

A STUDY ON THE STARTUP NATION

CLAUDE IN ISRAEL

Why the Startup Nation Is Building the Next Generation of Global Brands in an AI-First World

Israel is the number one country in the world for Claude adoption per capita. This study examines why, what Israeli founders and companies are doing with the technology, and how it is accelerating Israel's long-running role as the world's most productive brand-building economy per capita.

A joint study by

5WPR · Louder

Public Relations and Creative-Content Studio

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About this study

This study is co-authored by 5WPR, one of the largest independently owned public relations firms in the United States, and Louder, a creative and content studio that operates at the intersection of strategic storytelling and social impact.

Louder is part of The Phygital Jewish group. The studio specializes in developing high-impact campaigns and digital content for Jewish-owned businesses, international organizations, and government agencies. By leveraging advanced creative tools, Louder helps organizations navigate complex social landscapes and amplify their message to global audiences, ensuring that their mission drives real-world change. Follow Louder at [instagram.com/louder.creators](https://www.instagram.com/louder.creators).

5WPR, founded in 2003 by Ronn Torossian, serves clients across consumer, B2B, technology, healthcare, public affairs, and crisis communications, with more than 275 employees and an expanded service offering in the Israeli market since 2025.

The two teams combined forces on this study because the subject sits at the intersection of their work: a country that builds at a speed the rest of the world is still trying to match, and a technology environment that rewards exactly that speed.

Israel has always operated ahead of the curve. What our data shows is that with AI, the country isn't just keeping up — it's defining what comes next. The same grit, creativity, and speed that built the Startup Nation are now shaping how Israeli brands reach the world.

— Dolev Draï, Founder, Louder

Executive summary

Israel ranks first in the world on the Anthropic AI Usage Index, with a score of 4.9x — meaning Israelis use Claude nearly five times more intensely than their share of the global working-age population would predict. The country is ahead of Singapore (4.19x), the United States (3.69x), Australia (3.27x), Canada (3.15x), South Korea (3.12x), and New Zealand (3.11x). It is the widest gap at the top of the global adoption index.

Measured in absolute volume, Israel's tiny population means its share of global Claude usage is small — roughly half of one percent of all Claude conversations worldwide, generated by a country that accounts for just over a tenth of one percent of the world's working-age adults. Israeli users produce roughly one in every 185 Claude conversations on earth, drawn from roughly one in every 900 working-age adults. That ratio — not the absolute volume — is the story.

Israeli hard data reinforces the point. The Israel Innovation Authority and Brookdale Institute's November 2025 survey of more than 500 Israeli tech workers found that 95% use AI tools regularly and 78% use them daily. Approximately 70% of workers reported substantial improvement in output quality, and 40% reported that AI tools cut their work time by more than half. Microsoft's AI Diffusion Report ranks Israel as one of only seven countries worldwide with a locally developed frontier-grade AI model in the global top 200.

This is the Startup Nation doing what the Startup Nation has always done: compressing global adoption cycles into Israeli ones. The same conditions that built Israel's reputation as the world's most productive tech economy per capita — talent density, R&D intensity, rapid iteration, universal English fluency, a culture of building — are the conditions that reward early AI adoption.

Israel builds more startups per capita than any country on earth. It now also uses AI more intensely than any country on earth. Those two facts are not independent — they are the same fact, measured twice.

Four findings anchor the rest of this study:

- Israel's AI adoption is structural. Anthropic finds that a 1% increase in GDP per capita is associated with a 0.7% increase in AI Usage Index. Israel's rank is not a spike; it is the output of an economy built for this moment.
- Usage is broad and deep. 95% of Israeli tech-sector employees use AI tools regularly; 78% use them daily. 82% of those daily users apply AI across three or more categories of work.
- The Israeli AI sector is the center of gravity of Israeli tech. 342 Israeli generative AI startups have collectively raised over \$20 billion. Cybersecurity and GenAI together accounted for roughly 70% of all capital raised in Israel in 2025.
- Brand-building from Israel is getting faster. Israeli startups raised \$15.6 billion in 2025 and generated \$74 billion in exits. Category-defining Israeli brands are being built with AI-native teams from day one.

1. The data: Israel leads the world

1.1 The Anthropic AI Usage Index

Anthropic publishes the Economic Index to measure how AI is being used in the real economy. The September 2025 report introduced the Anthropic AI Usage Index (AUI) — a single number per country that compares its share of Claude conversations to its share of the global working-age population. A score above 1.0 means a country is using AI more than its population share predicts.

The most recent public AUI leaderboard comes from a November 13–20, 2025 sample covering 116 countries, published by Anthropic in January 2026. Israel leads. An additional Economic Index report published on March 24, 2026 used a February 5–12, 2026 sample to track how Claude usage is evolving; the country-level leaderboard from the November sample remains the most current public ranking.

1.2 The global leaderboard

Rank	Country	AUI	Structural context
1	Israel	4.90x	Highest R&D/GDP ratio on earth; 6,600+ active startups; AI-native defense and cyber economies
2	Singapore	4.19x	Smart Nation policy; top 5 on Global Innovation Index
3	United States	3.69x	Largest absolute Claude volume: 21.6% of global conversations
4	Australia	3.27x	High digital labor share; strong enterprise adoption
5	Canada	3.15x	Concentrated knowledge-work economy
6	South Korea	3.12x	Strong developer and consumer adoption
7	New Zealand	3.11x	Small, high-GDP knowledge economy

Israel's lead over Singapore is 17%. Its lead over the United States is 33%. The bottom of the global index — Tanzania at 0.03x, Angola at 0.05x — sits roughly 150x below the top. There is a real global AI adoption divide, and Israel sits at the summit of it.

1.3 Reading the ratio: intensity, not volume

A common question about this ranking is how to interpret it in absolute terms. Israel's population is small — approximately 10 million people, with a working-age population of roughly 6 million, or about 0.11% of the global working-age total. With an AUI of 4.9x, that implies Israel accounts for approximately 0.5% of global Claude conversations — meaning Israeli users generate roughly one in every 185 Claude conversations on earth, drawn from roughly one in every 900 working-age adults.

The United States, by contrast, accounts for 21.6% of global Claude volume because it has both a large population and high per-capita usage. India, the second-largest absolute user at 7.2%, has low per-capita intensity (AUI of roughly 0.22x) but enormous scale. The AUI matters because it cuts through population size to measure how deeply AI is embedded in the actual working life of a country. By that measure, Israel is unmatched.

Israel represents roughly one in every 185 Claude conversations on earth — from a country that is only one in every 900 working-age adults. The ratio is the signal.

1.4 What Israelis are doing with Claude

Three patterns from Anthropic's global Claude.ai sample matter for understanding Israel's position:

Software engineering dominates. Coding tasks (tasks associated with Computer and Mathematical occupations) account for 35% of conversations on Claude.ai as of February 2026, still the largest category. The single most common task worldwide is modifying software to correct errors.

Creative and editorial work is the second-largest category. Roughly 10% of Claude queries are creative, media, or editorial — writing, editing, design, marketing strategy. In Israel, where founders routinely operate in both Hebrew and English and where global go-to-market work begins on day one, this category is likely over-represented relative to the global mix.

Delegation is rising, and use is diversifying. The share of conversations where a user hands Claude an entire task rather than iterating with it rose from 27% in late 2024 to 39% by September 2025. Anthropic's March 24, 2026 update, based on February 2026 data, showed usage diversifying further — the top 10 most common tasks dropped from 24% of Claude.ai conversations in November 2025 to 19% in February 2026. Roughly 49% of all jobs have seen at least a quarter of their component tasks performed using Claude.

2. Why Israel: the Startup Nation compound

Israel's AUI rank is not a surprise to anyone who has watched the country's technology economy over the past three decades. Four structural conditions explain it, and all four kept strengthening through 2025 and early 2026.

2.1 Startup density

- 6,600+ active Israeli startups — 14 times the European per-capita concentration.
- Ranked number one globally for R&D expenditure as a share of GDP.
- Israeli startups raised \$15.6 billion in 2025 and generated \$74 billion in exits, per Startup Nation Central.
- Half of all 2025 capital went into deals larger than \$100 million — a concentration toward scale-stage companies that drive the most aggressive AI adoption.

2.2 Deep adoption across the tech workforce

A November 2025 survey by the Israel Innovation Authority and the Myers-JDC-Brookdale Institute, covering more than 500 Israeli tech-sector employees, gave the clearest picture yet of how widely AI is being used inside the Startup Nation. The findings went well beyond a statistical curiosity:

- 95% of Israeli tech-sector workers use AI tools regularly; 78% use them daily.
- Among daily users, 82% use AI across three or more categories of work, and 25% use it across six or more.
- 86% of workers aged 25–34 report daily AI use — the highest of any age cohort.
- Approximately 70% of surveyed employees report substantial improvement in output quality from AI tools.
- 40% of workers report that AI has cut their work time by more than 50%.
- 68% view AI as a career opportunity rather than a threat.

For comparison, the Microsoft and LinkedIn global workplace AI report published in May 2025 put the worldwide high-tech AI-use rate at 75%. Israel's tech workforce is running 20 percentage points above the global average. Adoption is no longer limited to engineers: marketers, HR staff, product managers, and finance teams are all integrating AI into their workflows.

The AI survey reveals the depth of the transformation underway in Israeli high-tech. Almost all workers in the sector already use these tools, and this is not a future projection but a present reality reshaping high-tech employment. The Israeli high-tech industry is responding quickly, adopting the tools, testing new work models, and integrating AI into development, marketing,

and management processes.

— Dror Bin, CEO, Israel Innovation Authority (November 2025)

2.3 Global recognition of Israel's AI position

Microsoft's AI Diffusion Report 2025, published in early 2026, triangulates the same picture from a different direction. The report places Israel in rare company:

- Israel is one of only seven countries globally with a locally developed model in the top 200 AI models worldwide — alongside the U.S., China, France, South Korea, the U.K., and Canada.
- Israel's flagship model, AI21 Labs' Jamba Large 1.7, trails the global frontier (OpenAI's GPT-5) by just 11.6 months.
- On Microsoft's Adoption Index, Israel ranks 15th globally with an AI adoption rate of 33.9% among adults — above the United States (26.3%) and China (15.4%).
- Relative to GDP, Israel sits above the global trend line for AI usage — meaning Israelis adopt AI at rates higher than income alone would predict.

Israel is among the world's leading countries in infrastructure, models, and implementation. Israeli high-tech continues to be the engine of growth for the economy, and the work being done here in artificial intelligence demonstrates our strategic global role.

— Michal Braverman-Blumenstyk, Corporate Vice President, Microsoft; Managing Director, Microsoft Israel R&D Center

2.4 The AI sector as the center of Israeli tech

Israeli AI has graduated from a vertical to the core of the entire tech economy:

- 342 Israeli generative AI startups have collectively raised over \$20 billion.
- Cybersecurity and generative AI together accounted for roughly 40% of 2025 funding rounds and 70% of all capital raised.
- 130 Israeli cybersecurity startups received funding in 2025, totaling \$4.4 billion.
- For the first time, global venture funds outpaced Israeli funds at every stage of cybersecurity investment.

2.5 Category-defining Israeli AI brands

A non-exhaustive sample of Israeli companies at the center of the global AI conversation:

- Wiz — cloud security, acquired by Google in one of the largest exits of 2025.
- CyberArk — identity security, acquired by Palo Alto Networks.

- Cyera — AI data security, raised \$400 million in January 2026 at a \$9 billion valuation, with 20% of the Fortune 500 as customers.
- AI21 Labs — large language models, pioneered enterprise LLM deployment from Israel.
- Run:ai — GPU orchestration, acquired by Nvidia.
- Lightricks — AI-driven creative tools, a global consumer brand built from Jerusalem.
- Hailo — AI edge processors, deployed across automotive, industrial, and PC platforms.
- Illumex — generative semantic infrastructure, acquired by Nvidia.
- Deep Instinct — deep-learning threat prevention.

Israel is not adopting AI. Israel is building the AI.

3. Building brands from Israel in an AI-first world

Israel has always punched above its weight in brand creation. Wix, Fiverr, Monday.com, Check Point, SolarEdge, ironSource, Mobileye, Waze, and Viber are all brands recognized globally that started in a country smaller than New Jersey. The 2025–2026 cohort — Wiz, Cyera, Armis, AI21, and others — continues that pattern, but accelerated.

What is new is that today's Israeli brand-building teams are using AI from the first week of the company, not adding it after a Series B. Three mechanics of the new brand-building environment stand out.

3.1 Smaller teams reach global scale faster

Traditional go-to-market sequencing — local traction, English content, US anchor customers, press, then scale — is compressed when AI tools collapse entire functional workloads. Product documentation, marketing copy, customer support, research briefs, and even code can be drafted and iterated with a model, freeing small teams to execute in parallel on fronts that used to require sequential hiring.

Eight-month-old Israeli cyber startup Above Security raised a \$43 million Series A with just 10 employees in 2025. Cyera went from \$3 billion to \$9 billion in valuation in under a year. Ten-person Israeli teams are now producing the output that fifty-person teams produced five years ago.

3.2 Hebrew and English are now a native pair

Frontier LLMs have improved sharply on Hebrew, and Israeli teams now routinely operate across both languages in the same workflow. Product specs written in English are summarized in Hebrew for a board meeting. Customer research conducted in Hebrew is translated into go-to-market materials in English. For brands that historically had to choose between depth in the Israeli market and reach in the global one, the choice has become less binary.

3.3 The information layer is changing underneath Israeli brands

When 4.9x the expected share of Claude usage per capita is happening inside Israel, the implication is that Israeli buyers, journalists, analysts, and investors are increasingly getting their first impression of a company from an AI answer rather than a website or press release. A brand's position inside the information layer — how accurately and prominently it appears when a model is asked about its category — is starting to matter as much as its more traditional assets.

This creates an opportunity and a discipline. The opportunity: Israeli brands that invest early in publishing primary-source material — research, data, executive commentary, product documentation in both English and Hebrew — accrue outsized visibility in AI outputs. The discipline: information that is fragmented, outdated, or inconsistent across owned properties gets compressed by LLMs into imprecise or incorrect summaries, which then scale to many more readers than the original sources ever reached.

A small country that built 6,600 startups is now building them faster, with smaller teams, in two languages, inside an information layer that rewards clarity.

4. The compound effect

If Israel's AI usage were simply high, the story would be interesting. What makes it consequential is that high AI usage, compounded with Israel's existing structural advantages, produces second-order effects that are only beginning to show up in the data.

4.1 More companies, faster

The most visible second-order effect is tempo. When a founder can use AI to draft legal documents, design a logo, test messaging variants, research a regulatory environment, and prototype a product in the same week, the barrier to starting is lower. For Israel, a country that already had the lowest barrier in the world, lowering it further is significant.

4.2 Richer categories, not just more companies

Israeli entrepreneurship has historically concentrated in enterprise software, cybersecurity, and semiconductors. AI tools — particularly generative models — make consumer, creative, and cross-disciplinary product categories more accessible to small teams. Lightricks is one example of a consumer-creative company built from Israel; the next wave is likely to produce more like it, spanning categories that previously required larger design and content teams to compete globally.

4.3 The talent flywheel

A country that uses AI more per capita than anywhere else is also a country where the next generation of engineers, product managers, and operators is learning to work alongside AI from the beginning of their careers. Over a five- to ten-year horizon, that produces a workforce with a different baseline of capability than its global peers.

4.4 Outbound and inbound, together

Israeli companies have always been outbound-oriented — built to serve the US, Europe, and Asia from Tel Aviv. The AI-native version of that posture is more symmetric. Israeli teams are now building products that are discovered by global customers inside AI answers, supported by global users through AI-native customer interfaces, and documented for global markets in near-real time.

Israel is at the forefront of AI adoption alongside superpowers like the U.S. and China, and that's a huge advantage.

— Alon Haimovich, General Manager, Microsoft Israel

5. What this means for Israeli founders and operators

Five practical takeaways for anyone building a company in or from Israel in this environment:

1. Treat AI as infrastructure, not tooling. The Israeli operators getting the most out of AI are not the ones using it to write faster emails — they are the ones building AI into the core workflow of product, sales, operations, and research. If AI is a productivity add-on in your team, you are behind the Israeli median. If it is infrastructure, you are at the median. The question is how to move ahead of it.
2. Publish primary-source material. In a world where LLMs are synthesizing answers about your company, your category, and your product, the brands that publish the most credible original content — research, executive commentary, documented data, customer evidence — show up most prominently inside those answers. Israeli companies have historically under-invested in narrative infrastructure relative to the quality of their products. That gap is now expensive.
3. Operate in Hebrew and English as a native pair. Israeli founders who treat Hebrew as an afterthought miss a significant share of their own domestic surface area. Israeli founders who treat English as the only channel miss the intimacy that drives Israeli buyer relationships. The strongest Israeli brands now operate in both languages from day one.
4. Compress team size deliberately. The Israeli advantage has always been doing more with less. AI sharpens that advantage. Founders should think explicitly about which roles they would have hired in 2022 that they no longer need to hire, and redirect the savings toward categories where human judgment still dominates: strategic hires, strategic partnerships, and founder time on the road.
5. Measure what LLMs say about you. Most Israeli companies have never systematically run their brand through the major AI models to see what comes back. That audit is now a basic hygiene check. It reveals what the broader market — which is increasingly getting its first impression of your company from an AI answer — is actually reading.

Israel builds more startups per capita than any country on earth. It now also uses AI more intensely than any country on earth. For Israeli founders, the opportunity isn't to catch up to the AI wave. It's to recognize the wave is already underneath them, and build accordingly.

— Ronn Torossian, Founder and Chairman, 5WPR

The headline of this study is that Israel is the most AI-intense country on earth. The deeper point is that it is the most AI-intense country on earth because it is the Startup Nation, and the Startup Nation is now compounding on itself. More companies, built faster, by smaller teams, reaching global scale in less time, in a country that already produces more of them per capita than anywhere else.

For the next generation of Israeli founders, operators, and investors, the opportunity is not to catch up to the AI wave. It is to recognize that the wave is already underneath them, and to build accordingly.

Methodology, sources, and about the authors

Methodology

This study synthesizes publicly available data from the Anthropic Economic Index, the Israel Innovation Authority and Brookdale Institute workforce survey (November 2025), Microsoft's AI Diffusion Report 2025, and public filings and press coverage of Israeli startups and funding. The Anthropic AI Usage Index methodology is documented by Anthropic and compares each country's share of Claude conversations to its share of the global working-age population.

The AUI country leaderboard presented in this study uses the most recent public sample — November 13–20, 2025, covering 116 countries, published by Anthropic in January 2026. Anthropic's March 24, 2026 Economic Index update (based on February 2026 data) tracked how Claude usage is evolving task-by-task but did not release a refreshed country leaderboard; figures for task diversification, augmentation rates, and job-coverage are taken from that later report.

Estimates of Israel's absolute share of global Claude conversations are derived from Anthropic's published AUI score (4.9x) multiplied by Israel's working-age share of the global total (approximately 0.11%), yielding an estimate of approximately 0.5%. This figure is a calculation, not an Anthropic-disclosed number.

This is an observational study, not a commissioned or audited report.

Primary sources

- Anthropic Economic Index — geographic and enterprise adoption report, September 2025.
- Anthropic Economic Index — economic primitives report, January 2026.
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- Startup Nation Central, 2025 annual summary data.
- Reporting by The Times of Israel, JNS, Ynet, and Ctech on specific Israeli AI and cybersecurity companies, 2025–2026.

About 5WPR

5W Public Relations (5WPR) is one of the largest independently owned public relations firms in the United States, with more than 275 employees and headquarters in New York City. The agency serves clients across consumer, B2B, technology, healthcare, public affairs, and crisis communications, and has operated an expanded service offering in the Israeli market since 2025. Founded in 2003 by Ronn Torossian.

About Louder

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