they can continue their activities through their own organization or through others.

### **Type of allies (relevant resources)**

The interviewees are mainly looking for allies that help their vision grow. They facilitate their sessions at their home. They rely on donations from clients or other organizations that support their vision. Therefore, it is important for them to have a big network.

## Section 6 - Isomorphism

### **Sharing of ideas among entrepreneurs**

They think the sharing of a vision is very important to create a larger acceptance towards psychedelics. Because a strong vision can work to destigmatize the use of psychedelics in the right setting.

### **Work to create isomorphic field**

The Guild of Guides has been formed recently to work towards an isomorphic field in which information, visions and experiences are shared freely among each other. This lobby group also advocates the potential benefits of their activities towards the government.

The interviewees think that providing clear education and safety guidelines for psychedelic substances will help create more acceptance. This is to help reduce the risks of something unwanted happening, which decreases the acceptance.

### **Noticeable changes in bigger institutional environment**

The interviewees do not notice any big changes towards more acceptance per se, but they have a steady client base that keeps growing. So, they think there has always been an acceptance from people.

## Appendix 16. Interview 14 - Journalist

### Section 1 - Institutional environment

The interviewee thinks psychedelics have the potential to be strong tools when used in the right circumstances. So, making sure they are taken in a safe and professional way. He has written some articles about the use of drugs in general and is working on safety and educational content related to the use of these substances. In his private life he had some psychedelic experiences after he heard from his friends about the substances.

He thinks the public opinion towards psychedelics is somewhat open in the Netherlands. He has talked to many different people through his work at Trimbos and as a journalist. During this work he mainly noticed a general understanding for the use of psychedelics in the right manner. However, the people, that categorize them as drugs, are less accepting at first but *"...I have seen them change their mind when they were engaged in a conversation."* *"The least acceptance I noticed is among professional organizations that have nothing to do with the use of psychedelics, such as banks or other financial businesses. I think this is the case because these organizations are afraid to lose credibility by their customers or partners."*

This would affect the organizations in a way where it would be difficult for them to do financial matters according to the interviewee. Nevertheless, he knows some of those organizations and he hears that most of the customers come regardless of the stigma, because the clients are generally more accepting at first.

The stigma does not influence the way the interviewee thinks about psychedelic substances. However, it does influence how open he is about his experiences to others. He knows there are some people he can talk to and with some people it is better not to talk about his experiences.

### Section 2 - Evasive, dispersed, hidden, institutional entrepreneurship

The interviewee is aware of multiple organizations working with psychedelic substances either underground or more professionally. He knows about these through Facebook groups and forums where people advertise with their organizations. These groups are all closed groups, so they are somewhat underground, but it is open for anyone to join these groups.

The interviewee knows that these people are working with psychedelic substances and organize one-on-one or group sessions or retreats. The more professional organizations work with legal substances, because they have more to do with legal matters as an organization. The underground organizations are also working with illegal substances and usually at home.

According to the interviewee staying under the radar does not really increase the legitimacy of an entrepreneur, but it does not really decrease either. He thinks that these people are known in certain networks and that they get their clients through there. Their legitimacy comes more from mouth-to-mouth advertising by their clients.

The interviewee thinks there are professional people in the field and people that can be considered very unprofessional. *"I think that the moonlighters are more likely to decrease the legitimacy of psychedelics, because they might not be aware of all safety measures or protocols, which can be dangerous. Even though these people probably have the right intentions and just want to share a nice experience with their clients, I think they form a danger for the legitimacy."*

### Section 3 - Vision

The interviewee knows about the visions of the organizations working with psychedelics through talking with them as journalist, but also through the Facebook groups and forums where these organizations announce their sessions. They all have a similar vision that relates to the healing of people through psychedelic substances in a safe environment.

He thinks that the ability of an entrepreneur to communicate their vision in a clear manner, will give them more credibility towards a bigger public. The interviewee thinks that because he has seen himself that people their minds can be changed when they are engaged in a conversation and good arguments are given.

### Section 4 - Social position

Some of these people in the psychedelic scene have quite some followers, but this is mainly because they post in Facebook groups with many followers, so their posts reach thousands of people. The interviewee thinks that their strong position in their network mainly comes from their clients that had an experience at their organization and tells this to their peers. Once this network grows large enough, they entrepreneur will have a stronger position towards the larger public, because the entrepreneur can be supported by many people.

### Section 5 - Mobilizing allies

*Not of relevance for outsiders*

### Section 6 - Isomorphism

According to the interviewee the amount of professional entrepreneurial activities (not the unprofessional ones) will increase the legitimacy towards the larger public. This is because together you have more influence than alone or just a few of these organizations.

The interviewee thinks standardized safety protocols, professional people, and information and education for a wide group of people will help increase the acceptance for psychedelic substances. This information and education can be in the form of books, podcasts, or blogs. Some people with a big following already do this and their pieces are well received by the public. The interviewee also thinks a group should be created that work on these standard

protocols and engage the government in a conversation about the use of psychedelics and how they can be deployed as therapeutic tools.

Finally, he thinks that people that had experiences and telling this to their network also greatly increases the public acceptance towards the use. People are generally more accepting when a friend or family member does something new.