USB Flash Tracker™

Trends for USB Flash Drive Markets

Vol. 10 No. 4 **Q4 2013**

EXECUTIVE SUMMARY–Q4/Year-End 2013

USB flash drive shipments increased to 68 million units in the fourth quarter of 2013, a change of 1%, influenced by seasonal demand. SCCG forecasts drive shipments to decline modestly in Q1/14, reflecting a shift in buying patterns. Unit shipments reached 273 million units in 2013 and are estimated to peak at 300 million units by 2016, before gradually declining.

Europe had the leading regional share in Q4/13, with 38%. The Americas was the second-largest region, with 30%; Asia/Pacific followed, with 26%; and Japan had 7%.

In Q4/13, the leading capacity segment was 16 GB, with 27%; followed by 32 GB, with 26%. Globally, average capacity changed from 23 GB in Q3/13 to 25 GB in Q4/13, an increase of slightly more than 9%. Average capacity for 2013 increased 30% over 2012.

Pricing showed a decrease in the fourth quarter, with capacity growth slowing and overall pricing in decline. The mobile market is typically a factor in supply in Q4, which influences availability and pricing for NAND in the USB flash drive markets. Online prices ranged from a low of $6 for a 2 GB drive from various Taiwan sources to more than $85 for 256 GB USB flash drives. Pricing across the regions varied, with Europe and Asia/Pacific being the most aggressive. Vendors continued to promote features for differentiation and value-add, especially in areas such as security and backup; however, these applications remained niche markets.

Global branded market leaders in Q4/13 were SanDisk–25%, Kingston–18%, Transcend–9%, Verbatim–5%, PNY–4%, H-P–4%, Sony–3%, TDK–2%, Buffalo–2%, and Imation–1%.

NAND flash chips were in better supply in the fourth quarter of 2013. Manufacturers have been trying to match demand and reduce volatility in the market, but this has not been easy. In the first quarter of 2014 it appears the demand will ease, pricing will drop, and more supply will be available for retail products like SD cards and USB flash drives.

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