When purchasing an external drive for video projects on a MAC, buy a USB 3 drive (preferably 7200 RPM) or a Thunderbolt drive.

USB 3 is the most widely available fast connection on external drives. Most USB 3 drives have an internal SATA 2.5" drive. It helps if this is a 7200 RPM USB drive, not a 5400 RPM USB 3 drive. Drive speed should be indicated on the box.

Other USB 3 external drives are available in a two drive SATA RAID configuration (two drives that appear as one volume) or you can buy a SSD drive in a USB 3 enclosure. Both of these types of USB 3 external drives can be useful for working with video files with a higher than HD resolution or with many layers of HD video with effects. However, an external thunderbolt drive is a better option for anything beyond HD video.

Thunderbolt drives: these drives will be more expensive.

Thunderbolt is ideal for external drive RAIDS (multiple drives striped together as one volume) or external SSD drives. A Thunderbolt drive with two SSD drives in RAID zero works well for small 4K RAW projects. Thunderbolt has now been replaced with USB-C, which is technically Thunderbolt version 3.

USB 2: This standard is not acceptable for video editing. It's really too slow. However, I recommend getting a cheap USB 2 drive as a back-up for your working external drive.

Drive Format:

It is best to format the drive for the operating system you are working on. Format the drive OS X Extended (Journaled) if you are editing on a MAC. If you're working on a PC, format the drive NTFS. If you have to work between MAC and PC, then format the drive EXFAT. EXFAT does not perform as well as OS X Extended on the MAC, but it works well as of OS 10.11. EXFAT also has no journaling, so be careful how you eject your drive.

Space:

Buy the most space you can afford. Don't consider anything under 500 GB.

Back-Up

Buy a cheap USB 2 drive and use this to back-up your external drive. I use Carbon Copy Cloner to make and maintain a clone of my drives.