

# SQL Server On-Premise vs Azure



On-Premise



SQL  
Server  
Database



SQL  
Server  
Instance



Server

Azure



Azure  
SQL  
Database



Azure SQL  
Managed  
Instance



Virtual Server

**Azure SQL Database** - A single fully-managed Platform-as-a-Service database.  
(or a set of databases sharing resources as part of an "[elastic pool](#)")

- Automatic [backups](#), [monitoring](#), [performance](#) and [index tuning](#).
- Dynamically [scale resources](#) to match varying workloads and demand.
- Automatic encryption of data [at-rest](#) (with options to encrypt data [in-use](#) too).
- [High Availability](#) (can span [separate regions](#)).
- [SQL](#) or [Azure Active Directory](#) authentication.
- No server or instance required, just [create a standalone database](#).
- Maximum database size of [4TB](#) (or [100TB](#) with hyperscale tier).
- No [linked-servers](#), cross database queries or [CLR](#).

**Azure SQL Managed Instance** - Azure SQL databases can optionally be part of an instance, with dedicated compute and storage resources.

- Maximum database size of [8TB](#).
- Closer compatibility with SQL Server, including [Manual backup](#).
- [Linked-servers](#), cross database queries and [CLR](#) are possible.
- [No server required](#).
- [Database Mail](#), [SQL Agent](#), [Extended Events](#), [Machine Learning Services](#) and [Distributed Transactions](#).
- [Security isolation](#): Private IP address, dedicated subnet inside virtual network.

**Azure Virtual Machine with SQL Server** - Create VM using Azure resources, install SQL Server on it in the same way that you would on a physical server.

- Near complete compatibility with SQL Server.
- Azure provide the hardware and storage, but you maintain the operating system. Greater flexibility, but more maintenance.
- Automated [Patching](#) and [Backup](#) available.
- Option for a failover cluster to span on-premise and Azure VM, providing a [Hybrid Disaster Recovery](#) solution.

**On-premise SQL Server** - The traditional model of server (either virtual or physical) / SQL Instance / SQL Database.  
Unlike an Azure SQL Database, you need the server and instance before you can create the database.